A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of the proposed rule change is to amend various provisions of the Minor Rule Violation Plan. The first change is to increase the summary fine for possession of a firearm or other weapon on the Exchange premises from $2500 for any offense to $5000 for any offense. In initially adopting this fine provision, the Market Performance Committee sought to attach the highest fine available as a deterrent in an effort to ensure the safety of members, Exchange staff, and guests.

The Exchange seeks to add a summary fine provision for unauthorized physical contact with the intent to cause harm or intimidate another on the Exchange premises, with summary fines of $500 for the first offense, $1000 for the second offense, and $2500 for subsequent offenses. The corresponding rule provision is Article XIV, Section 5 of the Exchange Constitution. The intent of the Market Performance Committee in adopting such a provision is to prevent member disputes from escalating to a physical confrontation.

The Exchange also seeks to add a summary fine provision for failure to comply with an appealed Floor Official ruling that stands.[3] The intent of the Market Performance Committee in adopting this provision is to ensure that rule interpretations and execution quality issues on which Floor Officials are asked to make rulings are addressed in a timely fashion for the benefit of the customer.

Finally, the Exchange seeks to amend the rule provision regarding appeals to summary fines to require filing with the Office of the General Counsel, rather than with the Surveillance Department, in an effort to provide a more efficient coordination of the appeal process.

In regard to these proposed changes, the Market Performance Committee stressed its belief that the violation of any of these fine provisions may in and of itself warrant a full disciplinary hearing, as they deal with the safety of others and the protection of customers.

The Exchange believes that the proposal is consistent with Section 6(b)(5) of the Act,[4] in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and in general, to protect investors and the public interest; and is not designed to permit unfair discrimination between customer, issuers, brokers, or dealers.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments on the proposed rule change were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within thirty-five days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which BSE consents, the Commission will:

(A) By order approve such proposed rule change or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of BSE. All submissions should refer to File No. SR–BSE–97–01 and should be submitted by June 18, 1997.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[5]

Margaret H. McFarland,

Deputy Secretary.

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[3] In conjunction with this filing the Exchange plans to file File No. SR–BSE–97–02, which will seek to amend the corresponding rule provision relating to Floor Officials.

[4] 15 U.S.C. § 78f(b)(5).

[5] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–38663; File No. SR–NSCC–97–05]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating Revision of Service Fees

May 21, 1997.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (''Act''), notice is hereby given that on April 24, 1997, the National Securities Clearing Corporation (''NSCC'') filed with the Securities and Exchange Commission (''Commission'') and on May 12, 1997, and May 15, 1997, amended the proposed rule change as described in Items I, II, and III below, which items have been prepared primarily by NSCC. The Commission is publishing this notice to solicit comments from interested persons on the proposed rule change.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change modifies NSCC's fee structure.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, NSCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. NSCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.[2]

[1] 15 U.S.C. 78s(b)(1).

[2] The Commission has modified the text of the summaries prepared by NSCC.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of this rule change is to revise the position record fee in connection with NSCC's networking service. NSCC has determined it is appropriate to reduce its fees for position records. Therefore, effective May 1, 1997, for billing in June 1997, the new fee structure will permit participating networking firms to receive position records twice a month for each account at no additional charge rather than the present once a month. The current charge for excess or extra position records will remain unchanged.[3] In connection with the revised fee structure, NSCC's procedures are updated to reflect that all participating networking firms will be permitted to receive position records from NSCC.

The proposed rule change is consistent with the requirements of Section 17A of the Act[4] and the rules and regulations thereunder because it provides for the equitable allocation of fees among NSCC's participants.

(B) Self-Regulatory Organization's Statement on Burden on Competition

NSCC does not believe that the proposed rule change will impact or impose a burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

No written comments have been solicited or received. NSCC will notify the Commission of any written comments received by NSCC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii)[5] of the Act and pursuant to Rule 19b–4(e)(2)[6] promulgated thereunder in that the proposed rule change establishes or changes a due, fee, or other charge imposed by NSCC. At any time within sixty days of the filing of such rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing also will be available for inspection and copying at the principal office of NSCC. All submissions should refer to File No. SR–NSCC–97–05 and should be submitted by June 18, 1997.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[7]

Margaret H. McFarland,

Deputy Secretary.

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BILLING CODE 8010–01–M

[3] If a networking firm requests more than 5,000 records in excess of twice its total number of subaccounts, the firm is charged $1.50 for every thousand subaccount records in excess of twice the firm's total number of subaccounts.

[4] 15 U.S.C. 78q–1.

[5] 15 U.S.C. 78s(b)(3)(A)(ii).

[6] 17 CFR 240.19b–4(e)(2).

[7] 17 CFR 200.30–3(a)(12).

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Generalized System of Preferences and Caribbean Basin Initiative; Intellectual Property Rights; Notice of Partial Withdrawal of Honduras' Benefits

AGENCY: Office of the United States Trade Representative.

ACTION: Notice of intention to recommend withdrawal of certain benefits with respect to Honduras.

SUMMARY: This notice informs the public that in light of a determination that Honduras fails to provide adequate and effective means under its laws for foreign nationals to secure, exercise, and enforce exclusive rights in intellectual property, the Trade Policy Staff Committee (TPSC) will recommend to the President that he partially withdraw duty-free treatment accorded Honduras under the Generalized System of Preferences (GSP) program and the Caribbean Basin Initiative (CBI)

Specifically, the TPSC will recommend that $5 million in combined GSP and CBI trade benefits be withdrawn. These benefits will be suspended in four months if the intellectual property rights problems discussed below are not remedied. The public will be given an opportunity to comment on the specific products to be affected.

FOR FURTHER INFORMATION CONTACT: GSP Subcommittee, Office of the United States Trade Representative, 600 17th Street, N.W., Room 518, Washington, D.C. 20508. The telephone number is (202) 395–6971.

SUPPLEMENTARY INFORMATION:

I. The GSP Program

The GSP program grants duty-free treatment to designated eligible articles that are imported from designated beneficiary developing countries. The GSP program was authorized by Title V of the Trade Act of 1974, as amended (''The Trade Act'') (19 U.S.C. 2461 *et seq.*) and was implemented by Executive Order 11888 of November 24, 1975, as modified by subsequent Executive Orders and Presidential Proclamations. Once granted, GSP benefits may be withdrawn, suspended or limited by the President with respect to any article or with respect to any country. In making this determination, the President must consider several factors, one of which is the extent to which a beneficiary country is providing adequate and effective means under its laws for foreign nationals to secure, exercise and enforce exclusive rights in intellectual property, including patents, trademarks and copyrights. 19 U.S.C. 2462(c)(5). The Caribbean Basin Economic Recovery Act contains similar requirements. 19 U.S.C. 2702(c)(9). Honduras is a beneficiary of both the GSP and CBI programs. In 1996, over $5 million of Honduran imports benefitted from GSP. In 1996 imports under CBI from Honduras were valued at approximately $160 million.

II. IRP Protection in Honduras

In June 1992 the Motion Picture Export Association of America (now renamed the Motion Picture Association) filed a petition under the GSP program alleging that Honduras had failed to provide adequate and effective copyright protection and enforcement to U.S. copyright owners. This petition dealt primarily with the unauthorized broadcasting of pirated