

with all Rule 19b-4(e) recordkeeping requirements.

The Commission also notes that certain concerns are raised when a broker-dealer is involved in both the development and maintenance of a stock index upon which a product such as PDRs or ICUs is based. The proposal requires that, in such circumstances, the broker-dealer must have procedures in place to prevent the misuse of material, non-public information regarding changes and adjustments to the index and that the index value be calculated by a third party who is not a broker-dealer. The Commission believes that these requirements should help address concerns raised by a broker-dealer's involvement in the management of such an index.

Finally, the Commission believes that the Exchange's proposal will ensure that investors have information that will allow them to be adequately apprised of the terms, characteristics, and risks of trading PDRs and ICUs. Members and member organizations will be required to provide to all purchasers of ICUs or PDRs a written description of the terms and characteristics of these securities, to include their product description in sales materials provided to customers or the public, to include a specific statement relating to the availability of the description in other types of materials distributed to customers or the public, and to provide a copy of the prospectus, when requested by a customer. The proposal also requires a member or member organization carrying an omnibus account for a non-ETP Holder, non-Equity ASAP Holder, or non-ETP Firm, to notify the non-ETP Holder, non-Equity ASAP Holder, or non-ETP Firm that execution of an order to purchase an ICU or PDR constitutes an agreement by the non-member to provide the product description to its customers.

The Commission also notes that upon the initial listing, or trading pursuant to UTP, of any PDRs or ICUs under the generic standards, the Exchange will issue a circular to its members explaining the unique characteristics and risks of this particular type of security. The circular also will note the Exchange members' prospectus or product description delivery requirements, and highlight the characteristics of purchases in a particular series of PDRs or ICUs. The circular also will inform members of these securities. The Commission believes that these requirements ensure adequate disclosure to investor about the terms and characteristics of a

particular series and is consistent with section 6(b)(5) of the Act.³²

The Commission finds good cause for approving the proposed rule change, as amended, prior to the thirtieth day after the date of publication of notice thereof in the **Federal Register** pursuant to Section 19(b)(2) of the Act. The Commission notes that the proposed rule change is based on the generic listing standards in Amex Rule 1000 *et seq.* (PDRs) and 1000A *et seq.* (Index Fund Shares), which the Commission previously approved after soliciting public comment on the proposal pursuant to Section 19(b)(1) of the Act.³³ The Commission does not believe that the proposed rule change raises novel regulatory issues that were not addressed in the Amex filing. Accordingly, the Commission believes it is appropriate to permit investors to benefit from the flexibility afforded by these new instruments by trading them as soon as possible. Accordingly, the Commission finds that there is good cause, consistent with Section 6(b)(5) of the Act,³⁴ to approve the proposal on an accelerated basis.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,³⁵ that the proposed rule change (SR-PCX-2001-14) and Amendment Nos. 1 and 2 thereto, are hereby approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.³⁶

Margaret H. McFarland,

Deputy Secretary.

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DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Aviation Proceedings, Agreements Filed During Week Ending July 6, 2001

The following Agreements were filed with the Department of Transportation under provisions of 49 U.S.C. 412 and 414. Answers may be filed within 21 days after the filing of the applications.

Docket Number: OST-2001-10051.

Date Filed: July 3, 2001.

³² 15 U.S.C. 78f(b)(5).

³³ See note 28 *supra*. The Commission notes that the PCX proposal is also based on the generic listing standards at the CHX and the CBOE. See note 11, *supra*.

³⁴ 15 U.S.C. 78s(b)(5).

³⁵ 15 U.S.C. 78s(b)(2).

³⁶ 17 CFR 200.30-3(a)(12).

Parties: Members of the International Air Transport Association.

Subject:

PTC COMP 0834 dated July 3, 2001
Mail Vote 131—Resolution 010f
Special Passenger Amending
Resolution (remove certain
exceptional cost increases adopted
at the February/November, 2000
meetings)

Intended effective date: July 15, 2001

Dorothy Y. Beard,

Federal Register Liaison.

[FR Doc. 01-18113 Filed 7-18-01; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Notice of Application for Certificates of Public Convenience and Necessity

Notice of Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart B (formerly Subpart Q) during the week ending July 6, 2001. The following Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits were filed under Subpart B (formerly Subpart Q) of the Department of Transportation's Procedural Regulations (See 14 CFR 301.201 *et seq.*). The due date for Answers, Conforming Applications, or Motions to Modify Scope are set forth below for each application. Following the Answer period, DOT may process the application by expedited procedures. Such procedures may consist of the adoption of a show-cause order, a tentative order, or in appropriate cases a final order without further proceedings.

Docket Number: OST-2001-10052.

Date Filed: July 3, 2001.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: July 24, 2001.

Description: Application of DHL Airways, Inc., pursuant to 49 U.S.C. 41102 and subpart B, requesting a renewal and an amendment of its certificate of public convenience and necessity for Route 725, Segments 1 through 6, to provide scheduled foreign air transportation of property and mail between points in the United States and points in Mexico.

Docket Number: OST-2001-10068.

Date Filed: July 6, 2001.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: July 27, 2001.

Description: Application of Amerijet International, Inc., pursuant to 49 U.S.C.