

a security, *i.e.*, market making, unless it has specified current information in its possession, such as a copy of a prospectus included in a registration statement filed under the Exchange Act, or a copy of an issuer's most recent annual report filed pursuant to Section 13 or 15(d) of the Exchange Act.

If a person seeking exempt account status is not subject to reporting requirements under the Act, the proposal would require that person to furnish to the member organization information similar to that mandated by these regulations. The financial requirements already proposed coupled with the new reporting requirements the Exchange seeks to impose are consistent with the purpose of NYSE Rule 431, which is to provide for extension of credit to financially sound customers and to minimize systemic risk to member organizations of the Exchange in that regard.

Further, the NYSE is proposing non-substantive amendments to NYSE Rule 431(e)(2)(H)(ii) to correct the paragraph notations.

Comment Received

As noted above, the Commission received one comment letter regarding the proposal, from TBMA. The commenter generally supported the proposed rule change but sought clarification concerning: (1) Whether the proposal's definition of "exempt account" supersedes the definition of "exempt account" currently contained in NYSE Rule 431(f)(2)(D)(iv), which defines "exempt accounts" for purposes of margin requirements for options on U.S. government securities; and (2) whether extensions of credit to accounts that met the \$16 million threshold for "designated" or "exempt" account status under the NYSE's existing rules at the time of the extension of credit would be "grandfathered" when the increased threshold for exempt account status becomes effective.¹⁷

The NYSE submitted a letter in response to TBMA Letter.¹⁸ The NYSE

¹⁷ Currently, NYSE Rule 431(e)(2)(C) provides a margin requirement of 5% of current market value for mortgage-related securities held in an "exempt account." For purposes of current NYSE Rule 431(e)(2)(C), an "exempt account" is defined as a member, non-member broker-dealer, "designated account," or any person having net tangible assets of at least \$16 million. In addition, NYSE Rule 431(e)(2)(F) permits a broker-dealer to collect no margin or marked to the-market losses for transaction in exempted securities made with or for designated accounts. For purposes of current NYSE Rule 431(e)(2)(F), a "designated account" includes persons with net tangible assets of \$16 million or more. See NYSE Handbook, Rule 431(e)(2)(F)/01.

¹⁸ See James E. Buck, Senior Vice President and Secretary, NYSE, to Michael Walinkas, Deputy Associate Director, Division of Market Regulation, Commission, dated April 5, 1999.

stated that: (1) The current proposal's definition of "exempt account" will not supersede the definition of "exempt account" in NYSE Rule 431(f)(2)(D)(iv); and (2) an account that met the \$16 million financial threshold for designated or exempt account status at the time of the initial extension of credit would retain its status with regard to existing credit transactions, although the proposal's increased financial threshold would apply to new credit transactions or roll-overs of existing credit extensions.

(2) Statutory Basis

The NYSE believes that the proposed rule change, as amended, is consistent with the requirements of section 6(b)(5) of the Exchange Act, which requires, among other things, that the rules of the Exchange be designed to prevent fraudulent and manipulative acts and practices, 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. Further, the NYSE believes that the proposed rule change is also consistent with the rules and regulations of the Board of Governors of the Federal Reserve System for the purpose of preventing the excessive use of credit for the purchase or carrying of securities, pursuant to section 7(a) of the Act.¹⁹

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 Exchange Act.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

Within 35 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

90 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 the self-regulatory organization consents, the Commission will by order approve such proposed rule change, or 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, including whether Amendment Nos. 1 and 2 and the Information Memo are consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. 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 Room. Copies of such filing will also be available for inspection and copying at the principal office of the NYSE. All submissions should refer to file number SR-NYSE-98-14 and should be submitted by August 4, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.²⁰

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 03-17667 Filed 7-11-03; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF STATE

[Public Notice 4400]

Determination Related to Colombian Armed Forces Under Section 564(a)(1) of Foreign Operations, Export Financing, and Related Programs Appropriations Act, Division E, Consolidated Appropriations Resolution, 2003 (Pub. L. 108-7)

Pursuant to the authority vested in me as Secretary of State, including under section 564 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, Division E, Consolidated Appropriations

¹⁹ 15 U.S.C. 78g(a).

²⁰ 17 CFR 200.30-3(a)(12).

Resolution, 2003 (Pub. L. 108-7) (the "FOAA"), I hereby determine and certify that: (A) The Commander General of the Colombian Armed Forces is suspending from the Armed Forces those members, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary organizations; (B) The Colombian Government is prosecuting those members of the Colombian Armed Forces, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary organizations; (C) The Colombian Armed Forces are cooperating with civilian prosecutors and judicial authorities in such cases (including providing requested information, such as the identity of the persons suspended from the Armed Forces and the nature and cause of the suspension, and access to witnesses and relevant military documents and other information); (D) The Colombian Armed Forces are severing links (including denying access to military intelligence, vehicles, and other equipment or supplies, and ceasing other forms of active or tacit cooperation), at the command, battalion, and brigade levels, with paramilitary organizations; (E) The Colombian Armed Forces are executing orders for capture of leaders of paramilitary organizations that continue armed conflict.

The Department of State has consulted with internationally recognized human rights organizations regarding the Colombian Armed Forces' progress in meeting the conditions contained in section 564(a)(2).

This Determination shall be published in the **Federal Register** and copies shall be transmitted to the appropriate Committees of Congress.

Dated: July 7, 2003.

Colin L. Powell,

Secretary of State, Department of State.

[FR Doc. 03-17782 Filed 7-11-03; 8:45 am]

BILLING CODE 4710-10-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE-2003-40]

Petitions for Exemption; Dispositions of Petitions Issued

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of dispositions of prior petitions.

SUMMARY: Pursuant to FAA's rulemaking provisions governing the application, processing, and disposition of petitions for exemption part 11 of Title 14, Code of Federal Regulations (14 CFR), this notice contains dispositions of certain petitions previously received. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities.

FOR FURTHER INFORMATION CONTACT:

Timothy R. Adams (202) 267-8033, Sandy Buchanan-Sumter (202) 267-7271, or Denise Emrick (202) 267-5174, Office of Rulemaking (ARM-1), Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591.

This notice is published pursuant to 14 CFR 11.85 and 11.91.

Issued in Washington, DC, on July 8, 2003.

Donald P. Byrne,

Assistant Chief Counsel for Regulations.

Dispositions of Petitions

Docket No.: FAA-2001-9369.

Petitioner: Department of Homeland Security.

Section of 14 CFR Affected: 14 CFR 91.117(a), (b), and (c), 91.119(c), 91.159(a), and 91.209(a)(1) and (b).

Description of Relief Sought: To permit the Department of Homeland Security, Bureau of Immigration and Customs Enforcement to conduct drug interdiction air support.

Grant, 06/16/2003, Exemption No. 5504D.

Docket No.: FAA-2003-14909.

Petitioner: America West Airlines.

Section of 14 CFR Affected: 14 CFR 121.356(d).

Description of Relief Sought/Disposition: To permit America West Airlines to operate two Airbus Industries A320 Airplanes, after May 1, 2003, that are not equipped with Traffic Alert and Collision Avoidance System II equipment that meets Technical Standard Order C-119b version 7.0.

Denial, 06/12/2003, Exemption No. 8071.

Docket No.: FAA-2001-9976.

Petitioner: United States Ultralight Association.

Section of 14 CFR Affected: 14 CFR 103.1(a) and (e).

Description of Relief Sought/

Disposition: To permit individuals authorized by the United States Ultralight Association to give instruction in two-place powered ultralight vehicles, including tandem powered paragliders and paraglider trikes, that have a maximum empty weight of no more than 496 pounds, have a maximum fuel capacity of not more than 10 U.S. gallons, are not capable of more than 75 knots calibrated airspeed at full power in level flight, and have a power-off stall speed that does not exceed 35 knots calibrated airspeed, subject to specific conditions and limitations.

Grant, 06/10/2003, Exemption No. 4274K

Docket No.: FAA-2003-14987.

Petitioner: Island Air, Inc.

Section of 14 CFR Affected: 14 CFR 135.143(c)(2).

Description of Relief Sought/

Disposition: To permit Island Air, Inc. to operate certain aircraft under part 135 without a TSO-C112 transponder installed in those aircraft.

Grant, 06/05/2003, Exemption No. 8070.

Docket No.: FAA-2001-9811.

Petitioner: Camera Work, Inc. d.b.a. Fly BVI, Ltd.

Section of 14 CFR Affected: 14 CFR 61.89(a)(5).

Description of Relief Sought/

Disposition: To permit Fly BVI, Ltd. student pilots to fly between Tortola, British Virgin Islands, and the airports of the U.S. Virgin Islands and Puerto Rico while fulfilling the cross-country requirements for a private pilot certificate.

Grant, 06/06/2003, Exemption No. 5796E.

Docket No.: FAA-2001-9195.

Petitioner: Helicopter Association International.

Section of 14 CFR Affected: 14 CFR 135.213(a).

Description of Relief Sought/

Disposition: To permit part 135 certificate holders that conduct helicopter emergency medical service (EMS) operations and are members of both the Helicopter Association International and the Association of Air Medical Services to conduct EMS departures under instrument flight rules in weather that is at or above visual flight rules minimums from airports or helicopters at which a weather report is not available from the U.S. National Weather Service (NWS), a source approved by the NWS, or a source approved by the administrator.