

Aviation Administration, Docket No. 97-ANM-20, 1601 Lind Avenue S.W., Renton, Washington, 98055-4056; telephone number: (425) 227-2527.

SUPPLEMENTARY INFORMATION

History

On February 25, 1998, the FAA proposed to amend Title 14, Code of Federal Regulation, part 71 (14 CFR part 71) by removing the Coppertown, MT, airspace area and revising the Livingston, MT, and Butte, MT, Class E airspace areas (63 FR 9462). This revision provides the additional airspace necessary to encompass a GPS SIAP for the Mission Field Airport, Livingston, MT. This action also corrects two errors discovered in the proposal. A spelling error and an incorrect airport name listed in the legal description are corrected herein. Interested parties were invited to participate in the rulemaking proceeding by submitting written comments on the proposal. No comments were received.

The coordinates for this airspace docket are based on North American Datum 83. Class E airspace areas extending upward from 700 feet or more above the surface of the earth are published in Paragraph 6005 of FAA Order 7400.9E, dated September 10, 1997, and effective September 16, 1997, which is incorporated by reference in 14 CFR 71.1. The Class airspace designation listed in this document will be published subsequently in the Order.

The Rule

This amendment to 14 CFR part 71 modifies Class E airspace at Livingston, MT, and Butte, MT, while also removing Class E airspace at Coppertown, MT. This action combines the Coppertown, MT, Class E airspace area with the existing Butte, MT, Class E airspace area. This combined airspace is now designated the Butte, MT, Class E airspace area. The incorrectly named Coppertown, MT, airspace does not serve an airport, has no associated town, and is solely a navigational aid located close to Butte, MT. This amendment also provides the additional airspace necessary to fully encompass the GPS-A SIAP to the Mission Field Airport, Livingston, MT. Additionally, this rule revises the common airspace boundaries where Livingston, MT, and Butte, MT, airspace areas meet in order to better distribute the airspace serving the respective airports and to provide for easier cartography. The intended effect of this rule is designed to provide safe and efficient use of the navigable airspace and to promote safe flight operations under Instrument Flight Rule

(IFR) at the Mission Field Airport and between the terminal and en route transition stages.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a Regulatory Evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, CLASS B, CLASS C, CLASS D, AND CLASS E AIRSPACE AREAS; AIRWAYS; ROUTES; AND REPORTING POINTS

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR 1959-1963 Comp., p. 389.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9E, Airspace Designations and Reporting Points, dated September 10, 1997, and effective September 16, 1997, is amended as follows:

Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

\* \* \* \* \*

ANM MT E5 Coppertown, MT [Removed]

\* \* \* \* \*

ANM MT E5 Butte, MT [Revised]

Bert Mooney Airport, Butte, MT (Lat. 45°57'17" N, long. 112°29'51" W)

That airspace extending upward from 700 feet above the surface bounded by a line beginning at lat 46°20'30"N, long 112°48'33"W; to lat 46°10'30"N, long 113°07'03"W; to lat 45°57'05"N, long

112°47'43"W; to lat. 45°51'20"N, long. 112°27'33"W; to lat. 46°03'20"N, long. 112°20'03"W; to lat. 46°18'30"N, long. 112°30'33"W; thence to point of beginning; that airspace extending upward from 1,200 feet above the surface bounded by a line beginning at lat. 45°35'00"N, long 113°05'00"W; to lat. 46°37'00"N, long. 113°05'00"W; to lat 46°37'00"N, long. 112°26'00"W; to lat. 46°16'00"N, long. 112°00'00"W; to lat. 45°35'00"N, long. 112°00'00"W; thence to point of beginning; excluding that airspace within Federal airways, and the Helena, MT, the Dillon, MT, and the Missoula, MT, Class E airspace areas.

\* \* \* \* \*

ANM MT E5 Livingston, MT [Revised]

Mission Field, Livingston, MT (Lat. 45°41'58"N, long 110°26'54"W)

That airspace extending upward from 700 feet above the surface within a 4.2-mile radius of the Mission Field Airport, and that airspace bounded by a line beginning at Lat. 45°40'30"N, long 110°15'20"W; to lat. 45°47'30"N, long. 110°15'30"W; to lat 45°47'30"N, long. 110°23'00"W; to lat. 46°02'20"N, long. 110°31'00"W; to lat. 45°58'00"N, long. 110°47'15"W; to lat. 45°38'45"N, long. 110°37'00"W; thence to point of beginning and that airspace extending upward from 1,200 feet above the surface within an area bounded by a line beginning at lat. 46°16'00"N, long 112°00'00"W; to lat. 46°37'00"N, long. 111°30'00"W; to lat 46°37'00"N, long. 110°43'00"W; to lat. 46°00'00"N, long. 112°29'00"W; to lat. 46°00'00"N, long. 109°30'00"W; to lat. 45°30'00"N, long. 109°30'00"W; to lat. 45°30'00"N, long. 112°00'00"W; thence to point of beginning; excluding that airspace within Federal airways, the Helena, MT, and the Billings, MT, Class E airspace areas.

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Issued in Seattle, Washington, on May 5, 1998.

Joe E. Gingles,

Acting Assistant Manager, Air Traffic Division, Northwest Mountain Region.

[FR Doc. 98-14169 Filed 5-27-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 232

[Release Nos. 33-7539; 34-40003; 35-26876; 39-2363; IC-23191]

RIN 3235-AG96

Adoption of Updated EDGAR Filer Manual

AGENCY: Securities and Exchange Commission.

ACTION: Final Rules.

SUMMARY: The Commission is adopting an updated edition of the EDGAR Filer Manual and is providing for its

incorporation by reference into the Code of Federal Regulations.

**EFFECTIVE DATE:** The amendment to 17 CFR part 232 (Regulation S-T) will be effective on June 1, 1998. The new edition of the EDGAR Filer Manual (Release 5.50) will be effective on June 1, 1998. The incorporation by reference of the EDGAR Filer Manual is approved by the Director of the Federal Register as of June 1, 1998.

**FOR FURTHER INFORMATION CONTACT:**

In the Office of Information Technology, Michael E. Bartell; at (202) 942-8800; for questions concerning investment company filings, Ruth Armfield Sanders, Senior Counsel, Division of Investment Management, at (202) 942-0633; and for questions concerning Corporation Finance company filings, Margaret R. Black at (202) 942-2933.

**SUPPLEMENTARY INFORMATION:** The Commission today announces the adoption of an updated EDGAR Filer Manual ("Filer Manual"), which sets forth the technical formatting requirements governing the preparation and submission of electronic filings through the Electronic Data Gathering, Analysis, and Retrieval ("EDGAR") system.<sup>1</sup> Compliance with the provisions of the Filer Manual is required in order to assure the timely acceptance and processing of filings made in electronic format.<sup>2</sup> Filers should consult the Filer Manual in conjunction with the Commission's rules governing mandated electronic filing when preparing documents for electronic submission.<sup>3</sup>

In this edition of the EDGAR System and the Filer Manual (Release 5.50), the following four EDGAR submission form types have been added for filing of profiles for certain open-end

management investment companies<sup>4</sup> pursuant to Rule 497 under the Securities Act.<sup>5</sup> 497K1, 497K2, 497K3A and 497K3B. Also, form type N-14MEF has been added for the filing of Forms N-14 pursuant to the Securities Act Rule 462(b).

In addition, Release 5.50 of EDGARLink no longer supports 1200 baud filing transmission rates, a transmission speed that was not being used by filers. Also, the number of exhibits allowed in one submission has been increased from 99 to 500; if more than 500 exhibits are attached to a single submission, the submission will not be accepted. The readme.doc file has been updated with the description of all 5.50 changes.

Rule 301 of Regulation S-T also is being amended to provide for the incorporation by reference of the Filer Manual into the Code of Federal Regulations, which incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51. The revised Filer Manual and the amendment to Rule 301 will be effective on June 1, 1998.

Paper copies of the updated Filer Manual may be obtained at the following address: Public Reference Room, U.S. Securities and Exchange Commission, Mail Stop 1-2, 450 Fifth Street, NW., Washington, DC 20549. Electronic format copies will be available on the EDGAR electronic bulletin board and posted to the SEC's Web Site. The SEC's Web Site address for the Manual is <http://www.sec.gov/asec/ofis/filerman.htm>. Copies also may be obtained from Disclosure Incorporated, the paper and microfiche contractor for the Commission, at (800) 638-8241.

Since the Filer Manual relates solely to agency procedure or practice, publication for notice and comment is not required under the Administrative Procedure Act.<sup>6</sup> It follows that the requirements of the Regulatory Flexibility Act<sup>7</sup> do not apply.

The effective date for the updated Filer Manual and the rule amendments is June 1, 1998. In accordance with the Administrative Procedure Act 5 U.S.C. 553(d)(3), the Commission finds that there is good cause to establish an effective date less than 30 days after publication of these rules. The EDGAR system is scheduled to be upgraded to

Release 5.50 on May 30, 1998. The Commission believes that it is necessary to coordinate the effectiveness of the updated Filer Manual with the scheduled system upgrade in order to avoid confusion to EDGAR filers.

**Statutory Basis**

The amendment to Regulation S-T is being adopted under Sections 6, 7, 8, 10, and 19(a) of the Securities Act,<sup>8</sup> Sections 3, 12, 13, 14, 15, 23, and 35A of the Securities Exchange Act of 1934,<sup>9</sup> Section 20 of the Public Utility Holding Company Act of 1935,<sup>10</sup> Section 319 of the Trust Indenture Act of 1939,<sup>11</sup> and Sections 8, 30, 31, and 38 of the Investment Company Act.<sup>12</sup>

**List of Subjects in 17 CFR Part 232**

Incorporation by reference, Investment companies, Registration requirements, Reporting and recordkeeping requirements, Securities.

**Text of the Amendment**

In accordance with the foregoing, Title 17, Chapter II of the Code of Federal Regulations is amended as follows:

**PART 232—REGULATION S-T—GENERAL RULES AND REGULATIONS FOR ELECTRONIC FILINGS**

1. The authority citation for part 232 continues to read as follows:

**Authority:** 15 U.S.C. 77f, 77g, 77h, 77j, 77s(a), 77sss(a), 78c(b), 78l, 78m, 78n, 78o(d), 78w(a), 78ll(d), 79t(a)m, 80a-8, 80a-29, 80a-30 and 80a-37.

2. Section 232.301 is revised to read as follows:

**§ 232.301 EDGAR Filer Manual.**

Electronic filings shall be prepared in the manner prescribed by the EDGAR Filer Manual, promulgated by the Commission, which sets out the technical formatting requirements for electronic submissions. The June 1998 edition of the EDGAR Filer Manual: Guide for Electronic Filing with the U.S. Securities and Exchange Commission (Release 5.50) is incorporated into the Code of Federal Regulations by reference, which action was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51. Compliance with the requirements found therein is essential to the timely receipt and acceptance of documents filed with or otherwise submitted to the Commission in

<sup>1</sup> The Filer Manual originally was adopted on April 1, 1993, and became effective on April 26, 1993. Release No. 33-6986 (Apr. 1, 1993) [58 FR 18638]. The most recent update to the Filer Manual was implemented on January 26, 1998. See Release No. 33-7495 (Jan. 20, 1998) [63 FR 3462].

<sup>2</sup> See Rule 301 of Regulation S-T (17 CFR 232.310).

<sup>3</sup> See Release Nos. 33-6977 (Feb. 23, 1998) [58 FR 14628], IC-19284 (Feb. 23, 1993) [58 FR 14848], 35-25746 (Feb. 23, 1993) [58 FR 14999], and 33-6980 (Feb. 23, 1993) [58 FR 15009], for a comprehensive treatment of the rules adopted by the Commission governing mandated electronic filing. See also Release No. 33-7122 (Dec. 19, 1994) [59 FR 67752], in which the Commission made the EDGAR rules final and applicable to all domestic registrants, Release No. 33-7427 (July 1, 1997) [62 FR 36450], adopting the most recent minor amendments to the EDGAR rules; and Release No. 33-7472 (Oct. 24, 1997) [62 FR 58647], in which the Commission announced that, as of January 1, 1998, it would not accept paper filings required to be filed electronically.

<sup>4</sup> See Rule 498 [17 CFR 230.498] under the Securities Act of 1933 ("Securities Act") [15 U.S.C. 77a et seq.].

<sup>5</sup> 17 CFR 230.497.

<sup>6</sup> 5 U.S.C. 601-612.

<sup>7</sup> 5 U.S.C. 553(b).

<sup>8</sup> 15 U.S.C. 77f, 77g, 77h, 77j and 77s(a).

<sup>9</sup> 15 U.S.C. 78c, 78l, 78m, 78n, 78o, 78w and 78ll

<sup>10</sup> 15 U.S.C. 79t.

<sup>11</sup> 15 U.S.C. 77sss.

<sup>12</sup> 15 U.S.C. 80a-8, 80a-29, 80a-30 and 80a-37.

electronic format. Paper copies of the EDGAR Filer Manual may be obtained at the following address: Public Reference Room, U.S. Securities and Exchange Commission, Mail Stop 1-2, 450 5th Street, NW., Washington, DC 20549. They also may be obtained from Disclosure Incorporated by calling (800) 638-8241. Electronic format copies are available through the EDGAR electronic bulletin board and posted to the SEC's Web Site. The SEC's Web site address for the Manual is <http://www.sec.gov/asec/ofis/filerman.htm>. Information on becoming an EDGAR E-mail/electronic bulletin board subscriber is available by contacting CompuServe Inc. at (800) 576-4247.

Dated: May 19, 1998.

By the commission.

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 98-13876 Filed 5-27-98; 8:45 am]

BILLING CODE 8010-01-U

## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR Part 240

[Release No. 34-40018; IC-23200; File No. S7-25-97]

RIN 3235-AH20

### Amendments To Rules On Shareholder Proposals

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Final Rule.

**SUMMARY:** The Securities and Exchange Commission ("we" or "Commission") is adopting amendments to its rules on shareholder proposals. The amendments recast rule 14a-8 into a Question & Answer Format that both shareholders and companies should find easier to follow, and make other modifications to existing interpretations of the rule. We are also amending rule 14a-4 to provide clearer ground rules for companies' exercise of discretionary voting authority, and making related amendments to rule 14a-5.

**EFFECTIVE DATE:** The amendments are effective June 29, 1998.

**FOR FURTHER INFORMATION CONTACT:** Frank G. Zarb, Jr., of Sanjay M. Shirodkar, Division of Corporation Finance, (202) 942-2900, or Doretha M. VanSlyke, Division of Investment Management, at (202) 942-0721, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

**SUPPLEMENTARY INFORMATION:** The Commission is adopting amendments to

rules 14a-8,<sup>1</sup> 14a-4,<sup>2</sup> and 14a-5<sup>3</sup> under the Securities Exchange Act of 1934 (the "Exchange Act").<sup>4</sup>

### I. Executive Summary

With modifications, we are adopting some of the amendments to our rules on shareholder proposals that we initially proposed on September 18, 1997.<sup>5</sup> As explained more fully in this release, we modified our original proposals based on our consideration of the more than 2,000 comment letters we received from the public.<sup>6</sup>

Our proposed changes evoked considerable public controversy, as have our earlier efforts to reform these rules. Some shareholders and companies expressed overall support for our proposals.<sup>7</sup> Certain of our proposals, however, were viewed as especially controversial, and generated strong comments in favor, as well as heavy opposition.<sup>8</sup>

The amendments adopted today:

- Recast rule 14a-8 into a Question & Answer format that is easier to read;
- Reverse the *Cracker Barrel* no-action letter on employment-related proposals raising social policy issues;
- Adopt other less significant amendments to rule 14a-8; and
- Amend rule 14a-4 to provide shareholders and companies with clearer guidance on companies' exercise of discretionary voting authority.

These reforms, in our view, will help to improve the operation of the rules governing shareholder proposals and will address some of the concerns raised by shareholders and companies over the last several years on the operation of the proxy process.

We have decided not to adopt other elements of our original proposals, due

<sup>1</sup> 17 CFR 240.14a-8.

<sup>2</sup> 17 CFR 240.14a-4.

<sup>3</sup> 17 CFR 240.14a-5.

<sup>4</sup> 15 U.S.C. 78a *et seq.*

<sup>5</sup> See our Proposing Release, Exchange Act Release No. 29093 (Sept. 18, 1997) [62 Fed. Reg. 50682].

<sup>6</sup> The comment letters are available for inspection and copying in the Commission's Public Reference Room in file number S7-25-97. Comments that were submitted electronically are available on the Commission's website ([www.sec.gov](http://www.sec.gov)).

<sup>7</sup> See, e.g., Comment Letters From Teachers Insurance and Annuity Assoc./College Retirement Equities Fund, Nov. 19, 1997 ("TIAA-CREF Letter"); California Public Employees' Retirement System, Nov. 10, 1997 ("CALPERS Letter"); American Society of Corporate Secretaries, Dec. 8, 1997 ("ASCS Letter"); the Business Roundtable, Dec. 9, 1997 ("BRT Letter"); Barclays Global Investors, Dec. 4, 1997; Geogeson & Company Inc., Dec. 31, 1997 ("Geogeson Letter").

<sup>8</sup> See, e.g., New York City Employees Retirement System, Nov. 5, 1997 ("NYCERS Letter"); Interfaith Center on Corporate Responsibility, Dec. 23, 1997 ("ICCR Letter"); American Bar Ass'n, Dec. 23, 1997 ("ABA Letter"); Labor Policy Ass'n, Nov. 17, 1997 ("LPA Letter").

in part to strong concerns expressed by commenters. We are not adopting our original proposals to increase the percentage of the vote a proposal needs before it can be resubmitted in future years;<sup>9</sup> to streamline the exclusion for matters considered irrelevant to corporate business;<sup>10</sup> or to modify our administration of the rule that permits companies to exclude proposals that further personal grievances or special interests.<sup>11</sup> We are also not adopting the proposed "override" mechanism that would have permitted 3% of the shareownership to override a company's decision to exclude proposals under certain of the bases for exclusion set forth under Question 9 of amended rule 14a-8.<sup>12</sup>

Some of the proposals we are not adopting share a common theme: to reduce the Commission's and its staff's role in the process and to provide shareholders and companies with a greater opportunity to decide for themselves which proposals are sufficiently important and relevant to the company's business to justify inclusion in its proxy materials. However, a number of commenters resisted the idea of significantly decreasing the role of the Commission and its staff as informal arbiters through the administration of the no-action letter process. Consistent with these views, commenters were equally unsupportive of fundamental alternatives to the existing rule and process that, in different degrees, would have decreased the Commission's overall participation.

While we have tried to provide the most fair, predictable, and efficient system possible, these rules, even as amended, will continue to require us to make difficult judgments about interpretations of proposals, the motives of those submitting them, and the policies to which they relate. We will continue to explore ways to improve the process as opportunities present themselves.

### II. Plain-English Question & Answer Format

We had proposed to recast rule 14a-8 into a more plain-English Question & Answer format.<sup>13</sup> We are adopting that proposal, and the amended rule will be

<sup>9</sup> See paragraph (12) under Question 9, formerly rule 14a-8(c)(12) [17 CFR 240.14a-8(c)(12)].

<sup>10</sup> Paragraph (5) under Question 9, former rule 14a-8(c)(5) [17 CFR 240.14a-8(c)(5)].

<sup>11</sup> Paragraph (4) under Question 9, former rule 14a-8(c)(4) [17 CFR 240.14a-8(c)(4)].

<sup>12</sup> The mechanism had been included in Paragraph 10 of rule 14a-8 as proposed to be amended. See Proposing Release.

<sup>13</sup> Unless specifically indicated otherwise, none of these revisions are intended to signal a change in our current interpretations.