

and C below, of the most significant aspects of such statements.

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

1. Purpose

Effective September 13, 2000, the PCX began implementing a plan that imposes a marketing fee on PCX market makers to provide a source of payment to order flow providers.³ Pursuant to the plan, the PCX collects a fee from market makers and makes the funds available to Lead Market Makers ("LMMs") for their use in attracting orders in the options traded at their trading posts. Each LMM determines the distribution of the funds in whatever manner it believes is most likely to attract orders. The PCX has assessed this fee and distributed the proceeds according to the directions of the LMMs, and has found that excess fee proceeds remain in the fund after distribution.

Therefore, the PCX proposes to rebate to market makers, on a quarterly basis, the amount of marketing fees that have not been paid to order flow providers. The amount to be refunded to each market maker would be based on the percentage of the total marketing charges the market maker paid at each trading post during the rebate time period. The market maker's percentage of the total marketing charges at each trading post would then be multiplied by the rebate amount. For example, if a market maker contributed 5% of the total marketing charges at a particular trading post during the rebate time period, the market maker would receive 5% of that post's overall rebate amount for the rebate time period. The rebate for each market maker would be paid directly to the market maker's clearing firm.

3. Basis

The PCX believes that this proposal is consistent with and furthers the objectives of the Act, including specifically section 6(b)(5)⁴ thereof, which requires that the rules of an exchange be designed to remove impediments to and perfect the mechanism of a free and open market and a national market system, and section 11A(a)(1)⁵ therefore, which reflects the finding of Congress that it is in the public interest and appropriate for the protection of investors and the

maintenance of fair and orderly markets to assure fair competition among brokers and dealers and among exchange markets.

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

The PCX 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. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is 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 the filing will also be available for inspection and copying at the principal office of the PCX. All submissions should refer to File No. SR-PCX-01-08 and should be submitted by April 11, 2001.

IV. Commission Findings and Order Granting Accelerated Approval of the Proposed Rule Change

After careful review, the Commission finds that the proposed rule change is consistent with the Act, particularly section 6(b)(5) of the Act,⁶ and the rules and regulations under the Act applicable to a national securities exchange. The Commission believes that the proposed rebate program is an appropriate way to distribute excess marketing fee proceeds that the PCX has collected from market makers but that the LMMs have not distributed.

Accordingly, the Commission finds that the proposed rule change is consistent with the requirement of section 6(b)(5) of the Act that the rules of an Exchange be designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market, and to protect investors and the public interest. The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice of the proposal in the **Federal Register**. The Commission believes that the PCX's proposed rebate program is the logical extension of its payment for order flow program (SR-PCX-00-30), which became effective upon filing.⁷ Moreover, the PCX's rebate program is very similar to a payment for order flow rebate program that is currently being administered at the Phlx.⁸

It is Therefore Ordered, pursuant to section 19(b)(2) of the Act,⁹ that the proposed rule change (SR-PCX-01-08) be, and hereby is, approved on an accelerated basis.¹⁰

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹¹

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-6950 Filed 3-20-01; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3321]

State of Michigan

Genesee County and the contiguous counties of Lapeer, Livingston, Oakland, Saginaw, Shiawassee, and Tuscola constitute a disaster area due to damages caused by severe storms and flooding that occurred on February 9-10, 2001. Applications for loans for physical damage as a result of this disaster may be filed until the close of business on May 14, 2001 and for economic injury until the close of business on December 14, 2001 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308.

⁷ See Securities Exchange Act Release No. 43290, n. 3 above.

⁸ See Securities Exchange Act Release No. 44021 (February 28, 2001), 66 FR 13823 (March 7, 2001) (SR-Phlx-01-14).

⁹ 15 U.S.C. 78s(b)(2).

¹⁰ In approving the proposal, the Commission has considered the rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

¹¹ 17 CFR 20.30-3(a)(12).

³ See Securities Exchange Act Release No. 43290 (September 13, 2000), 65 FR 57213 (September 21, 2000) (SR-PCX-00-30).

⁴ 15 U.S.C. 78f(b)(5).

⁵ 15 U.S.C. 78k-1(a)(1).

⁶ 15 U.S.C. 78f(b)(5).

The interest rates are:

	Percent
For Physical Damage:	
Homeowners with credit available elsewhere	7.000
Homeowners without credit available elsewhere	3.500
Businesses with credit available elsewhere	8.000
Businesses and non-profit organizations without credit available elsewhere	4.000
Others (including non-profit organizations) with credit available elsewhere	7.000
For Economic Injury:	
Businesses and small agricultural cooperatives without credit available elsewhere	4.000

The number assigned to this disaster for physical damage is 332111. The number assigned to this disaster for economic injury is 9K9700.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008.)

Dated: March 12, 2001.

John Whitmore,

Acting Administrator.

[FR Doc. 01-6953 Filed 3-20-01; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34014]

Canadian National Railway Company— Trackage Rights Exemption—Bangor and Aroostook Railroad Company and Van Buren Bridge Company

Bangor and Aroostook Railroad Company (BAR) and Van Buren Bridge Company (VBBC), pursuant to a written trackage rights agreement to be entered into between BAR, VBBC and Canadian National Railway Company (CNR), will grant limited local trackage rights to CNR over BAR's track between milepost 0.0 at Madawaska, ME, and milepost 22.72 at Canadian Junction, ME, and over VBBC's track between milepost 0.0 at Canadian Junction and milepost 0.31 at the United States-Canada border, a total distance of approximately 23.03 miles. CNR will also acquire trackage rights over a short distance of VBBC's line in Canada to reach a connection with an existing CNR line in St. Leonard, New Brunswick, Canada.¹

¹ CNR's acquisition of trackage rights over VBBC's line in Canada is not subject to the Board's jurisdiction.

The transaction is scheduled to be consummated on or shortly after March 14, 2001.

This transaction is related to a simultaneously filed notice of exemption in STB Finance Docket No. 34015, *Waterloo Railway Company—Acquisition Exemption—Bangor and Aroostook Railroad Company and Van Buren Bridge Company*, wherein Waterloo Railway Company would acquire from BAR and VBBC, pursuant to a negotiated agreement the parties were in the process of executing, a nonexclusive freight operating easement over the same 23.03 miles of rail line.

The trackage rights will allow CNR to directly access a specified shipper in Madawaska, thus providing that shipper with enhanced rail service options.

CNR agrees to, and affected United States employees will be protected by, imposition of the employee conditions established in *Norfolk and Western Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Ry., Inc.—Lease and Operate*, 360 I.C.C. 653 (1980).

This notice is filed under 49 CFR 1180.2(d)(7). If it contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34014, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on William C. Sippel, Esq., Fletcher & Sippel LLC, Two Prudential Plaza, Suite 3125, 180 North Stetson Avenue, Chicago, IL 60601-6721.

Board decisions and notices are available on our website at <http://www.stb.dot.gov>.

Decided: March 14, 2001.

By the Board, David M. Konschnik,
Director, Office of Proceedings.

Vernon A. Williams,
Secretary.

[FR Doc. 01-7020 Filed 3-20-01; 8:45 am]

BILLING CODE 4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34015]

Waterloo Railway Company— Acquisition Exemption—Bangor and Aroostook Railroad Company and Van Buren Bridge Company

Waterloo Railway Company (WRC),¹ a Class III rail carrier, has filed a notice of exemption under 49 CFR 1150.41 to acquire, pursuant to a negotiated agreement the parties were in the process of executing, a nonexclusive freight operating easement over a line of railroad of Bangor and Aroostook Railroad Company (BAR) between milepost 0.0 at Madawaska, ME, and milepost 22.72 at Canadian Junction, and Van Buren Bridge Company (VBBC)² between milepost 0.0 at Canadian Junction and milepost 0.31 at the United States-Canada border, a total distance of approximately 23.03 miles (Madawaska Line).³ WRC certifies that its projected annual operating revenues will not exceed \$5 million.

This transaction is related to a simultaneously filed notice of exemption in STB Finance Docket No. 34014, *Canadian National Railway Company—Trackage Rights Exemption—Bangor and Aroostook Railroad and Van Buren Bridge Company*, wherein CNR will enter into a trackage rights agreement with BAR and VBBC permitting CNR to conduct limited local trackage rights operations over the Madawaska Line. It is not presently expected that WRC will

¹ WRC is a wholly owned direct subsidiary of Illinois Central Railroad Company (IC), and IC is, in turn, a wholly owned, indirect subsidiary of CNR. See *Canadian National Railway Company, Grand Trunk Corporation and Grand Trunk Western Railroad Incorporated—Control—Illinois Central Corporation, Illinois Central Railroad Company, Chicago, Central and Pacific Railroad Company, and Cedar River Railroad Company*, STB Finance Docket No. 33556, Decision No. 37 (STB served May 25, 1999).

² VBBC is a wholly owned subsidiary of BAR. See *Iron Road Railways Incorporated, Benjamin F. Collins, John F. DePodesta, Daniel Sabin, and Robert T. Schmidt—Control Exemption—Bangor and Aroostook Railroad Company, Canadian American Railroad Company, Iowa Northern Railway Company and The Northern Vermont Railroad Company Incorporated*, STB Finance Docket No. 32982, and *Iron Road Railways Incorporated and Bangor and Aroostook Acquisition Corporation—Control Exemption—Bangor and Aroostook Railroad Company and Canadian American Railroad Company*, Finance Docket No. 32657 (STB served Sept. 12, 1996).

³ The transaction will include a similar easement with respect to the remainder of VBBC's line in Canada, extending to the connection with Canadian National Railway Company (CNR) in St. Leonard, New Brunswick, Canada. That portion of the transaction is not subject to the Board's jurisdiction.