

gross haircuts calculated for all options market maker and JBO participant accounts, in aggregate, is attributable to options market maker transactions. A JBO clearing firm conducting a primary options market maker business must include the gross deductions calculated for all JBO participant accounts in its ration of gross options market maker deductions to adjusted net capital.

Further, each JBO clearing member shall adjust its net worth daily by deducting any deficiency between a JBO participant's account equity and the proprietary haircut calculated pursuant to Rule 15c3-1 for the positions maintained in the JBO account. As previously referenced, each clearing member which maintains JBO accounts must require and maintain equity of \$1,000,000 for each JBO participant, over all related funds. The clearing member is required to issue a margin call if the JBO participant's account equity falls below the \$1,000,000 threshold. Finally, each JBO clearing member will be required to establish and maintain written ownership standards for JBO accounts.¹¹ The clearing member also must develop risk analysis standards which are acceptable to the Exchange.

Margin Requirements. The Exchange proposes to revise Exchange Rule 722, Margin Accounts, to permit a member organization to carry the accounts of JBO participants on a good faith margin basis. The JBO accounts must comply with the requirements established in Regulation T, Section 220.11,¹² and Exchange Rule 703, as modified above. JBO participants must maintain equity of at least \$1,000,000 in their accounts. If the equity falls below \$1,000,000, the JBO clearing firm must issue a margin call for additional funds or securities which must be satisfied within 5 business days.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6 of the Act,¹³ in general, and

¹¹ The Exchange will not require JBO clearing members to establish ownership standards that meet any minimum guidelines in addition to the rules of the Exchange. As a result, clearing members will possess the discretion to develop the ownership criteria governing their JBO accounts. However, should the Exchange learn of any inappropriate ownership standards through its audit and surveillance activities, the Exchange will move to correct the impropriety. Telephone conversation between Michele R. Weisbaum, Vice President and Associate General Counsel, Exchange, and Michael L. Loftus, Attorney, Division of Market Regulation, Commission (November 26, 1997).

¹² 12 CFR 220.11.

¹³ 15 U.S.C. 78f.

with Section 6(b)(5),¹⁴ in particular, in that it is designed 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 to protect investors and the public interest. The Exchange further believes that the proposed rule change is designed to ensure the reasonableness of JBO arrangements in accordance with the FRB's directive in its recent amendments to Regulation T.

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

The Exchange does not believe the proposed rule change will impose any inappropriate burden on competition.

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

The Exchange did not solicit or receive written comments with respect to 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 Exchange consents, the Commission will:

(A) by order approved 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 submissions, 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 persons, other than those that may be withheld from

¹⁴ 15 U.S.C. 78f(b)(5).

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 the Exchange. All submissions should refer to File No. SR-Phlx-97-56 and should be submitted by January 7, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁵

Margaret H. McFarland,
Deputy Secretary.

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BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

Greater Washington Investments, Inc.; Notice of Surrender of License

Notice is hereby given that Unco Ventures, Ltd. (Unco), 520 Post Oak Blvd., Suite 130, Houston, TX 77027-9405, has surrendered its license to operate as a small business investment company under the Small Business Investment Act of 1958, as amended (the Act). Unco was licensed by the Small Business Administration on September 30, 1988.

Under the authority vested by the Act and pursuant to the Regulations promulgated thereunder, the surrender was acted on this date, and accordingly, all rights, privileges and franchises derived therefrom have been terminated

(Catalog of Federal Domestic Assistance Program No. 59.11, Small Business Investment Companies)

Dated: December 8, 1997.

Don A. Christensen,

Associate Administrator for Investment.

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BILLING CODE 8025-01-M

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Modification of the Tariff-Rate Import Quota for Certain Cheeses From Hungary

AGENCY: Office of the United States Trade Representative.

ACTION: Modification of the Harmonized Tariff Schedule of the United States.

SUMMARY: This document modifies Additional U.S. Notes 21 and 25 to

¹⁵ 17 CFR 200.30-3(a)(12).