

market volatility, which should prevent the transfer of market volatility to the Phlx. Thus, the Exchange believes that the proposal represents a reasonable effort and coordinated means to address potential strain on the market that may develop should the Exchange become inundated with such orders.

III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b).¹³ Specifically, the Commission believes that the proposal is consistent with the Section 6(b)(5)¹⁴ requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, and, in general, to protect investors and the public interest.¹⁵

The Exchange represents that proposed Rule 134 should prevent the migration of stop orders from the primary markets to the Exchange in the case of extraordinary market volatility, which should prevent the transfer of market volatility to the Phlx. The Commission believes that, by preventing the entry of stop and stop limit orders on the Phlx when such orders are prohibited on the primary market, the proposal may help to alleviate market volatility during times of market stress. As a result, the Commission finds that it is reasonable for the Exchange to ban the entry of stop and stop limit orders when the primary Exchange has issued a ban on such orders. In determining to approve the proposal, the Commission notes that, as amended, the proposed rule is substantially similar to the rules of the Boston Stock Exchange regarding stop and stop limit order bans.¹⁶

Regarding the use of account identifiers for PACE users, the Commission finds that the proposed identification codes may help to prevent fraudulent and manipulative acts by improving the accuracy and efficiency of audit trail information. Specifically, the Commission believes that the use of identifier codes should facilitate surveillance investigations by clearly identifying a members' own proprietary trading. In addition, more accurate audit trail information should increase the effectiveness of the

Exchange's automated surveillance procedures and provide Exchange staff with a more comprehensive reconstruction of trading activity. Accordingly, the Commission finds that the proposed mandatory use of audit trail identifiers for orders sent through PACE is reasonable and consistent with the Act.

The Commission finds good cause for approving Amendment No. 4 prior to the thirtieth day after the date of publication of notice in the **Federal Register**. Amendment No. 4 simply eliminates references to stop and stop limit order bans pursuant to NYSE Rule 80A. As noted above, NYSE Rule 80A has been amended and no longer requires stop and stop limit order bans. As a result, the amendment does not raise any significant regulatory issues. Accordingly, the Commission finds good cause, consistent with Sections 6(b)(5)¹⁷ and 19(b)(2)¹⁸ of the Act, to approve Amendment No. 4 to the proposed rule change on an accelerated basis.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning Amendment No. 4, including whether Amendment No. 4 is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-0609. 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 Phlx. All submissions should refer to File No. SR-PHLX-98-43 and should be submitted by August 16, 2000.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁹ that the proposed rule change (SR-PHLX-98-43) as amended, is approved and Amendment No. 4 to the proposed rule

change is approved on an accelerated basis.

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

Jonathan G. Katz,
Secretary.

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BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3271]

State of Minnesota; Amendment #2

In accordance with a notice from the Federal Emergency Management Agency, dated July 12, 2000, the above-numbered Declaration is hereby amended to establish the incident period for this disaster as beginning on May 17, 2000 and continuing through July 12, 2000.

All other information remains the same, *i.e.*, the deadline for filing applications for physical damage is August 29, 2000 and for economic injury the deadline is March 30, 2001.

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

Dated: July 14, 2000.

Allan I. Hoberman,
Acting Associate Administrator for Disaster Assistance.

[FR Doc. 00-18838 Filed 7-25-00; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

Region V Advisory Council Meeting; Public Meeting

The Midwestern States, Regulatory Fairness Board will hold a public hearing on September 11, 2000, 10:00 a.m., at Rock Valley College, Performing Art Center, located at 3301 North Mulford Road, Rockford, Illinois to receive comments and testimony from small businesses and representatives of trade associations concerning regulatory enforcement or compliance actions taken by federal agencies. Transcripts of these proceedings will be posted on the Internet. These transcripts are subject only to limited review by the National Ombudsman. For further information, call Elestine Harvey (312) 353-1744.

Bettie Baca,

Counselor to the Administrator/Public Liaison.

[FR Doc. 00-18840 Filed 7-25-00; 8:45 am]

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¹³ 15 U.S.C. 78f(b).

¹⁴ 15 U.S.C. 78f(b)(5).

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

¹⁶ See *supra* note 8.

¹⁷ 15 U.S.C. 78f(b)(5).

¹⁸ 15 U.S.C. 78s(b)(2).

¹⁹ 15 U.S.C. 78s(b)(2).

²⁰ 17 CFR 200.30-3(a)(12).