

member organizations to bolster the examinations function. Specifically, pursuant to Section 19(g)(1) of the Act,<sup>3</sup> self-regulatory organizations ("SROs") are required to enforce member compliance with the provisions of the Act and the SRO's own rules. Conducting cycle examinations of member firms for whom they are DEA is one method used by SROs to assess such compliance. Currently, the Phlx conducts examinations of its member firms on a periodic basis. The type of business a firm conducts is determinate of the interval between examinations as to any one particular firm. For example, the Phlx may examine specialist firms and proprietary trading firms annually, floor brokerage firms once every other year and ROTs once every three years. If a Phlx member would change its business operations, the change may affect the examination cycle for that particular firm. Further, new business operations often trigger both subtle changes in various regulatory requirements as well as larger issues of applicability of new provisions and obligations of which a firm may not be aware.

As stated above, the proposed rule change would require any member or member organization operating as a specialist, floor broker, and/or ROT and whose DEA is the Phlx, to notify, in writing, the Phlx Examinations Department of any change in its business operations which would cause it to be subject to additional or modified net capital requirements. The Examinations Department could then adjust the examination cycle as to the particular firm, as well as to advise such firm of new reporting and net capital requirements, if applicable. This information will also assist the Examinations Department in better focusing its examinations.

The Exchange believes that the proposed rule change should facilitate more efficient and effective periodic and systematic assessment of its member firms' compliance with the Act, consistent with its mandate under Section 19(g) of the Act.

## 2. Statutory Basis

The Phlx believes that the proposal is consistent with Section 6 of the Act,<sup>4</sup> in general, and furthers the objectives of Section 6(b)(1) of the Act<sup>5</sup> in particular, in that it is designed to ensure that Phlx is so organized and has the capacity to be able to carry out the purposes of the Act and to comply, and to enforce

compliance by its members and persons associated with its members, with the provisions of the Act, the rules and regulations thereunder, and the rules of the Phlx. The proposed rule change is also consistent with Section 6(b)(5) of the Act,<sup>6</sup> in that it is designed to ensure member firm compliance with federal securities laws and the rules of the Phlx, which should protect investors and the public interest.

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

The Phlx does not believe that 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*

No written comments were either solicited or received.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>7</sup> and Rule 19b-4(f)(6) thereunder<sup>8</sup> because the rule change will become operative 30 days after the date of filing with the Commission, and because this proposal: (i) Does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) the Exchange provided written notice to the Commission with a brief description and the text of the proposed rule change on July 12, 2000. At any time within 60 days of this filing, the Commission may summarily abrogate this proposal if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

## IV. Solicitation of Comments

Interested persons are invited to submit written data, view 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 at the Commission's Public Reference Room, 450 Fifth Street, NW., Washington, DC. 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-00-47 and should be submitted by December 12, 2000.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>9</sup>

**Margaret H. McFarland,**  
Deputy Secretary.

[FR Doc. 00-29713 Filed 11-20-00; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43558; File No. SR-Phlx-00-85]

### Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 by the Philadelphia Stock Exchange, Inc. Relating to Equity Option Transaction Charges For Broker-Dealers and Firms

November 14, 2000.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on November 3, 2000, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the amended proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange.<sup>1</sup> On October 4, 2000, the Phlx filed the original proposed rule change. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Phlx, pursuant to Rule 19b-4 of the Act, proposes to adopt a \$.20 equity

<sup>9</sup> 17 CFR 200.03-3(a)(12).

<sup>1</sup> See Amendment No. 1 dated November 2, 2000 from Cynthia K. Hoekstra, Philadelphia Stock Exchange to Madge M. Hamilton, Esq., Division of Market Regulation, SEC ("Amendment No. 1"). This release incorporates all changes made in Amendment No. 1.

<sup>3</sup> See 15 U.S.C. 78s(g)(1).

<sup>4</sup> 15 U.S.C. 78f.

<sup>5</sup> 15 U.S.C. 78f(b)(1).

<sup>6</sup> 15 U.S.C. 78f(b)(5).

<sup>7</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>8</sup> 17 CFR 240.19b-4(f)(6).

option transaction charge on off-floor members for broker-dealer transactions, as defined herein, including a related definition of "firm/proprietary" for the purpose of the Summary of Equity Option Charges that appears in the Exchange's schedule of dues, fees and charges.<sup>2</sup>

A copy of the text of the Summary of Equity Option Charges may be obtained from the Exchange or the Commission.

## II. Self-Regulatory Organization's Statements of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in section A, B, 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

Currently, the Exchange imposes a transaction charge on equity options transactions executed on the Exchange. The charges vary depending on whether the transaction involves a firm, Registered Options Trader ("ROT") or specialist. Previously, equity option transaction charges were also imposed on customer executions, but on August 31, 2000, the Exchange eliminated all equity option transaction charges for customer executions.<sup>3</sup> Other exchanges also eliminated similar customer equity option fees.<sup>4</sup>

To offset the elimination of the customer equity option transaction and comparison charges, the Exchange proposes to impose a fee on its members of \$.20 per contract for all off-floor

broker-dealer orders routed to the Exchange. This category would include ROTs who are trading from off-floor and broker-dealer routing orders through firm, customer or market maker accounts carried by a member clearing firm, but not firm/proprietary orders, as defined below. All other equity option transaction charges will remain unchanged. Thus, the purpose of the proposal is to offset the recently waived equity option customer charges.

For purposes of the equity option transaction charge, the term broker-dealer charge is defined as a charge that is applied to members for orders, entered from other than the floor of the Exchange, for any account (i) in which the holder of beneficial interest is a member of non-member broker-dealer or (ii) in which the holder of beneficial interest is a person associated with or employed by a member or non-member broker-dealer. This includes orders for the account of an ROT entered from off-floor. The Exchange believes the proposed fee is reasonable and equitable, as the next-highest equity option transaction charge is \$.19 for ROTs (\$.16 transaction charge + \$.03 comparison charge) and \$.18 per contract for specialists. Thus, the proposed \$.20 fee is only slightly higher.

Because the proposed \$.20 fee does not apply to firm orders, (which may otherwise be captured in the proposed broker-dealer definition), the Exchange proposes a corresponding change to the definition of firm for purposes of the firm/proprietary comparison and transaction charges that would now limit these fees to a certain category of firm trades—firm/proprietary trades. According to the proposal, a firm/proprietary transaction or comparison charge applies to members for orders for the proprietary account of any member or non-member broker-dealer that derives more than 35 percent of its annual, gross revenues from commissions and principal transactions with customers. Firms will be required to verify this amount to the Exchange by certifying that they have reached this threshold and by submitting a copy of their annual report, which was prepared in accordance with Generally Accepted Accounting Principles ("GAAP"). In the event that a firm has not been in business for one year, the most recent quarterly reports, prepared in accordance with GAAP, will be accepted. This definition applies to both the option comparison charge and the transaction charge, and would appear on the summary of equity option charges as a footnote. Currently, a definition of "firm" does not appear on

the summary. In addition, the footnote text that reads "(Non-clearing firm members' proprietary transactions are eligible for the "firm" rate based upon submission of a Phlx rebate request form with supportive documentation within thirty (30) days of invoice date.)" will be deleted as it is no longer necessary now that the category of broker-dealer is specifically included in the option transaction charge.

#### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act in general and furthers the objectives of Section 6(b)(4) of the Act, in particular, by providing for the equitable allocation of reasonable dues, fees and other charges among members and other Exchange participants. The Exchange believes that the proposed increase in the Equity Option transaction charge for broker-dealers is not unreasonable, as stated above. In addition, the Exchange notes that members will be charged the same option transaction charge for trades on behalf of both member and non-member broker-dealers trading off the floor (including ROTs trading from off-floor) of the Exchange. The Exchange emphasizes that only members/member organizations are billed transaction fees, whether for their own trading or their customers.

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

The Phlx does not believe that 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

No written comments were either solicited or received.

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

The foregoing proposed rule change has been designated as a fee change pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(2) thereunder. Accordingly, the proposal will take effect upon filing of Amendment No. 1 with the Commission. At any time within 60 days of the filing of Amendment No. 1, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

<sup>2</sup> Equity Option Charges are comprised of the Option Comparison charge, Option Transaction charge, Option Floor Brokerage Assessment and the Floor Brokerage Transaction Fee.

<sup>3</sup> See Securities Exchange Act Release No. 43343 (SR-Phlx-00-80) (September 26, 2000), 65 FR 59243 (October 4, 2000).

<sup>4</sup> See Securities Exchange Act Release No. 42676 (SR-AMEX-00-15) (April 13, 2000), 65 FR 21223 (April 20, 2000); Securities Exchange Act Release No. 42850 (SR-CBOE-00-06) (May 30, 2000), 65 FR 36187 (June 7, 2000); and Securities Exchange Act Release No. 43115 (SR-PCX-00-16) (August 3, 2000), 65 FR 49280 (August 11, 2000). See also Securities Exchange Act Release No. 43020 (SR-PCX-00-14) (July 10, 2000), 65 FR 44558 (July 18, 2000).

#### IV. 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 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-00-85 and should be submitted by December 12, 2000.

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

**Margaret H. McFarland,**  
Deputy Secretary.

[FR Doc. 00-29747 Filed 11-20-00; 8:45 am]

BILLING CODE 8010-01-M

#### SMALL BUSINESS ADMINISTRATION

##### Data Collection Available for Public Comments and Recommendations

**ACTION:** Notice and request for comments.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, this notice announces the Small Business Administration's intentions to request approval on a new, and/or currently approved information collection.

**DATES:** Submit comments on or before January 22, 2001.

**ADDRESSES:** Send all comments regarding whether this information collection is necessary for the proper performance of the function of the agency, whether the burden estimate is accurate, and if there are ways to minimize the estimated burden and enhance the quality of the collection, to Harriet Fredman, Deputy Assistant Administrator, Office of Women Business Ownership, Small Business Administration, 409 3rd Street, SW., Suite 4400.

**FOR FURTHER INFORMATION CONTACT:** Harriet Fredman, Deputy Assistant Administrator, 202-205-6673 or Curtis B. Rich, Management Analyst, (202) 205-7030.

**SUPPLEMENTARY INFORMATION:** *Title:* Mentoring Programs that work, Women's Network for Entrepreneurial Training (WNET).

*Form No's:* 2031, 2031A, 2031B, 2013C, 2031D, 2031E, 2031F, 2031G.

*Description of Respondents:* SBA's Women's Business Ownership Representatives.

*Annual Responses:* 10,000.

*Annual Burden:* 2,000.

**ADDRESSES:** Send all comments regarding whether these information collections are necessary for the proper performance of the function of the agency, whether the burden estimate is accurate, and if there are ways to minimize the estimated burden and enhance the quality of the collections, to Carol Fendler, System Accountant, Office of Investment Division, Small Business Administration, 409 3rd Street, SW., Suite 6300.

**FOR FURTHER INFORMATION CONTACT:** Carol Fendler, System Accountant, 202-205-7559 or Curtis B. Rich, Management Analyst, (202) 205-7030.

**SUPPLEMENTARY INFORMATION:** *Title:* Request for information concerning Portfolio Financing

*Form No:* 857.

*Description of Respondents:* SBIC Investment Companies.

*Annual Responses:* 2,160.

*Annual Burden:* 2,160.

*Title:* Financial Institution

Confirmation Form.

*Form No:* 860.

*Description of Respondents:* SBIC Investment Companies

*Annual Responses:* 750.

*Annual Burden:* 750.

**Jacqueline White,**

Chief, Administrative Information Branch.

[FR Doc. 00-29825 Filed 11-20-00; 8:45 am]

BILLING CODE 8025-01-U

#### SMALL BUSINESS ADMINISTRATION

##### Notice of Sale of Business and Disaster Assistance Loans

**AGENCY:** Small Business Administration.

**ACTION:** Notice of Sale of Business and Disaster Assistance Loans—Loan Sale #3.

**SUMMARY:** This notice announces the Small Business Administration's ("SBA") intention to sell approximately 19,200 secured and unsecured business and disaster assistance loans,

(collectively referred to as the "Loans"). This is SBA's third sale in its Asset Sales Program and the second sale that includes disaster assistance loans, which includes both business and consumer loans. The total unpaid principal balance of the Loans is approximately \$1.15 billion (U.S.). SBA previously guaranteed some of the Loans under various sections of the Small Business Act, as amended, 15 U.S.C. 631 *et seq.* or the Small Business Investment Act, as amended, 15 U.S.C. 695 *et seq.* Any SBA guarantees that might have existed at one time have been paid and no SBA guaranty is available to the successful bidders in this sale. The majority of the loans were originated from and are serviced by SBA. The collateral for the secured Loans includes commercial and residential real estate and other businesses and personal property located nationwide. This notice also summarizes the bidding process for the Loans.

**DATES:** The Bidder Information Package will be available to qualified bidders beginning on or about October 3, 2000. The Bid Date is scheduled for December 5, 2000, and closings are scheduled to occur between December 15, 2000 and December 29, 2000. These dates are subject to change at SBA's discretion.

**ADDRESSES:** Bidder Information Packages will be available to qualified bidders from SBA's Transaction Financial Advisor, Hanover Capital Partners Ltd. ("Hanover"). Bidder Information Packages will only be made available to parties that have submitted a completed Confidentiality Agreement and Bidder Qualification Statement and have demonstrated that they are qualified bidders. The Confidentiality Agreement and Bidder Qualification Statement are available on the SBA Website at [www.sba.gov/assets/sale3.html](http://www.sba.gov/assets/sale3.html) or by calling (877) 457-6754. The completed Confidentiality and Bidder Qualification Statement should be sent to the attention of Kathryn Merk, SBA Loan Sale 3, by fax, at (732) 572-5959 and mailed, to Hanover Capital Partners Ltd., 100 Metroplex Drive, Suite 301, Edison, NJ 08817.

The Due Diligence Facility is scheduled to open on or about October 3, 2000 and close on or about December 4, 2000. These dates are subject to change at SBA's discretion.

**FOR FURTHER INFORMATION CONTACT:** Margaret L. Hawley, Program Manager, Small Business Administration, 409 Third Street, SW, Washington, DC 20416; 202-401-8234. This is not a toll free number. Hearing or speech-impaired individuals may access this