

routed by the AOF to the specialist's book.

The Amex proposes to amend Commentary .02 under Amex Rule 933 to increase the maximum AUTO-EX order size eligibility for equity and index option contracts orders from seventy-five to one hundred contracts. The proposed increase in permissible order size will be implemented on a case-by-case basis for an individual option class or for all option classes when two floor governors or senior floor officials deem such as increase appropriate. Currently, the Amex posts applicable quote size parameters on its web page. Generally, these parameters provide that displayed quotes are for twenty contracts for equity options and for thirty contracts for index options and are set on a class-by-class basis. However, pursuant to Amex Rule 958A, the order size for AUTO-EX will remain at ten contracts for equity and index options, or such larger size currently in effect and as indicated on the Amex's web page.<sup>10</sup>

The Amex represents that it has sufficient systems capacity to accommodate implementation of the proposed increase in permissible order size and that AUTO-EX has been extremely successful in enhancing execution and operational efficiencies during emergency situations and during other non-emergency situations for certain options classes. The Amex believes that permitting automatic executions of orders for up to one hundred contracts will enhance its overall operational efficiency and give the Amex better means of competing with other options exchanges for order flow.

### III. Discussion

After careful review, the Commission finds that the PCX and the Amex proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange and, in particular, the requirements of Section 6 of the Act.<sup>11</sup> Among other provisions, Section 6(b)(5) of the Act requires that the rules of an exchange be designed to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating securities

<sup>10</sup> Amex Rule 958A, referred to as the "Firm Quote Rule," requires Exchange specialists to sell/buy at least ten contracts at the offer/bid which is displayed when a buy/sell order reaches the trading post where the option class is located for trading.

<sup>11</sup> The Commission has considered the proposed rule's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

transactions; remove impediments to and perfect the mechanism of a free and open market and a national market system; and protect investors and the public.<sup>12</sup>

While increasing the maximum order size limit from seventy-five to one hundred contracts for automatic execution eligibility by itself does not raise concerns under the Act, the Commission believes that this increase raises collateral issues that the PCX and the Amex, respectively, will need to monitor and address. Increasing the maximum order size for particular options classes will make a larger number of option orders eligible for the PCX and the Amex's automatic execution systems. These orders may benefit from greater speed of execution, but at the same time create greater risks for market maker participants. Market makers signed onto the PCX's Auto-Ex and the Amex's AUTO-EX systems will be exposed to the financial risks associated with larger-sized orders being routed through the system for automatic execution at the displayed price. When the market for the underlying security changes rapidly, it may take a few moments for the related option's price to reflect that change. In the interim, customers may submit orders that try to capture the price differential between the underlying security and the option. The larger the orders accepted through each automatic execution system, the greater the risk market makers must be willing to accept. The Commission does not believe that, because the PCX's OFTC determines to approve orders as large as one hundred contracts as eligible for Auto-Ex, the OFTC or any other PCX committee or officials should disengage Auto-Ex more frequently by, for example, declaring a "fast" market. Similarly, the Commission does not believe that, because Amex floor governors and senior floor officials determine to approve orders as large as one hundred contracts as eligible for AUTO-EX, those officials or any other Amex officials or Amex committee should disengage AUTO-EX more frequently, for example, by declaring a "fast" market. Disengaging the PCX's or the Amex's automatic execution system can negatively affect investors by making it slower and less efficient to execute their option orders. It is the Commission's view that the PCX and the Amex, when increasing the maximum size of orders that can be sent through their respective automatic execution systems, should not disadvantage all customers—the vast majority of whom enter orders for less

<sup>12</sup> 15 U.S.C. 78f(b)(5).

than one hundred contracts—by making their automatic execution systems less reliable.

### IV. Conclusion

For the foregoing reasons, the Commission finds that the proposed rule changes are consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with Section 6(b)(5).<sup>13</sup>

*It Is Therefore Ordered*, pursuant to Section 19(b)(2) of the Act,<sup>14</sup> and the proposed rule changes (SR-PCX-00-18 and SR-Amex-00-57) are approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>15</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 01-2814 Filed 2-1-01; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43898; File No. SR-PCX-01-02]

### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Pacific Exchange, Inc. Relating to Electronic Mail Accounts

January 29, 2001.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on January 3, 2001, the Pacific Exchange, Inc. ("PCX" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. Amendment No. 1 to the proposed rule change was filed on January 5, 2001. Amendment No. 2 to the proposed rule change was filed on January 16, 2001.<sup>3</sup> The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

<sup>13</sup> *Id.*

<sup>14</sup> 14 U.S.C. 78s(b)(2).

<sup>15</sup> 17 CFR 200.30-3(a)(12).

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

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> In Amendment Nos. 1 and 2, the PCX changed the filing number by withdrawal and re-filing, and corrected numbering and captions in the text of the proposed rule change. See letters from Hasan Abedi, Attorney, PCX, to Andrew Shipe, Attorney, Division of Market Regulation, Commission, dated January 4, 2001 and January 12, 2001 ("Amendment Nos. 1 and 2").

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

The Exchange is proposing to adopt new rules requiring all members and member organizations to establish with the Exchange an Internet electronic mail account. Below is the text of the proposed rule change. New text is in *italics*.

\* \* \* \* \*

### Pacific Exchange, Inc.

#### Rules of the Board of Governors

\* \* \* \* \*

#### Rule 1

##### Memberships

##### ¶ 3083 Electronic Mail Address

*Rule 1.13 Each member organization must maintain with the PCX an Internet electronic mail account for communication with the PCX. Each member organization must update its member firm contact information via the electronic mail account or such other means as prescribed by the PCX. The PCX will use the electronic mail account to provide member organizations with regulatory bulletins, rule adoption notices, and other official notices.*

\* \* \* \* \*

#### Rules of the Board of Directors of PCX Equities, Inc.

\* \* \* \* \*

#### Rule 2

##### Equity Trading Permits and Equity ASAPS

##### ¶ 7904Y Electronic Mail Address

*Rule 2.26 Each ETP Holder, Equity ASAP Holder and ETP Firm must maintain with the PCX Equities, Inc. ("PCXE") an Internet electronic mail account for communication with the PCXE. Each ETP Holder, Equity ASAP Holder and ETP Firm must update firm contact information via the electronic mail account or such other means as prescribed by the PCXE. The PCXE will use the electronic mail account to provide ETP Holders, Equity ASAP Holders and ETP Firms with regulatory bulletins, rule adoption notices, and other official notices.*

\* \* \* \* \*

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

In its filing with the Commission, the PCX 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 sections 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

The proposed rule promotes Internet use by the Exchange and its member organizations<sup>4</sup> as a communication tool. As proposed, the rule would require each member organization to acquire and maintain an Internet electronic mail address. The electronic mail account will be used to provide member organizations with regulatory bulletins, rule adoption notices, and other official notices. The proposed rule will allow for a more convenient and efficient manner of communication than the current mail system. Use of this electronic mail account will facilitate timely communication between the Exchange and its members, more rapid distribution of Exchange information, and reduction or elimination of printed publications. The Commission has approved a similar rule filing submitted by the National Association of Securities Dealers, Inc. ("NASD").<sup>5</sup> In the order approving the NASD filing, the Commission stated that use of the Internet as a business tool is expanding rapidly.<sup>6</sup> The Commission also stated that the Internet is recognized as an efficient and cost-effective means of communication in the business world.<sup>7</sup>

#### 2. Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>8</sup> in general, and furthers the objectives of Section 6(b)(5),<sup>9</sup> in particular, in that it is designed to promote just and equitable principles of trade, prevent fraudulent and manipulative acts and practices,

<sup>4</sup> As used herein, the term "member organization" will be synonymous with Equity Trading Permit Holder ("ETP Holder"), Equity Automated Systems Access Privileges Holder ("Equity ASAP Holder") and Equity Trading Permit Firm ("ETP Firm") under the proposed new rule for PCX Equities, Inc. Telephone conversation between Hassan Abedi, Attorney, PCX, and Andrew Shipe, Attorney, Division of Market Regulation, SEC, January 12, 2001.

<sup>5</sup> See Securities Exchange Release Act No. 39958 (May 5, 1998), 63 FR 26240 (May 12, 1998).

<sup>6</sup> *Id.* at 26241.

<sup>7</sup> *Id.* at 26241.

<sup>8</sup> 15 U.S.C. 78f(b).

<sup>9</sup> 15 U.S.C. 78f(b)(5).

and protect investors and the public interest by allowing for a more efficient and convenient manner of communication with member organizations.

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

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

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

The foregoing rule change shall become operative 30 days after the date of filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest pursuant to Section 19(b)(3)(A)(iii) of the Act,<sup>10</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>11</sup> At any time within 60 days of the filing of such proposed rule change, 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.

## IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change, as amended, 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

<sup>10</sup> 15 U.S.C. 78s(3)(A)(iii).

<sup>11</sup> 17 CFR 240.19b-4(f)(6).

available for inspection and copying at the principal office of the PCX. All submissions should refer to File No. SR-PCX-01-02 and should be submitted by February 23, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>12</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 01-2848 Filed 2-1-01; 8:45 am]

**BILLING CODE 8010-01-M**

## SMALL BUSINESS ADMINISTRATION

### Reporting and Recordkeeping Requirements Under OMB Review

**AGENCY:** Small Business Administration.

**ACTION:** Notice of reporting requirements submitted for OMB review.

**SUMMARY:** Under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35), agencies are required to submit proposed reporting and recordkeeping requirements to OMB for review and approval, and to publish a notice in the **Federal Register** notifying the public that the agency has made such a submission.

**DATES:** Submit comments on or before March 5, 2001. If you intend to comment but cannot prepare comments promptly, please advise the OMB Reviewer and the Agency Clearance Officer before the deadline.

**Copies:** Request for clearance (OMB 83-1), supporting statement, and other documents submitted to OMB for review may be obtained from the Agency Clearance Officer.

**ADDRESSES:** Address all comments concerning this notice to: Agency Clearance Officer, Jacqueline White, Small Business Administration, 409 3rd Street, SW., 5th Floor, Washington, DC 20416; and OMB Reviewer, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

**FOR FURTHER INFORMATION CONTACT:** Jacqueline White, Agency Clearance Officer, (202) 205-7044.

#### SUPPLEMENTARY INFORMATION:

*Title:* Statement of Personal History.  
*No:* 1081.

*Frequency:* On Occasion.

*Description of Respondents:* Certified Development Companies.

*Annual Responses:* 300.

*Annual Burden:* 75.

**Jacqueline White,**

*Chief, Administrative Information Branch.*

[FR Doc. 01-2871 Filed 2-1-01; 8:45 am]

**BILLING CODE 8025-01-U**

## SMALL BUSINESS ADMINISTRATION

### National Small Business Development Center Advisory Board; Public Meeting

The U.S. Small Business Administration National Small Business Development Center Advisory Board will hold a public meeting on Monday, March 5, 2001, from 9 a.m. to 5 p.m. at the Crystal City Gateway Hotel, Crystal City, Virginia to discuss such matters as may be presented by members, staff of the U.S. Small Business Administration, or others present.

For further information, please write or call Ellen Thrasher, U.S. Small Business Administration, 409 Third Street, SW., Fourth Floor, Washington, DC 20416. Telephone number (202) 205-6817.

**Nancyellen Gentile,**

*Committee Management Officer.*

[FR Doc. 01-2872 Filed 2-1-01; 8:45 am]

**BILLING CODE 8025-01-P**

## SOCIAL SECURITY ADMINISTRATION

### Agency Information Collection Activities: Proposed Request and Comment Request

In compliance with Public Law 104-13, the Paperwork Reduction Act of 1995, SSA is providing notice of its information collections that require submission to the Office of Management and Budget (OMB). SSA is soliciting comments on the accuracy of the agency's burden estimate; the need for the information; its practical utility; ways to enhance its quality, utility and clarity; and on ways to minimize burden on respondents, including the use of automated collection techniques or other forms of information technology. (SSA Address)

Social Security Administration,  
DCFAM, Attn: Frederick W.  
Brickenkamp, 1-A-21 Operations  
Bldg., 6401 Security Blvd.,  
Baltimore, MD 21235  
(OMB Address)

Office of Management and Budget,  
OIRA, Attn: Desk Officer for SSA,  
New Executive Office Building,  
Room 10230, 725 17th St., NW.,  
Washington, DC 20503

I. The information collections listed below will be submitted to OMB within

60 days from the date of this notice. Therefore, comments and recommendations regarding the information collections would be most useful if received by the Agency within 60 days from the date of this publication. Comments should be directed to the SSA Reports Clearance Officer at the address listed at the end of this publication. You can obtain a copy of the collection instruments by calling the SSA Reports Clearance Officer on (410) 965-4145, or by writing to him at the address listed at the end of this publication.

1. Function Report—Adult—0960-0603. Form SSA-3373-TEST is used by the Social Security Administration (SSA) to record the claimant's description of his or her impairment-related limitations and ability to function. The respondents are Applicants for Title II (Old-Age, Survivors and Disability Insurance) and Title XVI (Supplemental Security Income) benefits.

*Number of Responses:* 7,000.

*Frequency of Response:* 1.

*Average Burden Per Response:* 30.

*Estimated Annual Burden:* 3,500.

1. Physical Residual Functional Capacity Assessment; Mental Residual Functional Capacity Assessment—0960-0431. The information collected on form SSA-4734 is needed by SSA to assist in the adjudication of disability claims involving physical and/or mental impairments. The form assists the State DDS to evaluate impairment(s) by providing a standardized data collection format to present findings in a clear, concise and consistent manner. The respondents are State DDSs administering title II and title XVI disability programs.

*Number of Responses:* 1,130,772.

*Frequency of Response:* 1.

*Average Burden Per Response:* 20 minutes.

*Estimated Annual Burden:* 376,924 hours.

3. Modified Benefit Formula Questionnaire-Foreign Pension—960-0561. The information collected on form SSA-308 is used by SSA to determine exactly how much (if any) of the foreign pension may be used to reduce the amount of the Social Security retirement or disability benefit under the modified benefit formula. The respondents are applicants for Social security retirement/disability benefits.

*Number of Responses:* 50,000.

*Frequency of Response:* 1.

*Average Burden Per Response:* 10 minutes.

*Estimated Annual Burden:* 8,333 hours.

II. The information collections listed below have been submitted to OMB for

<sup>12</sup> 17 CFR 200.30-3(a)(12).