

Amendments No. 1,³ No. 2,⁴ and No. 3,⁵ on December 18, 2003, March 15, 2004, and April 23, 2004, respectively. The proposed rule change, as amended, was published for comment in the **Federal Register** on May 19, 2004.⁶ The Commission received no comment letters on the proposal. This order approves the proposed rule change, as amended.

The Commission finds that the proposed rule change, as amended, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange⁷ and, in particular, the requirements of Section 6 and Section 15 of the Act.⁸ Specifically, Section 6(c)(3)(A) of the Act provides that a national securities exchange may deny membership to, or condition the membership of, a registered broker-dealer if any natural persons associated with the broker or dealer do not meet the standards of training, experience and competence as are prescribed by the rules of the exchange.⁹ Moreover, Section 15(b)(7)(C) of the Act provides that the Commission may rely on the registered securities associations and national securities exchanges to "require registered brokers and dealers and persons associated with such brokers and dealers to pass tests administered by or on behalf of any such association or exchange."¹⁰ To further the goals of Section 15(b)(7) of the Act, the Commission in 1993 adopted Rule 15b7-1,¹¹ which prohibits registered broker-dealers from effecting any transaction in, or inducing the purchase or sale of, any security unless any natural person associated with such broker or dealer who effects or is involved in effecting such transaction is registered or approved in accordance with the standards of training, experience, competence, and other

qualification standards (including but not limited to submitting and maintaining all required forms, paying all required fees and passing any required examinations) established by the rules of any national securities exchange of which such broker or dealer is a member.

The Commission believes that the Exchange should be able to maintain the integrity and competency of securities industry personnel in its market under the proposed rule change. The proposed rule change will extend the time period when a former member of the PCX or another self-regulatory organization ("SRO") may have taken an examination from two years to five years if the applicant has been a member of an SRO within six months of the application date for Exchange membership. In addition, the proposal allows the Membership Committee to waive the examination requirement if the Committee believes the applicant is qualified based upon the applicant's industry experience, the type of registration requested, the previous history of the applicant with the PCX and any other examinations the applicant has successfully completed that may be considered acceptable substitutes.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹² that the proposed rule change and Amendments No. 1, 2, and 3 thereto (File No. SR-PCX-2003-51) are approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹³

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 04-15156 Filed 7-2-04; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49933; File No. SR-PCX-2004-57]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Pacific Exchange, Inc. Relating to the System Phase-In of PCX Plus

June 28, 2004.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 28, 2004, the Pacific Exchange, Inc.

("Exchange" or "PCX") 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 PCX. 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

PCX proposes to amend PCX Rule 6.90, governing PCX Plus, in order to extend the system phase-in period from June 30, 2004 until December 31, 2004.

Below is the text of the proposed rule change. Proposed new language is italicized; proposed deletions are in brackets.

* * * * *

Rule 6—Options Trading

* * * * *

PCX Plus

Rule 6.90(a)—No Change.

(b) System Phase-In and Applicability of the Rules. The PCX estimates that the rules applicable to PCX Plus will be implemented gradually on an issue-by-issue basis beginning October 6, 2003, and will become completely operative and applicable to all options issues by [June 30, 2004] *December 31, 2004*. At that time, the rules relating to PCX Plus will supercede existing rule that are inapplicable to the new trading environment.

(c)—(h)—No change.

* * * * *

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 PCX 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 Exchange proposes to amend PCX Rule 6.90(b) governing the PCX Plus

³ See Letter from Steven B. Maitlin, Regulatory Policy, PCX, to Nancy Sanow, Assistant Director, Division of Market Regulation ("Division"), Commission, dated December 17, 2003 ("Amendment No. 1").

⁴ See Letter from Steven B. Maitlin, Regulatory Policy, PCX, to Nancy Sanow, Assistant Director, Division, Commission, dated March 12, 2004 ("Amendment No. 2").

⁵ See Letter from Steven B. Maitlin, Regulatory Policy, PCX, to Nancy Sanow, Assistant Director, Division, Commission, dated April 22, 2004 ("Amendment No. 3").

⁶ See Securities Exchange Act Release No. 49681 (May 11, 2004), 69 FR 75010.

⁷ In approving this proposed rule change, the Commission has considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁸ 15 U.S.C. 78f and 78o.

⁹ 15 U.S.C. 78f(c)(3)(A).

¹⁰ 15 U.S.C. 78o(b)(7)(C).

¹¹ 17 CFR 240.15b7-1.

¹² 15 U.S.C. 78s(b)(2).

¹³ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

system³ phase-in date. PCX Plus is the Exchange's electronic order delivery, execution and reporting system for designated option issues through which orders and Quotes with Size⁴ are consolidated for execution and/or display. The trading system includes an electronic communications network that enables registered Market Makers to enter orders/Quotes with Size and execute transactions from remote locations or the trading floor. As proposed, the Exchange seeks to extend the date by which it expects to have PCX Plus completely operative and applicable to all options issues from June 30, 2004 until December 31, 2004. The Exchange represents that this extension is warranted in order to afford the PCX sufficient time to address any capacity issues the system may have as a result of phasing in issues currently traded on the Exchange and adding new issues to be traded on the Exchange.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b)⁵ of the Act, in general, and furthers the objectives of Section 6(b)(5),⁶ in particular, in that it is designed to facilitate transactions in securities, to promote just and equitable principles of trade, to enhance competition and to protect investors and the public interest.

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

The Exchange does not believe that the proposed rule change will impose any inappropriate burden on competition that is not necessary 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. 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)(iii) of the Act⁷ and subparagraph (f)(3) of Rule 19b-4⁸

³ Securities Exchange Act Release No. 47838 (May 13, 2003), 68 FR 27129 (May 19, 2003) (order approving PCX Plus).

⁴ See PCX Rule 6.1(b)(33) (definition of Quotes with Size).

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

⁷ 15 U.S.C. 78f(b)(3)(A)(iii).

⁸ 17 CFR 240.19b-4(f)(3).

thereunder because it is concerned solely with the administration of the Exchange. 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 is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-PCX 2004-57 on the subject line.

Paper Comments

- Send paper comments in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609.

All submissions should refer to File Number SR-PCX 2004-57. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make

available publicly. All submissions should refer to File Number SR-PCX 2004-57 and should be submitted on or before July 27, 2004.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 04-15191 Filed 7-2-04; 8:45 am]

BILLING CODE 8010-01-P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3588]

State of Louisiana; Amendment #1

In accordance with a notice received from the Department of Homeland Security—Federal Emergency Management Agency, effective June 24, 2004, the above numbered declaration is hereby amended to include Jefferson Davis Parish as a disaster area due to damages caused by severe storms and flooding occurring on May 12 through May 19, 2004.

In addition, applications for economic injury loans from small businesses located in the contiguous parishes of Beauregard, Calcasieu, and Cameron in the State of Louisiana may be filed until the specified date at the previously designated location. All other counties contiguous to the above named primary parishes have been previously declared.

All other information remains the same, *i.e.*, the deadline for filing applications for physical damage is August 9, 2004, and for economic injury the deadline is March 8, 2005.

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

Dated: June 24, 2004.

Herbert L. Mitchell,

Associate Administrator for Disaster Assistance.

[FR Doc. 04-15165 Filed 7-2-04; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

Notice; Small Business Administration Interest Rates

The Small Business Administration publishes an interest rate called the optional "peg" rate (13 CFR 120.214) on a quarterly basis. This rate is a weighted average cost of money to the government for maturities similar to the average SBA direct loan. This rate may be used as a base rate for guaranteed fluctuating interest rate SBA loans. This

⁹ 17 CFR 200.30-3(a)(12).