

change, the Commission may summarily abrogate such action 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 proposal 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. 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 at 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the NYSE. All submissions should refer to File No. SY-NYSE-99-07 and should be submitted by April 1, 1999.

For the Commission, by the Division of Market Regulation, pursuant to the delegated authority.<sup>7</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-6047 Filed 3-10-99; 8:45 am]

BILLING CODE 8010-01-M

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41136; File No. SR-Phlx-00-02]

#### Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Philadelphia Stock Exchange, Inc., Relating to Changing the Required Minimum Value Size for an Opening Transaction in FLEX Equity Options

March 3, 1999.

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

19, 1999, the Philadelphia Stock Exchange, Inc. ("Phlx" 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 self-regulatory organization. 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 proposes to amend Exchange Rule 1079 to change the required minimum value size for an opening transaction in any FLEX equity option series which has no open interest to the lesser of 250 contracts or the number of contracts overlying \$1 million of the underlying securities. Below is the text of the proposed rule change. Deletions are in brackets; additions are italicized.

Rule 1079.

(a)(1)-(7) No change.

(8) Minimum size—

(A) Opening—If there is no open interest in the particular series when an RFQ<sup>3</sup> is submitted, the minimum size of an RFQ is:

(i) \$10 million underlying equivalent value, respecting FLEX market index options, and \$5 million underlying equivalent value respecting FLEX industry options; and

(ii) [250 contracts, respecting FLEX equity options;] *the lesser of 250 contracts or the number of contracts having \$1 million of underlying equivalent value, with respect to FLEX equity options.*

\* \* \* \* \*

#### 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 Phlx 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 Phlx 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 is proposing to change the minimum value size for opening transactions, other than FLEX Quotes responsive to a FLEX Request for Quotes, in any FLEX equity option series in which there is no open interest at the time the Request for Quotes is submitted. Currently, Exchange Rule 1079 states that the minimum value size for these opening transactions shall be 250 contracts. The Exchange is proposing to amend this rule to change the minimum value size for these transactions to the lesser of 250 contracts or the number of contracts overlying \$1 million of the underlying securities.

The Exchange is proposing this change because it believes the current rule is unduly restrictive. The rule was originally put in place to limit participation in FLEX equity options to sophisticated, high net worth individuals.<sup>4</sup> The Exchange believes, however, that limiting participation in FLEX equity options based solely on the number of contracts purchased may diminish liquidity and trading interest in FLEX equity options on higher priced equities. The Exchange believes the value of the securities underlying the FLEX equity options is an equally valid restraint as the number of contracts and, if set at the appropriate limit, can also prevent the participation of investors who do not have adequate resources. In fact, the limitation on the minimum value size for opening transactions in FLEX market index options and FLEX industry index options is tied to the same type of standard, the underlying equivalent value.<sup>5</sup> The Exchange believes the number of contracts overlying \$1 million in underlying securities is adequate to provide the requisite amount of investor protection. An opening transaction in a FLEX equity option series on a stock priced at \$40.01 or more would reach this \$1 million limit before it would reach the contract size limit, *i.e.*, 250 contracts times the multiplier (100) times the stock price (\$40.01) totals \$1,000,250 in underlying value.

Currently, an investor can purchase 250 contracts in a FLEX equity series on lower priced stocks, meeting the minimum requirement without reaching

<sup>4</sup> Securities Exchange Act Release No. 37691 (September 17, 1996), 61 FR 50060 (September 24, 1996) (adopting SR-Phlx-96-38).

<sup>5</sup> See Exchange Rule 1079(a)(8)(A)(i).

<sup>7</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> Exchange Rule 1079(a)(7) defines an RFQ as a Request-for-Quote.

an underlying equivalent value of \$1 million. For example, a purchase of FLEX equity options overlying a \$10 stock is permitted although the underlying value for the options would be \$250,000, *i.e.*, 250 contracts times the multiplier (100) times the stock price (\$10). Conversely, under the proposed amendment, a participant could open a new FLEX equity option series overlying a \$110 stock with a trade of 91 contracts or more since the underlying equivalent value would be \$1,001,000.

## 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the objectives of Section 6(b) of the Act,<sup>6</sup> in general, and furthers the objectives of Section 6(b)(5),<sup>7</sup> in particular, in that it is designed to promote just and equitable principles of trade, prevent fraudulent and manipulative acts and practices, 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, as well as to 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

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 Phlx consents, the Commission will:

(A) by order approve 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, 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, N.W., Washington, D.C. 20549. 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 in Washington, D.C. 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-99-02 and should be submitted by April 1, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>8</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-6045 Filed 3-10-99; 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 April 12, 1999. 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, S.W., 5th Floor, Washington, D.C. 20416; and OMB Reviewer, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, D.C. 20503.

**FOR FURTHER INFORMATION CONTACT:** Jacqueline White, Agency Clearance Officer, (202) 205-6629.

### SUPPLEMENTARY INFORMATION:

*Title:* "HUBZone Empowerment Contracting Program Application."  
*Form No:* 2103.

*Frequency:* On Occasion.

*Description of Respondents:* SBA Businesses Seeking Certification as Qualified HUBZone Small Business Concern.

*Annual Responses:* 20,000.

*Annual Burden:* 20,000.

Dated: March 4, 1999.

**Jacqueline White,**

*Chief, Administrative Information Branch.*  
[FR Doc. 99-6010 Filed 3-10-99; 8:45 am]

BILLING CODE 8025-01-U

---

## SMALL BUSINESS ADMINISTRATION

[Declaration of Economic Injury Disaster #9B15]

### State of Alabama (And Contiguous Counties in Tennessee and Georgia)

Jackson County and the contiguous counties of De Kalb, Madison, and Marshall in the State of Alabama; Franklin, Lincoln, and Marion Counties in Tennessee; and Dade County, Georgia constitute an economic injury disaster loan area as a result of a natural gas explosion that occurred on January 22, 1999 in the City of Bridgeport. Eligible small businesses and small agricultural cooperatives without credit available elsewhere may file applications for economic injury assistance as a result of this disaster until the close of business on December 1, 1999 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308.

The interest rate for eligible small businesses and small agricultural cooperatives is 4 percent.

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

<sup>7</sup> 15 U.S.C. 78(b)(5).

<sup>8</sup> 17 CFR 200.30-3(a)(12).