

believes implementation of the proposed pricing procedures is consistent with the provisions of Section 6(b) (5) of the Act which, among other things, requires that an exchange have rules that are designed to remove impediments to and perfect the mechanism of a free and open market, and, in general, to protect investors and the public interest.⁴

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

The Exchange believes the proposed rule change will impose no burden on competition that is not necessary or appropriate 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

The Exchange has neither solicited nor received written comments.

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

Within 35 days of the 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 self-regulatory organization consents, the Commission will:

- (A) By order approve the 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. 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 at the Commission's Public Reference Section, 450 Fifth Street, N.W.,

Washington, D.C. 20549. Also, copies of such filing will be available for inspection and copying at the principal office of the NYSE. All submissions should refer to File No. SR-NYSE-96-33 and should be submitted by March 12, 1997.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁵

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 97-4050 Filed 2-18-97; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-38273; File No. SR-PSE-96-45]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment Thereto by the Pacific Stock Exchange Incorporated Relating to the Exchange's Lead Market Maker Options Book Pilot Program

February 12, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder² notice is hereby given that on December 10, 1996, the Pacific Stock Exchange Incorporated ("PSE" 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 Exchange filed an amendment to the proposed rule change on February 4, 1997.³ 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 PSE is proposing to modify its Lead Market Maker ("LMM") Book Pilot Program under which PSE LMMs may assume operational responsibility for the options public limit order book ("Book") in certain option issues. The Exchange is proposing to expand the scope of the program to allow for more LMMs to participate, and to allow a

greater number of option issues to be eligible under the Program.

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 self-regulatory organization 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 self-regulatory organization 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

On October 11, 1996, the Commission approved and Exchange proposal to adopt a one-year pilot program under which some LMMs are permitted to manage the Book function in certain designated issues.⁴ Under the pilot, the approved LMMs manage the Book function, take responsibility for trading disputes and errors, set rates for Book execution, and pay the Exchange a fee for systems and services.⁵ The program allows LMMs to have greater control over their operations on the Exchange floor by allowing them, among other things, to set their own rates for execution services provided to customers.

Under the pilot as approved by the Commission, the program is limited to no more than three LMMs and no more than forty option symbols in total,⁶

⁴ See Securities Exchange Act Release No. 37810 (October 11, 1996), 61 FR 54481 ("Pilot Approval Order").

⁵ More specifically, under the rule changes approved by the Commission, LMMs may perform all functions of the Order Book Official ("OBO") in designated issues pursuant to rules 6.51 through 6.59. In that regard, the Exchange will allow the LMM to utilize Exchange personnel to assist the LMM in performing the OBO function, and the Exchange will charge the LMM a reasonable fee for such use of Exchange personnel. If the program is made permanent, LMMs would be responsible for hiring and maintaining their own employees, but the Exchange would provide employees to assist LMMs when necessary due to market conditions. In all cases, however, employees working in the Book operation will be subject to all rules, policies, and procedures established by the Exchange. With regard to their duties as market makers, LMMs would be required to perform all obligations provided in Rules 6.35 through 6.40 and 6.82.

⁶ Each option issue typically has only one symbol associated with it, unless LEAPs are traded on that issue, in which case there usually would be two additional symbols related to the issue, or unless a contract adjustment is necessary due, for example,

Continued

⁴ 15 U.S.C. 78f(b)(5).

⁵ 17 C.F.R. 200.30-3(a) (12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The PSE filed an amendment ("Amendment No. 1") clarifying the maximum number of Lead Market Makers and options symbols that would participate in the expanded Lead Market Maker Book Pilot Program. See Letter from Michael D. Pierson, Senior Attorney, Regulatory Policy, PSE, to Janet Russell-Hunter, Special Counsel, Office of Market Supervision, Division of Market Regulation, Commission, dated February 3, 1997.

during a one-year pilot phase. However, the Exchange is now proposing a modest expansion of the pilot program to allow for up to nine LMMs and up to 150 options symbols.⁷

The LMMs who participate during the pilot phase are selected by the Options Floor Trading Committee based on certain designated factors.⁸ Approved LMMs must maintain "minimum net capital," as provided in Rule 15c3-1 under the Act,⁹ and also must maintain a cash or liquid asset position of at least \$500,000, plus \$25,000 for each issue over five issues for which they perform the function of an OBO. Only multiply-traded option issues are eligible during the pilot phase.

The Exchange believes that the proposal is consistent with Section 6(b) of the Act, in general, and Section 6(b)(5), in particular, in that it is designed to facilitate transactions in securities, to promote just and equitable principles of trade, 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 burden on competition that is not necessary or appropriate 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

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 self-regulatory organization 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.

to a merger or stock split, in which case one additional symbol usually would be added.

⁷ Amendment No. 1, *supra* note 3.

⁸ See Pilot Approval Order, *supra* note 4.

⁹ 17 CFR 240.15c3-1.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. 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 Section, 450 Fifth Street, N.W., Washington, D.C. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to File No. SR-PSE-96-45 and should be submitted by March 12, 1997.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97-4049 Filed 2-18-97; 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: Comments should be submitted on or before April 21, 1997.

FOR FURTHER INFORMATION CONTACT: Curtis B. Rich, Management Analyst, Small Business Administration, 409 3rd Street, S.W., Suite 5000, Washington, D.C. 20416. Phone Number: 202-205-6629.

SUPPLEMENTARY INFORMATION:

Title: "Supplemental Guaranty Agreement, Preferred Lenders Program".

Type of Request: Extension of a Currently Approved Collections.

Form No.: SBA Form 1347.

Description of Respondents: SBA Preferred Lenders.

Annual Responses: 200.

Annual Burden: 300.

Comments: Send all comments regarding this information collection to Michael J. Dowd, Director, Office of Loan Programs, Small Business Administration, 409 3rd Street, S.W., Suite 8300 Washington, D.C. 20416. Phone No.: 202-205-6570.

Send comments regarding whether this information collection is necessary for the proper performance of the function of the agency, accuracy of burden estimate, in addition to ways to minimize this estimate, and ways to enhance the quality.

Title: "Semiannual Report on Representatives and Compensation Paid for Services in Connection with Obtaining Federal Contracts".

Type of Request: Extension of Currently Approved Collections.

Form No.: SBA Form 1790.

Description of Respondents: 8(a) Program Participants.

Annual Responses: 9,000.

Annual Burden: 9,000.

Comments: Send all comments regarding this information collection to William Fisher, Deputy Associate Administrator, Minority Enterprise Development, Small Business Administration, 409 3rd Street, S.W., Suite 7150 Washington, D.C. 20416. Phone No. 202-205-6412.

Send comments regarding whether this information collection is necessary for the proper performance of the function of the agency, accuracy of burden estimate, in addition to ways to minimize this estimate, and ways to enhance the quality.

Dated: February 12, 1997.

Jacqueline White,

Chief, Administrative Information Branch.

[FR Doc. 97-4023 Filed 2-18-97; 8:45 am]

BILLING CODE 8025-01-M

[Declaration of Disaster Loan Area #2924; Amendment #2]

Idaho; Declaration of Disaster Loan Area

In accordance with a notice from the Federal Emergency Management Agency, dated January 31, 1997, the above-numbered Declaration is hereby amended to establish the incident period for this disaster as beginning on November 16, 1996 and continuing through January 3, 1997.

All other information remains the same, i.e., the termination date for filing applications for physical damage is

¹⁰ 17 CFR 200.30-3(a)(12)