

circumstances. Additionally, the proposal should reduce Exchange costs associated with providing staff to operate the Book.²⁸ By permitting the Exchange to reduce Program costs and allocate its resources to other regulatory areas the Commission finds that the proposal is consistent with the Act. The Commission believes that the proposal is reasonably designed to maintain, without disruption to activities on the Exchange's Options Trading Floor, the effective operation of the Book functions and therefore is consistent with the Act.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,²⁹ that the proposed rule change, as amended, (SR-PCX-98-02) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.³⁰

Margaret H. McFarland,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41600; File No. SR-Phlx-99-18]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to Participation on the Auto-X Wheel

July 6, 1999.

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 21, 1999, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange.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 Exchange proposes to modify Options Floor Procedure Advice ("Advice") F-24, Auto-X, Contra-Party Participation (The Wheel) to allow Registered Options Traders ("ROT") to only sign-on the Wheel in one Wheel assignment area (two contiguous quarter turrets) during an expiration month, unless the ROT is replacing another ROT from the same firm. The Exchange also proposes to delete references to "brief interval" in Advice F-24(c)(iii), to begin requiring ROTs to sign-off the Wheel if they leave the Wheel assignment area for any period of time. The text of the proposed rule change is available at the Office of the Secretary, Phlx, and at the Commission.

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 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 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

The Wheel is an automated mechanism for assigning trade participation among specialists and ROTs on a rotating basis, as contra-side participants to Auto-X orders. Auto-X is the automatic execution feature of the Exchange's Automated Options Market ("AUTOM") system,⁴ which provides customers with automatic executions of eligible option orders at displayed markets. The purposes of the Wheel is to increase the efficiency of order execution through Auto-X by including floor traders in the automated assignment of contra-parties to incoming Auto-X orders. Thus, the Wheel is intended to make Auto-X more efficient, as contra-side participation is

assigned automatically, and no longer entered manually.

Currently, an ROT may sign-on to as many Wheels as that ROT maintains an ROT assignment, as long as the ROT is present in Wheel assignment area and actively making markets. However, pursuant to Advice F-24(c)(i), the ROT may not sign-on in more than one Wheel assignment area (two contiguous quarter turrets) at a given time. The Exchange proposes that an ROT only sign-on the Wheel in one Wheel assignment area per expiration month at any given time. For example, if an ROT signs-on following the June expiration in Wheel assignment area X, the ROT may sign-on or off the Wheel in Wheel assignment area X during that expiration month (*i.e.*, July). The ROT may not sign-on to the Wheel in Wheel assignment area Y until after the July expiration. The Exchange believes that placing this restriction will encourage ROTs to better fulfill their market making obligations in the trading crowd as well as receive the benefits of participation on the Wheel. In addition, the Exchange recognizes the need for flexibility within member firms to replace ROTs in different trading crowds on a temporary basis. Thus, the Exchange proposes that an ROT who replaces another ROT from the same firm on a temporary basis would be able to sign-on the Wheel for the duration of his replacement.⁵

Secondly, an ROT must currently sign-off the Wheel if he leaves the trading crowd for more than a "brief interval." A brief interval is defined as five minutes or less or in matters of dispute, the amount of time that it takes to call a Floor Official and inform him/her of the issue at hand.⁶ The Exchange proposes to delete the reference to "brief interval" from section (c)(iii) of Advice F-24, thus requiring ROTs to sign-off the Wheel if they leave the trading crowd for any period of time. The Exchange believes that this proposal will clarify the ROTs' responsibilities regarding sign-on/sign-off procedures on the Wheel and facilitate the administration of fines by eliminating the subjectivity as to the time period.

For these reasons, the proposed rule change is consistent with Section 6 of the Act in general, and in particular, with Section 6(b)(5), in that it is designed to promote just and equitable principles of trade, prevent fraudulent

²⁸ Telephone conversation between Robert P. Pacileo, Staff Attorney, Regulatory Policy, PCX and Marc McKayle, Attorney, Division, Commission on June 23, 1999.

²⁹ 15 U.S.C. 78s(b)(2).

³⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The Exchange provided the Commission with written notice and the text of the proposed rule change on June 10, 1999 pursuant to Rule 19b-4(f)(6)(iii).

⁴ AUTOM is an electronic order routing and delivery system for option orders. See Phlx Rule 1080.

⁵ The replacement ROT must maintain an assignment in the issue where he is acting as the replacement consistent with his obligations as a market maker pursuant to Phlx Rule 1014.

⁶ See Securities Exchange Act Release No. 38881 (July 28, 1997) 62 FR 41986 (August 4, 1997) (SR-Phlx-97-21).

and manipulative practices and to facilitate 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 by clarifying the ROTs' responsibilities in this area and requiring the ROTs to fulfill their market making requirements on the trading floor in order to receive the benefits of contra-side Auto-X transactions.

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

Because the foregoing proposed rule change does not:

- (i) Significantly affect the protection of investors or the public interest;
- (ii) Impose any significant burden on competition; and
- (iii) Become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act⁷ and Rule 19b-4(f)(6) thereunder.⁸ At any time within 60 days of the filing of the 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. 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 available for inspection and copying at the principal office of the Phlx. All submissions should refer to File No. SR-Phlx-99-18, and should be submitted by August 4, 1999.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 99-17883 Filed 7-13-99; 8:45 am]

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SMALL BUSINESS ADMINISTRATION

[License No. 07/07-0102]

Eagle Fund I, L.P.; Notice of Issuance of a Small Business Investment Company License

On December 1, 1998, an application was filed by Eagle Fund I, L.P. at 2301 S. Kingshighway, St. Louis, Missouri 63110-3498 with the Small Business Administration (SBA) pursuant to Section 107.300 of the Regulations governing small business investment companies (13 CFR 107.300 (1997)) for a license to operate as a small business investment company.

Notice is hereby given that, pursuant to Section 301(c) of the Small Business Investment Act of 1958, as amended, after having considered the application and all other pertinent information, SBA issued License No. 07/07-0102 on April 22, 1999, to Eagle Fund I, L.P. to operate as a small business investment company.

(Catalog of Federal Domestic Assistance Program No. 59.11, Small Business Investment Companies)

Dated: July 6, 1999.

Don A. Christensen,
Associate Administrator for Investment.
[FR Doc. 99-17948 Filed 7-13-99; 8:45 am]

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⁹ 17 CFR 200.30-3(a)(12).

SOCIAL SECURITY ADMINISTRATION

Privacy Act 1974; Computer Matching Program (Agreement for SSA/ Individual Source Jurisdictions Match of Data on Certain Fugitives and Probation or Parole Violators, Match #5001)

AGENCY: Social Security Administration (SSA).

ACTION: Notice of Computer Matching Program.

SUMMARY: In accordance with the provisions of the Privacy Act, as amended, this notice announces a computer matching program that SSA plans to conduct.

DATES: SSA will file a report of the subject matching program with the Committee on Governmental Affairs of the Senate, the Committee on Government Reform and Oversight of the House of Representatives and the Office of Information and Regulatory Affairs, Office of Management and Budget (OMB). The matching program will be effective as indicated below.

ADDRESSES: Interested parties may comment on this notice by either facsimile to (410) 597-0841 or writing to the Associate Commissioner for Program Support, 4400 West High Rise Building, 6401 Security Boulevard, Baltimore, MD 21235-6401. All comments received will be available for public inspection at this address.

FOR FURTHER INFORMATION CONTACT: The Associate Commissioner for Program Support at the above address.

SUPPLEMENTARY INFORMATION:

A. General

The Computer Matching and Privacy Protection Act of 1988 (Public Law (Pub. L.) 100-503) amended the Privacy Act (5 U.S.C. 552a) by establishing the conditions under which computer matching involving the Federal Government could be performed and adding certain protections for individuals applying for or receiving Federal benefits. Section 7201 of the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101-508) further amended the Privacy Act regarding protection for such individuals.

The Privacy Act, as amended, regulates the use of computer matching by Federal agencies when records in a system of records are matched with other Federal, State, or local government records. It requires Federal agencies involved in computer matching programs to:

- (1) Negotiate written agreements with the other agency or agencies participating in the matching programs;

⁷ 15 U.S.C. 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(6). In reviewing this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).