

impact on or impose a burden on competition.

*(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others*

Written comments were neither solicited nor received with respect to the proposed rule change.

**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)<sup>5</sup> of the Act and pursuant to Rule 19b-4(e)(4)<sup>6</sup> promulgated thereunder because the proposal effects a change in an existing service of Philadep that does not adversely affect the safeguarding of securities or funds in the custody or control of Philadep and does not significantly affect the respective rights or obligations of Philadep or persons using the service. At any time within sixty days of the filing of such 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. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., 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 NW., Washington, D.C. 20549. Copies of such filings will also be available for inspection and copying at the principal office of Philadep. All submissions should refer to file number SR-Philadep-96-03 and should be submitted by April 8, 1996.

<sup>5</sup> 15 U.S.C. 78s(b)(3)(A)(iii) (1988).

<sup>6</sup> 17 CFR § 240.19b-4(e)(4) (1995).

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

Margaret H. McFarland,  
Deputy Secretary.

[FR Doc. 96-6324 Filed 3-15-96; 8:45 am]

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**[Release No. 34-36951; International Series Release No. 950; File No. SR-Phlx-95-80]**

**Self-Regulatory Organizations; Order Approving a Proposed Rule Change by the Philadelphia Stock Exchange, Inc., Relating to Strike Price Intervals for Australian Dollar Options**

March 11, 1996.

**I. Introduction**

On January 2, 1996, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") 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> filed with the Securities and Exchange Commission ("SEC" or "Commission") a proposed rule change to revise its strike price policy respecting foreign currency options on the Australian dollar by changing from a \$.01 interval to a \$.005 interval in the nearest three expiration months.

Notice of the proposal was published for comment and appeared in the Federal Register on January 24, 1996.<sup>3</sup> No comment letters were received on the proposed rule change. This order approves the Exchange's proposal.

**II. Description of the Proposal**

The Phlx has proposed to revise its strike price policy respecting foreign currency options on the Australian dollar pursuant to Phlx Rule 1012—Series of Options Open for Trading by adopting shorter strike price intervals than currently used. Currently, Australian dollar options are listed at 1 cent intervals.<sup>4</sup> Pursuant to Phlx Rule 1012, six expiration months are currently listed in regular foreign currency options, with one, two, three, six, nine, and twelve months until expiration.

The Exchange proposes to revise its strike price policy respecting foreign currency options on the Australian dollar by changing from a \$.01 interval to a \$.005 interval in the nearest three expiration months. The mid-term

expiration months (listed with six, nine, and twelve months until expiration) will continue to be listed at one cent interval.

The Exchange states that the purpose of the proposed rule change is to address certain market needs that have arisen as a result of recent lower volatility respecting the Australian dollar (in relation to the U.S. dollar), which has created a customer need for narrower strike price intervals.<sup>5</sup> The Exchange represents that the lower volatility of the Australian dollar has regulated in a narrower trading range for the currency option.

The Phlx asserts that the proposed rule change will initially create 72 new strike prices.<sup>6</sup> Additionally, both the Phlx and the Options Price Reporting Authority ("OPRA") represent that the predicted increase in the number of Australian dollar options series will not adversely affect their respective computer processing capacities to accommodate the additional strike prices.<sup>7</sup>

The Exchange further states that its general policy with respect to the delisting of inactive options series, subject to the assigned option specialist's approval, is to delist series in which there is no open interest beginning with the highest or lowest strike for that month. The Exchange, however, may not delist a series if such delisting would create a gap in consecutive strikes.<sup>8</sup>

The Exchange believes that the proposed reduction in the strike price interval should provide investors and traders of Australian dollar foreign

<sup>5</sup> The Commission has previously approved certain Phlx proposals that shortened foreign currency option strike price intervals. See e.g., Securities Exchange Act Release Nos. 35631 (April 20, 1995), 60 FR 20544 (April 26, 1995) (British pound from \$.025 to \$.01 strike price intervals) (file No. SR-Phlx-95-06); 25685 (May 10, 1988), 53 FR 17524 (May 17, 1988) (French franc from \$.05 to \$.025 strike price intervals) (File No. SR-Phlx-86-14), and 24103 (February 13, 1987), 52 FR 5605 (February 25, 1987) (British Pound from \$.05 to \$.025 strike price intervals) (File No. SR-Phlx-86-14).

<sup>6</sup> The total number of new strikes includes both puts and calls for American and European style options on the Australian dollar. See Letter from Gerald O'Connell, First Vice President, Phlx, to Michael Walinskas, Office of Market Supervision ("OMS"), Division of Market Regulation ("Market Regulation"), Commission, dated February 29, 1996 ("O'Connell Letter").

<sup>7</sup> See Letters from Tom Wittman, Director, Trading Systems, Phlx, dated March 6, 1996 ("Phlx Capacity Letter"), and Joseph P. Corrigan, Executive Director, OPRA, dated March 7, 1996 ("OPRA Capacity Letter"), to Michael Walinskas, Branch Chief, OMS, Market Regulation, Commission.

<sup>8</sup> See Letter from Gerald O'Connell, First Vice President, Phlx, to Michael Walinskas, Branch Chief, OMS, Market Regulation, Commission, dated March 1, 1996 ("O'Connell Letter No. 2").

<sup>7</sup> 17 CFR § 200.30-3(a)(12) (1995).

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

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

<sup>3</sup> See Securities Exchange Act Release No. 36729 (January 17, 1996), 61 FR 1964.

<sup>4</sup> See Securities Exchange Act Release No. 23945 (December 30, 1986), 52 FR 633 (January 7, 1987) (SR-Phlx-96-38).

currency options with the ability to more closely tailor investment and hedging strategies to Australian dollar trading levels and movement. The Exchange further believes that the proposed rule change is designed to promote just and equitable principles of trade by enabling more effective management of foreign currency risk respecting the Australian dollar.

### III. Commission Finding and Conclusions

The Commission finds that the proposed rule change is 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(b)(5) of the Act.<sup>9</sup> Specifically, the Commission finds that the Exchange's proposal to revise its strike price policy respecting foreign currency options on the Australian dollar by changing from a \$.01 interval to a \$.005 interval in the nearest three months is a reasonable attempt to perfect the mechanism of a free and open market and a national market system.

The Commission recognizes that any narrowing of strike price intervals increases the flexibility accorded market participants and allows options positions to be more finely tailored to achieve intended investment objectives. At the same time, however, narrower strike price intervals create the possibility of dispersing trading interest to the degree that there is an excessive dilution of liquidity in open options series.

Accordingly, an evaluation of the appropriate strike price interval for an options contract requires a balancing of the need to accommodate market participants by providing a wide array of investment opportunities and the need to avoid causing excessive proliferation of illiquid options series. The Commission believes that the Phlx proposal strikes such a reasonable balance. Although the proposal makes available a significant number of new options series, the Commission notes that Phlx generally seeks to delist options series (including Australian dollar foreign currency options) with no open interest.<sup>10</sup> Therefore, the Phlx should be able to eliminate any illiquid series that might result from the implementation of the new strike price proposal. Accordingly, the Commission expects the Phlx to monitor Australian dollar foreign currency options activity closely in order to detect any

proliferation of illiquid series possibly resulting from the narrower strike price intervals and to act promptly to remedy this situation should it occur.

In addition, based on representations from the Phlx<sup>11</sup> and OPRA,<sup>12</sup> the Commission believes that the predicted increase in the number of Australian dollar options series should not adversely affect the computer processing capacity to accommodate the additional strike prices. More specifically, both the Phlx and OPRA have represented that their respective systems can adequately handle the additional options transaction-related traffic generated by the projected new series. Nevertheless, the Commission requests that the Exchange monitor the volume of additional options series listed as a result of this rule change and continue to ensure that these additional series will not adversely impact processing system capacity.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>13</sup> that the proposed rule change (File No. SR-Phlx-95-80) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>14</sup>

Margaret H. McFarland,

*Deputy Secretary.*

[FR Doc. 96-6325 Filed 3-15-96; 8:45 am]

BILLING CODE 8010-01-M

### SMALL BUSINESS ADMINISTRATION

[License No. 03/03-0179]

#### Enterprise Venture Capital Corporation of Pennsylvania; Notice of Surrender of License

Notice is hereby given that Enterprise Venture Capital Corporation of Pennsylvania, 111 Market Street, Johnstown, Pennsylvania 15901 has surrendered its license to operate as a small business investment company under the Small Business Investment Act of 1958, as amended (Act). Enterprise Capital Corporation was licensed by the Small Business Administration on September 11, 1985.

Under the authority vested by the Act and pursuant to the Regulations promulgated thereunder, the surrender of the license was accepted on March 1, 1996, and accordingly, all rights, privileges, and franchises derived therefrom have been terminated.

<sup>11</sup> See Phlx Capacity Letter, *supra* note 7. See also O'Connell Letter, *supra* note 6.

<sup>12</sup> See OPRA Letter, *supra* note 7.

<sup>13</sup> 15 U.S.C. 78s(b)(2).

<sup>14</sup> 17 CFR 200.30-3(a)(12)

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies).

Dated: March 11, 1996.

Don A. Christensen,

*Associate Administrator for Investment.*

[FR Doc. 96-6320 Filed 3-15-96; 8:45 am]

BILLING CODE 8025-01-P

### SOCIAL SECURITY ADMINISTRATION

#### Representative Payment Advisory Committee; Meeting

**AGENCY:** Social Security Administration (SSA).

**ACTION:** Notice.

#### DATES:

March 28, 1996, 9:00 a.m.-8:30 p.m.

March 29, 1996, 9:00 a.m.-5:00 p.m.

**ADDRESSES:** Martin Luther King, Jr. Center for Nonviolent Social Change, 449 Auburn Avenue NE., Atlanta, GA 30312.

#### SUPPLEMENTARY INFORMATION:

*Type of Meeting:* The meeting is open to the public.

*Purpose:* The Social Security Administration (SSA) had previously announced this meeting in the Federal Register (60 FR 66574) on December 22, 1995. Subsequently, a Notice of Postponement was published in the Federal Register (61 FR 1661) on January 22, 1996. In accordance with section 10(a)(2) of the Federal Advisory Committee Act, SSA now announces the fourth meeting of the Representative Payment Advisory Committee. The Committee will discuss issues related to payee recruitment and retention, standards for payee performance, use/misuse of benefits, payee accountability and payee oversight. The Committee will focus its discussion on the investigation and selection of payees.

SSA investigates all payee applicants. The application form requires the individual to disclose certain information, including his/her relationship to the beneficiary and his/her own source(s) of income. After the applicant has provided positive identification, SSA uses its own records to verify the applicant's social security number and work history. SSA screens the applicant against a listing of persons who have been convicted of social security or supplemental security income fraud. Such persons may not be appointed as payees under any circumstances. There are other factors which may result in the rejection of a payee applicant also.

SSA has built a database of representative payee information which

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

<sup>10</sup> See O'Connell Letter No. 2, *supra* note 8.