

unmatched trades only for transactions in index options or in any class of options which will trade ex-dividend or ex-distribution the following day. By including the requirements in paragraph (a) in Interpretation .01 the Exchange is requiring that a representative be available to reconcile unmatched trades for all options transactions on all trade dates. Because of system enhancements, the Exchange and its members now have the tools to review trade activity on an intra-day basis. By requiring reports to be reconciled on an intra-day basis, the Exchange can minimize the potential loss to members who may have to take market action to correct an outtrade.

Paragraph (b) of Interpretation .01 to Rule 6.61 also is being moved from Interpretation .05 and requires that members make reasonable efforts to detect and correct errors in carding or keying a trade. By virtue of being moved from Interpretation .05 to Interpretation .01, the requirement will become applicable to all transactions in options and not only those concerning index options or any class of options which will trade ex-dividend or ex-distribution the following day.

Paragraph (c) of Interpretation .01 changes the time requirement for correcting unmatched trades that occurred on the previous trade date from the opening of trading to fifteen minutes prior to the opening of trading on the next business day. This change will allow the involved parties to correct the positions and be prepared for open trading sooner. By resolving the unmatched trade before the market in the underlying security opens, the parties will be in a better position to enter any necessary orders in the markets to adjust their positions where necessary.

Paragraph (d) of Interpretation .05 is being moved to paragraph (d) of Interpretation .01 and states that Members who fail to comply with Rule 6.61 will be responsible for any liability resulting from an unmatched transaction that should have been matched. Moving this provision from Interpretation .05 to Interpretation .01 will make it applicable to all transactions in options and not only those concerning index options and any class of options which will trade ex-dividend or ex-distribution the following day. In addition, to further clarify to the Exchange membership the Exchange's authority to handle violations of Rule 6.61, the Exchange notes that it may establish a fine schedule with respect to the violative conduct and it may refer repeated

violations to the Business Conduct Committee.<sup>4</sup>

Finally, the Exchange is proposing to amend Interpretation .05 to Exchange Rule 6.61 by revising the language to make it consistent with current practice. The Exchange has deleted references to First Pass and Second Pass. First Pass and Second Pass refer to the former practice of submitting trade information for trade processing in batches at different times during the day. Now the Exchange processes the trade information continually through the trade day.

## 2. Statutory Basis

The proposed rule change is consistent with section 6(b) of the Act<sup>5</sup> in general and furthers the objectives of section 6(b)(5)<sup>6</sup> in particular in that it is designed to promote just and equitable principles of trade, remove impediments to a free and open market and a national market system, and protect investors and the public interest.

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

The CBOE does not believe that the proposed rule change will impose any burden on competition.

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

The Exchange did not solicit or receive written comments on the proposed rule change.

## 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.

## IV. Solicitation of Comments

Interested person are invited to submit written data, views and arguments concerning the foregoing.

<sup>4</sup> The Exchange would be required to submit the appropriate rule filing in compliance with section 19(b) of the Act.

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

<sup>6</sup> 15 U.S.C. 78f(b)(5).

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, NW., Washington, DC 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 CBOE. All submissions should refer to the File No. SR-CBOE-99-38 and should be submitted by December 7, 1999.

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

**Margaret H. McFarland,**  
*Deputy Secretary.*

[FR Doc. 99-29796 Filed 11-15-99; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 42113; File No. SR-Phlx-99-40]

### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to Communications With Customers or Members of the Public

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 October 7, 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 below, which Items have been prepared by the Phlx. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

<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.

### **I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

The Exchange proposes to amend Phlx Rule 1049 ("Communications to Customers") to allow members, member organizations, and associated persons to distribute to customers or members of the public more than one type of options worksheet to indicate possible outcomes under various market conditions. Specifically, the proposed rule change: (i) incorporates worksheets into the definition of "sales literature" and establishes that worksheets must comply with the requirements applicable to sales literature; (ii) adds references to members and associated persons; (iii) deletes references to "standard" worksheets and deletes prohibitions on "nonstandard" worksheets; and (iv) deletes the requirement that worksheets must be uniform within a member organization for each product type. Below is the text of the proposed rule change. Proposed new language is in *italic*; proposed deletions are in *brackets*.

Rule 1049. Communications to Customers

(a) to (d) No change.

(e) *Definitions.* For purposes of this Rule, the following definitions shall apply:

(i) and (ii) No change.

(iii) The term "sales literature" shall include any written communication (not defined as an "advertisement" or as "educational material") distributed or made available to customers or the public that contains any analysis, performance report, projection or recommendation with respect to options, underlying securities or market conditions, any [standard] forms of worksheets, or any seminar text which pertains to options and which is communicated to customers or the public at seminars, lectures or similar such events, or any Exchange-produced materials pertaining to options.

(f) No change.

#### *Commentary:*

.01 to .03 No change.

.04 to D No change.

E. [Standard forms of o] Options worksheets utilized by *members*, member organizations, or *associated persons*, [in addition to] *must* comply[ing] with the requirements applicable to sales literature. [, must be uniform within a member organization for each product type (e.g. equity, foreign currency, index, etc.).]

[F. If a member organization has adopted a standard form of worksheet

for a particular options strategy, nonstandard worksheets for that strategy may not be used.]

F. [G. Communications that portray performance of past recommendations or actual transactions and completed worksheets shall be kept at a place easily accessible to the sales office for the accounts or customers involved.

0.5 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 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 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*

##### **1. Purpose**

The purpose of the proposed rule change is to allow members, member organizations, and associated persons to distribute more than one type of options worksheet to customers or members of the public. The proposed rule change would allow members, member organizations, and associated persons to use Exchange or industry-produced worksheets or to tailor worksheets to specific clientele. Under the current rule, once a member organization adopts a "standard" worksheet for a particular options strategy or product type (e.g., equities, foreign currency, index, etc.), it can only distribute that standard worksheet to a client, and may not illustrate different market conditions through other worksheets.

The proposed rule change also ensures that when members, member organizations, and associated persons use options worksheets, all such worksheets will comply with the requirements applicable to sales literature. These requirements provide that (i) sales literature must state that supporting documentation is available upon demand for any claims, comparisons, recommendations, statistics or other technical data, and (ii) sales literature may contain projected performance figures only if it does not suggest the projection is certain, parameters relating to the projected performance and all relevant costs are

clearly disclosed, the projections are plausible, and all material assumptions are identified.<sup>3</sup> Under current Rule 1049, only standard options worksheets used by member organizations must comply with sales literature requirements.

The Exchange believes that the proposed rule change will improve the quality of options worksheets that customers or members of the public receive from members, member organizations, and associated persons. The proposed rule change should enhance members' ability to describe properly the risks and benefits of options trading, and should enhance the ability of customers or members of the public to understand these risks and benefits. In addition, by establishing that worksheets used by members, member organizations, and associated persons must comply with sales literature requirements, the proposed rule change should promote uniform application of Rule 1049.

##### **2. Statutory Basis**

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>4</sup> in general, and Section 6(b)(5)<sup>5</sup> in particular, in that it is designed to facilitate transactions in securities and remove impediments to and perfect the mechanism of a free and open market and national market system, and to protect investors and the public interest by allowing the distribution of worksheets that are tailored to the needs of specific clients.<sup>6</sup>

#### *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 solicited or received on the proposed rule change.

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

The proposed rule change will become effective upon filing pursuant to Section 19(b)(3)(A) of the Act,<sup>7</sup> and Rule

<sup>3</sup> Phlx Rule 1049, Commentary .04.

<sup>4</sup> 15 U.S.C. 78f(b).

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

<sup>6</sup> In reviewing this proposal, the Commission has considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

<sup>7</sup> 15 U.S.C. 78s(b)(3)(A).

19b-4(f)(6) <sup>8</sup> thereunder, in that it is designated by the Exchange as effecting a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for thirty days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.

The Exchange represents that it provided written notice of its intent to file the proposed rule change at least five business days prior to the filing date. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate the proposed 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, NW., Washington, DC 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 in Washington, DC. Copies of such filing will also be available for inspection and copying at the principal office of the Phlx. All submissions should refer to the File No. SR-Phlx-99-40 and should be submitted by December 7, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority:<sup>9</sup>

**Margaret H. McFarland,**  
Deputy Secretary.

[FR Doc. 99-29876 Filed 11-15-99; 8:45 am]

BILLING CODE 8010-01-M

#### SOCIAL SECURITY ADMINISTRATION

##### Agency Information Collection Activities: Proposed Request and Comment Request

In compliance with Public Law 104-13, the Paperwork Reduction Act of 1995, SSA is providing notice of its information collections that require submission to the Office of Management and Budget (OMB). SSA is soliciting comments on the accuracy of the agency's burden estimate; the need for the information; its practical utility; ways to enhance its quality, utility and clarity; and on ways to minimize burden on respondents, including the use of automated collection techniques or other forms of information technology.

I. The information collection listed below will be submitted to OMB within 60 days from the date of this notice. Therefore, comments and recommendations regarding the information collection would be most useful if received by the Agency within 60 days from the date of this publication. Comments should be directed to the SSA Reports Clearance Officer at the address listed at the end of the notices. You can obtain a copy of the collection instrument by calling the SSA Reports Clearance Officer on (410) 965-4145, or by writing to him.

Annual Registration Statement Identifying Separated Participants with Deferred Benefits, Schedule SSA—0960-0606 (1999 edition). Schedule SSA is a form filed annually as part of a series of pension plan documents required by Section 6057 of the IRS Code. Administrators of pension benefit plans are required to report specific information on future plan benefits for those participants who left plan coverage during the year. SSA maintains the information until a claim for Social Security benefits has been approved. At that time, SSA notifies the beneficiary of his/her potential eligibility for payments from the private pension plan. The respondents are administrators of pension benefit plans or their service providers employed to prepare the Schedule SSA on behalf of the pension benefit plan.

Below are the estimates of the cost and hour burdens for completing and filing Schedule SSA(s). We have used an average to estimate the hour burden. However, the burden may be greater or smaller depending on whether the respondent is a large or small pension benefit plan and how many Schedule SSA's are filed in a given year.

*Number of Respondents:* 88,000.

*Frequency of Response:* Annually.

*Average Burden Per Respondent:* 2.5 hours.

*Estimated Annual Burden:* 220,074 hours.

*Estimated Annual Cost Burden for All Respondents:* \$12,194,400.

II. The information collection listed below has been submitted to OMB for clearance. Written comments and recommendations on the information collections would be most useful if received within 30 days from the date of this publication. Comments should be directed to the SSA Reports Clearance Officer and the OMB Desk Officer at the addresses listed after this notice. You can obtain a copy of the OMB clearance package by calling the SSA Reports Clearance Officer on (410) 965-4145, or by writing to him.

Medical Use Report, 20 CFR 416.268-0960-0267. The information required by this regulation is used by the Social Security Administration to determine if an individual is entitled to special Supplemental Security Income (SSI) payments. The respondents are SSI receipts whose payments were stopped based on earnings.

*Number of Respondents:* 60,000.

*Frequency of Response:* 1.

*Average Burden Per Response:* 3 minutes.

*Estimated Average Burden:* 3,000 hours.

(SSA Address), Social Security Administration, DCFAM, Attn: Frederick W. Brickenkamp, 6401 Security Blvd., 1-A-21 Operations Bldg., Baltimore, MD 21235.

(OMB Address), Office of Management and Budget, OIRA, Attn: Lori Schack, New Executive Office Building, Room 10235, 725 17th St., NW, Washington, DC 20503.

Dated: November 9, 1999.

**Frederick W. Brickenkamp,**  
Reports Clearance Officer, Social Security Administration.

[FR Doc. 99-29858 Filed 11-15-99; 8:45 am]

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#### DEPARTMENT OF STATE

[Public Notice 3157]

##### Exchange Visitor Designation Staff; Proposed Information Collection

**AGENCY:** Department of State.

**ACTION:** Notice of request for extension to an existing OMB clearance: "Certificate of Eligibility for Exchange Visitor Status," J-1 Visa, 1405-0121.

**SUMMARY:** The Department of State is seeking Office of Management and Budget (OMB) approval for the

<sup>8</sup> 17 CFR 240.19b-(f)(6).

<sup>9</sup> 17 CFR 200.30-3(a)(12).