

original invoice. The Finance Committee will refer the matter to the Board if the amount due exceeds \$10,000.

For amounts in excess of \$10,000, Phlx By-Law Article XIV, Section 14-5, as amended, requires the Phlx's Controller, rather than the Secretary, to report to the Board: (1) A fine and/or other monetary sanction unpaid 20 days after the amount becomes payable; and (2) a due, foreign currency option ("FCO") user's fee, fee other charge or other amount due to the Phlx that is unpaid 50 days from the date of the original invoice. In addition, the Phlx proposes to amend Phlx By-Law 14-5 to provide that the Phlx's Committee on Admissions may dispose of a membership or FCO participation when an amount over \$10,000 has not been paid within one year after payment was due.

III. Discussion

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, with the requirements of Section 6 of the Act.⁴ Specifically, the Commission finds that the proposal is consistent with Section 6(b)(5)⁵ of the Act in that it is designed to modify the Exchange's fee collection process in a manner that promotes just and equitable principles of trade, prevents fraudulent and manipulative acts and practices, maintains fair and orderly markets, and protects investors and the public interest.⁶ In addition, the Commission finds that the proposal is consistent with Section 6(b)(4) of the Act,⁷ which provides that a registered national securities exchange must promulgate rules that provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities.

The Commission believes that the proposal to revise PHLX Rule 50 to impose a late charge 30 days after the date of the original invoice, rather than 40 days after the date of the original invoice, will help to encourage the prompt payment of amounts due to the Exchange. The Commission believes that the reduction of the late charge in PHLX Rule 50 from 2% simple interest to 1% simple interest is reasonable. In

addition, the Commission believes that the proposal to allow the Finance Committee or its designee to waive a late charge or a portion of a late charge if the amount falls within guidelines established by the Board will provide the Finance Committee with flexibility in the administration of late charges.

PHLX Rule 50 currently requires the Controller to notify the Board if a member fails to pay dues, fees, fines, or other charges within 90 days. The Commission believes that the proposal to revise PHLX Rule 50 to require the Controller to notify the Finance Committee of the failure to pay a fine and/or other monetary sanction within 20 days, and of the failure to pay dues, fees, and other charges within 50 days, will facilitate the collection of amounts owed to the PHLX. The Commission believes that amending PHLX Rule 50 to require the Finance Committee to report to the matter to the Board when an amount due exceed \$10,000 establishes a reasonable threshold for Board involvement in the collection process.

PHLX By-Law 14-5 currently states that the membership or participation of a member or FCO participant may be disposed of by the PHLX's Committee on Admissions when a due, fee, or fine has not been paid within one year. The Commission believes that amending PHLX By-Law 14-5 to specify that the Committee on Admissions may dispose of the participation or membership when an amount in excess of \$10,000 has not been paid within a year will establish a threshold for action by the Committee on Admissions and notify members and participants of a circumstance under which the Committee on Admissions may dispose of a membership or FCO participation. With regard to unpaid amounts exceeding \$10,000, the Commission finds that the PHLX's proposal to amend PHLX By-Law 14-5 to require the PHLX's Controller, rather than the Secretary, to report to the Board: (1) A fine and/or other monetary sanction unpaid 20 days after the amount becomes payable; and (2) a due, FCO user's fee, fee, other charge, or other amount due to the PHLX that is unpaid 50 days from the date of the original invoice is designed to increase the efficiency of the collection process.

IV. Conclusion

It Is Therefore Ordered, pursuant to Section 19(b)(2) of the Act,⁸ that the proposed rule change (SR-PHLX-00-64) be and hereby is approved.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-33263 Filed 12-28-00; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[License No. 09/71-0378]

Housatonic Equity Investors SBIC, L.P.; Notice Seeking Exemption Under Section 312 of the Small Business Investment Act, Conflicts of Interest

Notice is hereby given that Housatonic Equity Investors SBIC, L.P., 88 Kearney St. Suite 1610, San Francisco, CA 94108, a Federal Licensee under the Small Business Investment Act of 1958, as amended ("the Act"), in connection with the financing of a small concern, has sought an exemption under section 312 of the Act and section 107.730, *Financings which Constitute Conflicts of Interest of the Small Business Administration* ("SBA") rules and regulations (13 CFR 107.730 (2000)). Housatonic Equity Investors SBIC, L.P. proposes to provide equity financing to WebFeet.com, Inc. 609 Mission Street, Suite 4000, San Francisco, CA 94105. The financing is contemplated for working capital purposes.

The financing is brought within the purview of Sec. 107.730(a)(1) of the Regulations because Housatonic Equity Investors, L.P., an Associate of Housatonic Equity Investors SBIC, L.P., currently owns greater than 10 percent of ArchivesOne, Inc. and therefore WebFeet.com, Inc. is considered an Associate of Housatonic Equity Investors, L.P. as defined in Sec. 107.50 of the regulations.

Notice is hereby given that any interested person may submit written comments on the transaction to the Associate Administrator for Investment, U.S. Small Business Administration, 409 Third Street, SW., Washington, DC 20416.

Don A. Christensen,

Associate Administrator for Investment.

[FR Doc. 00-33350 Filed 12-28-00; 8:45 am]

BILLING CODE 6325-01-U

⁴ 15 U.S.C. 78f.

⁵ 15 U.S.C. 78f(b)(5).

⁶ In approving this rule, the Commission has considered the proposed rule's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

⁷ 15 U.S.C. 78f(b)(4).

⁸ 15 U.S.C. 78s(b)(2).

⁹ 17 CFR 200.30-3(a)(12).