

eligible for the cash account if either one of the following is held in the account at the time the option is written or is received into the account promptly thereafter: (i) Cash or cash equivalents equal to 100% of the Maximum Range Exercise Value times the contract multiplier; or (ii) an escrow agreement. The escrow agreement must certify that the bank holds for the account of the customer as security for the agreement: (A) Cash, (B) cash equivalents, (C) one or more qualified equity securities, or (D) a combination thereof having an aggregate market value of not less than 100% of the Maximum Range Exercise Value times the contract multiplier and that the bank will promptly pay the member organization the cash settlement amount in the event the account is assigned an exercise notice.

The Exchange believes that these proposed levels are appropriate because risk exposure will be limited with Range Options and the proposed customer initial and maintenance margin will be equal to the maximum risk exposure.<sup>10</sup>

#### (l) Options Disclosure Document

It is expected that OCC will seek a revision to the Options Disclosure Document ("ODD") to incorporate Range Options.

#### (m) Systems Capacity

The Exchange represents that it believes the Exchange and the Options Price Reporting Authority have the necessary systems capacity to handle the additional traffic associated with the listing and trading of Range Options.

The Exchange does not anticipate that there will be any additional quote mitigation strategy necessary to accommodate the trading of Range Options.

#### (n) Surveillance Program

The Exchange represents that it will have in place adequate surveillance procedures to monitor trading in Range Options prior to listing and trading such options, thereby helping to ensure the maintenance of a fair and orderly market for trading in Range Options.

### III. Discussion

The Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities

exchange.<sup>11</sup> Specifically, the Commission finds that the proposal is consistent with Section 6(b)(5) of the Act,<sup>12</sup> which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. The Commission believes that Range Options would provide investors with a potentially useful investment choice. The Commission notes that investors now can replicate the features and structure of Range Options through the use of currently available options traded on the Exchange.<sup>13</sup>

The Commission notes that it previously approved rules relating to the listing and trading of FLEX Options on CBOE, which give investors and other market participants the ability to individually tailor, within specified limits, certain terms of those options.<sup>14</sup> The current proposal incorporates Range Options that trade as FLEX Options into these existing rules and regulatory framework. The Commission finds that the Exchange's proposal to allow Range Options to be eligible for trading as FLEX Options is consistent with the Act.

The Commission believes that the proposed position limits and margin rules for Range Options are reasonable and consistent with the Act. Setting position and exercise limits on Range Options that are equal to those limits on options on the same underlying index appears to reasonably balance the promotion of a free and open market for these securities with minimization of incentives for market manipulation. In addition, the proposed margin rules appear reasonably designed to deter a member or its customer from assuming

<sup>11</sup> In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>12</sup> 15 U.S.C. 78f(b)(5).

<sup>13</sup> The payout structure of a Range Option can be replicated by purchasing four calls or puts with varying strike prices. Range Options will enable investors to obtain the same payout structure by purchasing one option, with the potential of significantly reducing investors' transaction costs. Therefore, the Commission is designating Range Options as standardized options for purposes of the options disclosure framework established under Rule 9b-1 of the Act. See Securities Exchange Act Release Nos. 31910 (February 23, 1993), 58 FR 12056 (March 2, 1993) and 34925 (November 1, 1994), 59 FR 55720 (November 8, 1994).

<sup>14</sup> See Securities Exchange Act Release No. 31910 (February 23, 1993), 58 FR 12056 (March 2, 1993).

an imprudent position in Range Options.

In support of its proposal, CBOE made the following representations:

- CBOE has in place an adequate surveillance program to monitor trading in Range Options and intends to largely apply its existing surveillance program for options to the trading of Range Options; and
- CBOE has the necessary systems capacity to support the new options series that would result from the introduction of Range Options.

This approval order is based on CBOE's representations.

### III. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (SR-CBOE-2007-104), as modified by Amendment No. 1, is hereby approved.

It is further ordered, pursuant to Rule 9b-1(a)(4) under the Act,<sup>15</sup> that Range Options are designated as standardized options.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E8-4104 Filed 3-3-08; 8:45 am]

**BILLING CODE 8011-01-P**

### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-57386; File No. SR-Phlx-2008-02]

#### Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Order Granting Approval of Proposed Rule Change To Amend By-Law Article XIV, Section 14-5 and Phlx Rule 50

February 27, 2008.

On January 8, 2008, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), 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> a proposed rule change to: (i) Modify the timeframes within which monies owed to the Exchange would become reportable to the Board of Governors ("Board") for further action; (ii) eliminate references to the monetary threshold of \$10,000; (iii) conform By-Law language to indicate that Members, Member Organizations, participants,

<sup>15</sup> 17 CFR 240.9b-1(a)(4).

<sup>16</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.

<sup>10</sup> In accordance with CBOE Rule 12.10, *Margin Required is Minimum*, the Exchange has the ability to determine at any time to impose higher margin requirements than those described above in respect of any Range Option position when it deems such higher margin requirements are appropriate.

and participant organizations would be subject to being terminated for failure to pay; and (iv) make other clarifying amendments. The proposed rule change was published for comment in the **Federal Register** on January 23, 2008.<sup>3</sup> The Commission received no comments on the proposed rule change. This order approves the proposed rule change.

The Exchange proposes to modify the timeframes within which monies owed to the Exchange would become reportable to the Board, and by which Members, Member Organizations, participants, and participant organizations would be subject to a suspension or termination. Specifically, a Member, or Member Organization, participant, or participant organization or employee thereof shall be referred directly to the Board for failure to: (i) Pay fines and/or other monetary sanctions within 30 days after notice thereof; or (ii) pay dues, foreign currency options users' fees, fees, other charges, and/or other monies due, including late charges, within 90 days from the date of the original invoice. The proposed rule change would eliminate the references to the monetary threshold of \$10,000 from both By-Law Article XIV, section 14-5 and Rule 50, so that all past due amounts are reportable to the Board within the specified proposed new timeframes. In addition, the proposed change to By-Law Article XIV, section 14-5 clarifies that the Board also has the power to terminate, not just suspend, any permit or rights and privileges of a foreign currency options participation of any Member, foreign currency options participant, Member Organization or participant organization or employee thereof for failure to pay monies owed to the Exchange.<sup>4</sup>

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange.<sup>5</sup> In particular, the Commission believes that the proposed rule change is consistent with section 6(b)(5) of the Act,<sup>6</sup> in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and

open market and a national market system, and, in general, to protect investors and the public interest. The Commission believes that the modified timeframes within which past due fines, dues, fees, and other charges owed to the Exchange would become reportable to the Board appear reasonable and continue to allow appropriate notice to the affected parties of any arrearages. In addition, the proposed change will allow the Board to handle collection matters directly without regard to the amount, which should enhance the Exchange's collection efforts.

*It is therefore ordered*, pursuant to section 19(b)(2) of the Act,<sup>7</sup> that the proposed rule change (SR-Phlx-2008-02) be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>8</sup>

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. E8-4080 Filed 3-3-08; 8:45 am]

**BILLING CODE 8011-01-P**

## SMALL BUSINESS ADMINISTRATION

### National Federal Regulatory Enforcement Fairness Hearing; Region III Regulatory Fairness Board

Pursuant to the Federal Advisory Committee Act, 5 U.S.C. Appendix 2, notice is hereby given that the U.S. Small Business Administration (SBA) Region III Regulatory Fairness Board and the SBA Office of the National Ombudsman will hold a National Regulatory Fairness Hearing on Wednesday, March 12, 2008, at 10 a.m. The forum is open to the public and will take place at the EPA East Building, Ceremonial Hearing Room, 1201 Constitution Avenue, NW., Room 1153, Washington, DC 20460. The purpose of the meeting is for Business Organizations, Trade Associations, Chambers of Commerce and related organizations serving small business concerns to report experiences regarding unfair or excessive Federal regulatory enforcement issues affecting America's small business.

For further information, please contact Christina Marinos, Special Assistant, Office of the National Ombudsman, 409 3rd Street, Suite 7125, Washington, DC 20416, phone (202) 401-8254 and fax (202) 292-3423, e-mail: [Christina.marinos@sba.gov](mailto:Christina.marinos@sba.gov).

<sup>7</sup> 15 U.S.C. 78s(b)(2).

<sup>8</sup> 17 CFR 200.30-3(a)(12).

For more information, see our Web site at <http://www.sba.gov/ombudsman>.

**Cherylyn LeBon,**

*Assistant Administrator for Intergovernmental Affairs, SBA Committee Management Officer.*

[FR Doc. E8-4101 Filed 3-3-08; 8:45 am]

**BILLING CODE 8025-01-P**

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

[Docket No. FHWA-2008-0025]

### Agency Information Collection Activities: Notice of Request for Renewal of a Previously Approved Information Collection

**AGENCY:** Office of the Secretary (OST), DOT.

**ACTION:** Notice and request for comments.

**SUMMARY:** The FHWA has forwarded the information collection request described in this notice to the Office of Management and Budget (OMB) for approval of an extension of a currently approved information collection. We published a **Federal Register** Notice with a 60-day public comment period on this information collection on October 23, 2007. We are required to publish this notice in the **Federal Register** by the Paperwork Reduction Act of 1995.

**DATES:** Please submit comments by April 3, 2008.

**ADDRESSES:** You may send comments within 30 days to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW., Washington, DC, 20503, or e-mail at [oira\\_submission@omb.eop.gov](mailto:oira_submission@omb.eop.gov), Attention DOT Desk Officer. You are asked to comment on any aspect of this information collection, including: (1) Whether the proposed collection is necessary for the FHWA's performance; (2) the accuracy of the estimated burden; (3) ways for the FHWA to enhance the quality, usefulness, and clarity of the collected information; and (4) ways that the burden could be minimized, including the use of electronic technology, without reducing the quality of the collected information. All comments should include the Docket number FHWA-2008-0025.

**FOR FURTHER INFORMATION CONTACT:** David Walterscheid, 720-963-3073, Office of Real Estate Services, Federal Highway Administration, 12300 West Dakota Ave., Room 175, Lakewood, CO 80228, between 7:30 a.m. to 4:30 p.m.,

<sup>3</sup> See Securities Exchange Act Release No. 57155 (January 15, 2008), 73 FR 4038.

<sup>4</sup> The Commission notes that By-Law Article XIV, Section 14-1 already gives the Board the power to terminate a permit or participation for failure to pay any fees, dues, or charges owed to the Exchange.

<sup>5</sup> In approving this rule, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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