

and regulations thereunder. The Commission finds that the proposed rule change is consistent with Section 6(b)(4) of the Act,¹³ which requires that the rules of the Exchange 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 lowering the fee for inbound P Orders retroactively to transactions that settled on or after February 1, 2005 should reduce a financial disincentive to send P Orders to the Phlx. The Commission also believes that implementing a fee for inbound P/A Orders is consistent with the practices of the other Participants. The Commission believes that approving the proposed rule change, as amended, on a pilot basis, until July 31, 2005, will give the Exchange and the Commission further opportunity to evaluate whether Linkage fee are appropriate.

The Commission believes that the proposed rule change, as amended, is generally consistent with the practices of other Participants and presents no new regulatory issues. Accordingly, the Commission finds good cause pursuant to Section 19(b)(2) of the Act,¹⁴ for approving this proposed rule change, as amended, prior to the thirtieth day after publication of notice thereof in the **Federal Register**.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁵ that the proposed rule change (SR-Phlx-2005-10), as amended, is hereby approved on an accelerated basis for a pilot period to expire on July 31, 2005.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁶

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. E5-878 Filed 3-3-05; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-51272; File No. SR-Phlx-2004-75]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to Floor Official Conflicts of Interest

February 28, 2005.

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 November 9, 2004, the Philadelphia Stock Exchange, Inc. ("Phlx" or the "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 Phlx. 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 Phlx proposes to amend Exchange Rule 124, Disputes, and Option Floor Procedure Advices-27, Floor Official Rulings—Options ("OFPA F-27"), to authorize Exchange staff to determine that a Floor Official is ineligible to participate in a particular ruling where it appears that such Floor Official has a conflict of interest.

Below is the amended text of the proposed rule change. Proposed new language is in italics.

* * * * *

Disputes

Rule 124. (a)–(d) * * * No change. Commentary:

.01. Exchange staff may determine that a Floor Official is ineligible to participate in a particular ruling where it appears that such Floor Official has a conflict of interest. For purposes of this Rule, and without limitation, a conflict of interest exists where a Floor Official: (a) is directly or indirectly affiliated with a party seeking a Floor Official ruling; (b) is a participant or is directly or indirectly affiliated with a participant in a transaction that is the subject of a Floor Official ruling; (c) is a debtor or creditor of a party seeking a Floor Official ruling; or (d) is an immediate family member of a party seeking a Floor Official ruling. Exchange staff may consider other circumstances,

on a case-by-case basis, in determining the eligibility or ineligibility of a particular Floor Official to participate in a particular ruling due to a conflict of interest.

* * * * *

F-27 Floor Official Rulings—Options

Floor Officials are empowered to render rulings on the trading floor to resolve trading disputes occurring on and respecting activities on the trading floor. All rulings rendered by Floor Officials are effective immediately and must be complied with promptly. Failure to promptly comply with a ruling concerning a trading dispute may result in referral to the Business Conduct Committee. Failure to promptly comply with other rulings issued pursuant to Order and Decorum Regulations or Floor Procedure Advices and not concerning a trading dispute may result in an additional violation. Floor Officials need not render decisions in any instance where the request for a ruling was not made within a reasonable period of time. A Floor Official should not render a decision or authorize a citation where such Floor Official was involved in or affected by the dispute, as well as in any situation where the Floor Official is not able to objectively and fairly render a decision.

Floor Officials shall endeavor to be prompt in rendering decisions. However, in any instance where a Floor Official has determined that the benefits of further discovery as to the facts and circumstances of any matter under review outweigh the monetary risks of a delayed rulings, the Floor Official may determine to delay rendering the ruling until such time as that further discovery is completed. In issuing decisions for the resolution of trading disputes, Floor Officials shall institute the course of action deemed by the ruling Floor Official to be more fair to all parties under the circumstances at the time. A Floor Official may direct the execution of an order on the floor, to adjust the transaction terms or participants to an executed order on the floor. However, two Floor Officials may nullify a transaction if they determine the transaction to have been in violation of Rules 1014 (Obligations and Restrictions Applicable to specialist and ROTs), 1015 (Quotation Guarantees), 1017 (Priority and Parity at Openings in Options), 1033 (Bids and Offers) or 1080 (AUTOM).

A minimum of three members of the Sub-Committee on Rules and Rulings, a sub-committee of the standing committee, or the Chairperson of the standing committee (or his designee) if three Sub-Committee members cannot

¹³ 15 U.S.C. 78f(b)(4).

¹⁴ 15 U.S.C. 78s(b)(2).

¹⁵ 15 U.S.C. 78s(b)(2).

¹⁶ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

be promptly convened, shall be empowered by the standing committee to review Floor Official rulings ("Review Panel"). Requests for a review must be submitted to the Director of the Market Surveillance Department of the Exchange (or his designee) within 15 minutes from the time the contested ruling was rendered. Any person who appeals a Floor Official ruling concerning a trading dispute and loses will be subject to a \$250.00 fee upon a finding by the Review Panel that such appeal is frivolous. The Review Panel shall endeavor to meet on the matter as soon as practicable after notice of a request for a review of a Floor Official ruling. Floor Official rulings may be sustained, overturned or modified by a majority vote of the Review Panel members present. In making a determination, the Review Panel may consider facts and circumstances not available to the ruling Floor Official as well as action taken by the parties in reliance on the Floor Official's ruling (e.g., cover, hedge, and related trading activity). Decisions of the Review Panel will be considered final decisions of the standing committee and may be appealed to the Exchange's Board of Governors pursuant to Exchange By-Law Article XI. Neither Floor Official rulings nor Review Panel decisions reviewing Floor Official rulings preclude a person from also availing upon the Exchange's Arbitration facilities.

Exchange staff may determine that a Floor Official is ineligible to participate in a particular ruling where it appears that such Floor Official has a conflict of interest. For purposes of this Rule, and without limitation, a conflict of interest exists where a Floor Official: (a) Is directly or indirectly affiliated with a party seeking a Floor Official ruling; (b) is a participant or is directly or indirectly affiliated with a participant in a transaction that is the subject of a Floor Official ruling; (c) is a debtor or creditor of a party seeking a Floor Official ruling; or (d) is an immediate family member of a party seeking a Floor Official ruling. Exchange staff may consider other circumstances, on a case-by-case basis, in determining the eligibility or ineligibility of a particular Floor Official to participate in a particular ruling due to a conflict of interest.

FINE SCHEDULE * * * 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 Phlx 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 preclude Floor Officials from participating in rulings where they have conflicts of interest that may interfere with their ability to make fair and objective decisions. Accordingly, the proposed rule change would provide expressly that Exchange staff would be authorized to disqualify a Floor Official from participation in a particular ruling where it appears that such Floor Official has a conflict of interest.

Currently, Exchange Rule 124 and OFPA F-27 authorize Phlx Floor Officials to render rulings on the trading floor to resolve trading disputes occurring on and respecting activities on the trading floor. Floor Officials are also authorized to rule on Phlx member requests for relief from the requirements of certain rules in certain circumstances. The Exchange believes that a Floor Official should not, however, render a decision or authorize a citation where such Floor Official is involved in or affected by the dispute, as well as in any situation where the Floor Official is not able to objectively and fairly render a decision.

The proposed rule change would authorize Exchange staff³ to disqualify a Floor Official from participation in a particular ruling where it appears that such Floor Official has a conflict of interest. Generally, Exchange staff would assign a Floor Official to hear and rule on a trading dispute or member request for relief from the requirements of an Exchange rule. The proposed rule

change would require Exchange staff, prior to making any such assignment, to determine whether the Floor Official has a conflict of interest with respect to that particular dispute or request. If a conflict exists, then such Floor Official would be ineligible to participate in that ruling.⁴ The proposed rule would define a "conflict of interest" to exist where a Floor Official is directly or indirectly affiliated with a party seeking a Floor Official ruling; is a participant or is directly or indirectly affiliated with a participant in a transaction that is the subject of a Floor Official ruling; is a debtor or creditor of a party seeking a Floor Official ruling; or is an immediate family member of a party seeking a Floor Official ruling. The proposed rule would not limit the term "conflict of interest" to these four circumstances and Exchange staff would be authorized to consider other circumstances, on a case-by-case basis, in determining the eligibility of a particular Floor Official to participate in a particular ruling.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act⁶ in particular, in that it is designed to promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system, and to protect investors and the public interest, by providing expressly in the Exchange's rules that Exchange staff would be authorized to disqualify a Floor Official from participation in a particular ruling where it appears that such Floor Official has a conflict of interest, thus ensuring that the Exchange is able to take all necessary steps to prevent Floor Officials from making rulings where they have conflicts of interest that may interfere with their ability to make fair and objective decisions.

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.

³ "Exchange staff" generally refers to staff of the Exchange's Office of Market Surveillance present on the trading floor. Telephone conversation among Richard Rudolph, Director and Counsel, Phlx, Gordon Fuller, Counsel to the Assistant Director, Division of Market Regulation, Commission and Geraldine Idrizi, Attorney, Division, Commission on December 15, 2004.

⁴ Telephone conversation among Richard Rudolph, Director and Counsel, Phlx, Gordon Fuller, Counsel to the Assistant Director, Division of Market Regulation, Commission and Geraldine Idrizi, Attorney, Division, Commission on December 15, 2004.

⁵ 15 U.S.C. 78s(b).

⁶ 15 U.S.C. 78s(b)(5).

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.

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 Exchange consents, the Commission shall:

(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 persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-Phlx-2004-75 on the subject line.

Paper Comments

- Send paper comments in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609.

All submissions should refer to File Number SR-Phlx-2004-75. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). 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 also will be available for inspection and copying at the principal office of the Phlx. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-Phlx-2004-75 and should be submitted on or before March 25, 2005.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. E5-899 Filed 3-3-05; 8:45 am]

BILLING CODE 8010-01-P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration # 10043 and # 10044]

Illinois Disaster # IL-00001

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a notice of an Administrative declaration of a disaster for the State of Illinois, dated 02/23/2005.

Incident: Flooding.

Incident Period: 01/01/2005 through 02/12/2005.

Effective Date: 02/23/2005.

Physical Loan Application Deadline

Date: 04/25/2005.

EIDL Loan Application Deadline Date: 11/23/2005.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, Disaster Area Office 1, 360 Rainbow Blvd. South 3rd Floor, Niagara Falls, NY 14303.

FOR FURTHER INFORMATION CONTACT:

Alan Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street, Suite 6050, Washington, DC 20416.

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the Administrator's disaster declaration on 02/23/2005, applications for disaster loans may be filed at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Counties: Iroquois.

Contiguous Counties: Illinois, Ford, Kankakee, Vermilion, Indiana, Benton, and Newton.

The Interest Rates are:

Homeowners With Credit Available

Elsewhere—5.875

Homeowners Without Credit Available

Elsewhere—2.937

Businesses With Credit Available

Elsewhere—5.800

Businesses and Small Agricultural

Cooperatives Without Credit

Available Elsewhere—4.000

Other (Including Non-Profit

Organizations) With Credit Available

Elsewhere—4.750

Businesses And Non-Profit

Organizations Without Credit

Available Elsewhere—4.000

The number(s) assigned to this disaster for physical damage is 10043 6 and for economic injury is 10044 0.

The States which received EIDL Decl # are: Illinois and Indiana.

(Catalog of Federal Domestic Assistance Numbers 59002 and 59008)

Dated: February 23, 2005.

Hector V. Barreto,

Administrator.

[FR Doc. 05-4237 Filed 3-3-05; 8:45 am]

BILLING CODE 8025-01-P

TENNESSEE VALLEY AUTHORITY

Paperwork Reduction Act of 1995, as Amended by Public Law 104-13; Proposed Collection, Comment Request.

AGENCY: Tennessee Valley Authority.

ACTION: Proposed collection; comment request.

SUMMARY: The proposed information collection described below will be submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended). The Tennessee Valley Authority is soliciting public comments on this proposed collection as provided by 5 CFR Section 1320.8(d)(1). Requests for information, including copies of the information collection proposed and supporting documentation, should be directed to the Agency Clearance Officer: Alice D. Witt, Tennessee Valley Authority, 1101 Market Street (EB 5B), Chattanooga, Tennessee 37402-2801; (423) 751-6832. (SC: 001DCCB)

Comments should be sent to the Agency Clearance Officer no later than May 3, 2005.

SUPPLEMENTARY INFORMATION:

Type of Request: Regular submission.

⁷ 17 CFR 200.30-3(a)(12).