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 self-regulatory organization 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 seek permanent approval of the Exchange's Competing Specialist Initiative ("CSI") pilot program which is scheduled to expire on May 18, 1995. CSI permits competing specialists on the floor of the Exchange in the form of one regular specialist and one or more competing specialists. Orders are directed to either specialist based on each customer's independent decision, but all orders in a stock are executed in accordance with strict time priority. Once all limit orders at a price level are depleted, each specialist is responsible for the market orders directed to them.

The regular specialist is responsible for updating quotations and coordinating openings and reopenings to ensure they are unitary. All ITS activity must be cleared through the regular specialist. To all other markets in the National Market System, there is only one Boston market. Trading halts are coordinated through the regular specialist and apply to all competitors in a stock.

In addition, all competitors will be evaluated on competing stocks in the Exchange's Specialist Performance Evaluation Program.

2. Statutory Basis

The BSE believes that the statutory basis for this proposal is Section 6(b)(5) of the Act in that it furthers the objectives to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

Comments were neither solicited nor received.

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

Within 35 days of the 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 the 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. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., 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 at the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the BSE. All submissions should refer to File No. SR-BSE-95-02 and should be submitted by March 21, 1995.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–4857 Filed 2–27–95; 8:45 am]

[Release No. 34-35403; File No. SR-CBOE-94-39]

Self-Regulatory Organizations; Order Approving Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval of Amendment No. 1 to Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to Obligations to Furnish Information

February 22, 1995.

On November 7, 1994, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").1 and Rule 19b-4 thereunder,2 a proposal to amend CBOE Rule 15.9, "Regulatory Cooperation," 3 to delineate the obligation of CBOE members and persons associated with CBOE members to furnish information in connection with inquiries arising from regulatory agreements that the Exchange has entered into with other regulatory and market institutions even in cases where the Exchange has not otherwise initiated an investigation.

In addition, the CBOE proposes to amend CBOE Rule 17.2, "Complaint and Investigation," to expand the set of circumstances under which members or persons associated with members are obligated, upon request by the Exchange, to appear and testify, respond in writing to interrogatories and furnish documentary materials and other information.

The proposal was published for comment in the **Federal Register** on December 8, 1994. No comments were received on the proposed rule change.⁵

¹ 15 U.S.C. 78s(b)(1) (1988).

^{2 17} CFR 240.19b-4 (1994).

³CBOE Rule 15.9(a) allows the Exchange to "enter into agreements with domestic and foreign self-regulatory organizations, associations and contract markets and the regulators of such markets which provide for the exchange of information and other forms of mutual assistance for market surveillance, investigative, enforcement and other regulatory purposes."

⁴ See Securities Exchange Act Release No. 35035 (December 1, 1994), 59 FR 63397 (December 8, 1994).

⁵ On February 15, 1995, the CBOE amended its proposal to clarify that when the Exchange requests information from a member pursuant to CBOE Rule 15.9(b), the member has the same rights and