The proposed rule change also would revise one of the Exchange's guidelines relating to the withdrawal of approval of underlying securities. Currently, under PSE Rule 3.7, Commentaries .01.2 and .01.3, an underlying security will not be deemed to satisfy the Exchange's listing criteria if the trading volume of the underlying security in all markets was less than 1,800,000 shares in the preceding twelve months (the "Maintenance Volume Test") or if the market price of the underlying security closed below \$5 on a majority of business days during the preceding six months (the "Market Price Test").

closed below \$5 on a majority of business days during the preceding six months (the "Market Price Test"). Because New Securities have limited trading history, they may be unable to satisfy the Maintenance Volume Test or the Market Price Test at the time options on such securities are first listed for trading on the Exchange. Accordingly, the proposed rule change would add a new Commentary .01.4 to PSE Rule 3.7 to provide that the Exchange may determine whether a New Security satisfies the Maintenance Volume and Market Price Tests set forth in Commentaries .01.2 and .01.3 of Rule 3.7, as well as the comparable tests set forth in Rule 3.7, Commentary .04, by reference to the trading volume and price history of the Original Security prior to commencement of trading in the New Security, including "when issued" trading.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act, in general, and furthers the objectives of Section 6(b)(5) in particular, by removing impediments to a free and open market in options covering securities issued by companies engaged in corporate restructuring transactions.

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.

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 with respect to the proposed rule change.

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 other 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 PSE. All submissions should refer to File No. SR-PSE-95-04 and should be submitted by March 22, 1995.

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

Margaret H. McFarland,

Deputy Secretary. [FR Doc. 95–4932 Filed 2–28–95; 8:45 am] BILLING CODE 8010–01–M

[Release No. 34–35409; File No. SR–Phlx– 95–12]

February 22, 1995.

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by Philadelphia Stock Exchange, Inc. Relating to Adoption of Listing Standards Applicable to Options on Securities Issued in Certain Corporate Restructuring Transactions

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. § 78s(b)(1), notice is hereby given that on February 13, 1995, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. On February 21, 1995, the Exchange submitted to the Commission Amendment No. 1 to the proposed rule change in order to make certain technical corrections to the text of the proposal.¹ 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, pursuant to Rule 19b–4 of the Act, proposes to amend Exchange Rule 1009 in order to adopt listing standards applicable to options on securities issued in certain corporate restructuring transactions.² The text of the proposed rule change is available at the Commission.

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 self-regulatory organization 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 Items 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 Phlx proposes to amend Exchange Rule 1009 in order to permit the earlier listing of options on securities issued by companies in connection with certain corporate restructuring transactions ("New securities"). Currently, certain of the Exchange's rules preclude the listing of options on any security until that security has been actively traded at or above a specific price level for a certain period of time. For example, under Exchange Rule 1009, Commentary

¹ See letter from Michell R. Weisbaum, Associate General Counsel, Phlx, to Beth Stekler, Attorney, Division of Market Regulation, SEC, dated February 21, 1995 ("Amendment No. 1").

² This filing withdraws and replaces File No. SR– Phlx–94–43. *See* letter from Michelle R. Weisbaum, Associate General Counsel, Phlx, to Michael A. Walinskas, Branch Chief, Division of Market Regulation, SEC, dated February 17, 1995.