

references to the equivalent New York record date.

Amex has participated in meetings sponsored by the Commission among self regulated organizations, clearing corporations, and other industry participants and has kept its members informed of the forthcoming transition to T+3. As the effective date for implementation draws near, Amex will continue to educate its membership and to ascertain that they are informed and understand specific timing and cutover issues. The Amex's implementation of these rule changes will be consistent with the June 1995 conversion schedule which Amex and the National Securities Clearing Corporation ("NSCC") have developed for industry use.⁴ The schedule is as follows.

Trade date	Settlement cycle	Settlement date
June 2 Friday	5 day	June 9 Friday.
June 5 Monday.	4 day	June 9 Friday.
June 6 Tuesday.	4 day	June 12 Monday.
June 7 Wednesday.	3 day	June 12 Monday.

If the Commission determines to alter the exemptions currently provided in Rule 15c6-1, the Amex may be required to file additional rule amendments.

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 in that it protects investors and the public interest by reducing the risk to clearing corporations, their members and public investors which is inherent in settling securities transactions. This is accomplished by reducing the time period for settlement of most securities transactions which will correspondingly decrease the number of unsettled trades in the clearance and settlement system at any given time.

The proposed change is also consistent with Commission Rule 15c6-1 which requires brokers or dealers to settle most securities transactions no later than the third business day after the date of the contract unless otherwise expressly agreed to by the parties at the time of the transaction.

⁴ NSCC will use two double-settlement days for the conversion. The first double-day settlement, scheduled for Friday, June 9, will incorporate trades from Friday, June 2 (the last T+5 settlement day) and from Monday, June 5 (a T+4 settlement day). The second double-day settlement, scheduled for Monday, June 12, will include trades from Tuesday, June 6 (T+4 settlement day) and Wednesday, June 7 (the first T+3 settlement day). With respect to the two trade days on which "regular way" trades will settle on T+4, Amex rules will be temporarily deemed to be amended accordingly.

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

Amex does not believe that the proposed rule change will impose any inappropriate 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 either solicited or received.

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

Within thirty-five 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 ninety 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 Amex consents, the Commission will:

(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. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 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 in the Commission's Public Reference Section, 450 Fifth Street NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of the Amex.

All submissions should refer to File No. SR-Amex-94-57 and should be submitted by February 2, 1995.

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

Margaret H. McFarland,
Deputy Secretary.

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Self-Regulatory Organizations; Notice of Filing and Order Granting Partial Accelerated Approval of a Proposed Rule Change and Amendment No. 1 to the Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to As-Of-Add Submissions

January 3, 1995.

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 December 1, 1994, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange subsequently filed Amendment No. 1 to the proposed rule change on December 23, 1994.³ The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons. As discussed below, the Commission has also granted accelerated approval to a portion of the proposal.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to: (1) Amend CBOE Rule 2.26 so as to place a ceiling on the monthly fees members pay for submitting trade information under Exchange Rule 6.51⁴ after the trade date (each an "as-of-add") on more than a stated maximum percentage of their monthly trades and to enable the Exchange to suspend the rule in exigent circumstances; and (2) amend CBOE Rule 17.50(g) to include a fine schedule

¹ 15 U.S.C. 78s(b)(1) (1988).

² 17 CFR 240.19b-4 (1991).

³ In Amendment No. 1 to the proposal, the Exchange proposes to change the fine schedule as proposed under CBOE Rule 17.50(g) in two ways. First, as amended, a fine will be assessed whenever the as-of-add (as defined herein) submissions of an individual member or a clearing member equals or exceeds 300% of that member's maximum nominal as-of-add rate for two, rather than three, consecutive months. Second, fines will be imposed with reference to a rolling 12-month period, rather than within a calendar year. In Amendment No. 1, the Exchange also requests accelerated approval of the proposed rule change. See Letter from Dan Schneider, Schiff Hardin & Waite, to Sharon Lawson, Assistant Director, Office of Market Supervision ("OMS"), Division of Market Regulation ("Division"), Commission, dated December 21, 1994 ("Amendment No. 1").

⁴ Among other things, Rule 6.51 requires that each transaction be immediately reported to the Exchange in a form and manner prescribed by the Exchange. See Rule 6.51(a).