call (recording)—(301) 415–1292. Contact person for more information: Bill Hill, (301) 415–1661.

Additional Information

By a vote of 5–0 on June 27 and June 30, the Commission determined pursuant to U.S.C 552b(e) and 10 CFR Sec. 9.107(a) of the Commission's rules that ''Affirmation of Louisiana Energy Services Petitions for Review of LBP–97–8 (May 1, 1997)'' be held on June 30, and on less than one week's notice to the public.

* * * * *

The NRC Commission Meeting Schedule can be found on the Internet at: http://www.nrc.gov/SECY/smj/schedule.htm

This notice is distributed by mail to several hundred subscribers; if you no longer wish to receive it, or would like to be added to it, please contact the Office of the Secretary, Attn: Operations Branch, Washington, D.C. 20555 (301–415–1661).

In addition, distribution of this meeting notice over the internet system is available. If you are interested in receiving this Commission meeting schedule electronically, please send an electronic message to wmh@nrc.gov or dkw@nrc.gov.

* * * * *

Dated: July 3, 1997.

William M. Hill, Jr.,

SECY Tracking Officer, Office of the Secretary.

[FR Doc. 97–18074 Filed 7–7–97; 10:55 am]

BILLING CODE 7590–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–38805; File No. SR–CBOE–97–19]

Self-Regulatory Organizations; Order Approving Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval of Amendment No. 2 of the Chicago Board Options Exchange, Incorporated; Amending the Minor Rule Violation Plan With Respect to Position Limit Fines

July 1, 1997.

On May 8, 1997, the Chicago Board Options Exchange, Incorporated (''CBOE'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] a proposed rule change to revise the position limit summary fine schedule applied to CBOE members.[2] Notice of the proposed rule change, together with the substance of the proposal, was published in the **Federal Register**.[3] No comment letters were received. The Exchange subsequently filed Amendment No. 2 to the proposal on June 12, 1997.[4] This order approves the proposed rule change, as amended.

I. Background

The proposed rule change will revise the position limit summary fine schedule in subsection (g)(1)(b) of Exchange Rule 17.50, the CBOE's minor rule violation plan, for violations in member accounts and other accounts that do not qualify as non-member customer accounts under subsection (g)(1)(a) of Exchange Rule 17.50. The proposed rule change also will revise Interpretation and Policy .01 to Rule 17.50 to conform the proposed amendment to the fine schedule. The revisions result from an Exchange review of existing position limit sanction levels at other exchanges to ensure comparative equality of sanction levels between option exchanges and to ensure that sanction levels appropriately fit the violative behavior.[5]

In addition, the proposed rule change will redefine CBOE's fining method for member position limit summary fines in Rule 17.50(g)(1)(b) so that, for the first three violations within any rolling 12 month period, CBOE will treat a member with two consecutive trade dates of position limit overage in the same manner as a member with a single trade date overage. For the fourth and succeeding violations in any twelve month period, CBOE will treat a two consecutive trade date occurrence as two separate violations. The Exchange Staff will continue to issue non-disciplinary letters of caution for the first three member violations in lieu of a fine, so long as the overage does not exceed 5% of the applicable limit. The proposed rule change also will allow Exchange staff, in its discretion, for the third violation, to meet with the member during a non-disciplinary staff interview, in lieu of issuing a letter of caution.

The Exchange will continue to impose a $1.00 per contract position limit summary fine for the first through third member position limit violations when the overage exceeds 5% of the applicable limit and the fourth through sixth member position limit violations. However, the proposed rule change will establish fine levels of $2.50 per contract for the seventh through ninth position limit violations and $5.00 per contract for the tenth and succeeding violations. By creating another fining tier between the $1.00 and $5.00 per contract levels, the Exchange will utilize a more graduated calculation of position limit summary fines.

Finally, CBOE proposed to change to a rolling 12 month period of review, rather than a calendar year, for multiple position limit violations occurring in both member and non-member accounts in subsections (g)(1) (a) and (b) of Exchange Rule 17.50 to implement a 1996 recommendation by the Commission's Office of Compliance Inspections and Examinations.

II. Discussion

The Commission finds that the proposed rule change is consistent with Section 6 of the Act in general, and in particular, with Section 6(b)(7) because it provides a fair procedure for the disciplining of members and persons associated with members in that the revisions to the fining method for member violations will deter multiple violations and will improve the minor rule violation plan process, while resulting in position limit summary fines that are in proportion to other fines imposed by the CBOE for comparable rule violations. The Commission believes that the proposed role change provides a fair procedure for

[1] 15 U.S.C. § 78s(b)(1) (1988).

[2] The proposed rule change was originally filed on March 28, 1997. The CBOE submitted Amendment No. 1 to the proposed rule change to revise the review period applied to multiple position limit violations occurring in member accounts under CBOE Rule 17.50(g)(1)(b) to a rolling 12 month review period, instead of a calendar year review period. The CBOE has requested that the rolling 12 month review period not become effective until three months after SR–CBOE–97–19 is approved so that CBOE members who may be affected by the change will have a notice period prior to the revision. Letter from Margaret G. Abrams, Senior Attorney, CBOE, to Katherine England, Esq., Assistant Director, Division of Market Regulation—Office of Market Supervision, dated May 8, 1997.

[3] Securities Exchange Act Release No. 38619 (May 13, 1997), 62 FR 27283 (May 19, 1997).

[4] Amendment No. 2 will revise the review period for multiple position limit violations occurring in the accounts of non-member customers under CBOE Rule 17.50(g)(1)(a) to a rolling twelve month review period, instead of a calendar year review period. The CBOE also has requested that the rolling year review period in Amendment No. 2 not become effective until three months after SR–CBOE–97–19 is approved so that CBOE members who may be affected by the change will have a notice period prior to the revision. Letter from Margaret G. Abrams, Senior Attorney, CBOE, to Katherine England, Esq., Assistant Director, Division of Market Regulation—Office of Market Supervision, dated June 12, 1997.

[5] A subgroup was formed by the Exchange's Business Conduct Committee (''BCC'') to review position limit sanctions. The subgroup included the BCC chairman, vice chairman, another BCC member, a member firm representative, and five other Exchange committee chairmen. The subgroup met during September through November 1996. The subgroup's recommendations were approved by the full BCC in November 1996, and by the Exchange's Board of Directors in December 1996.

the disciplining of members and persons associated with members in that it is appropriate to treat two consecutive trade dates of position limit overage in the same manner as a member with a single trade date overage for the first three violations. A member with a two consecutive trade date overage may unintentionally violate the position limit on the first trade date and, upon becoming aware of the overage, begin to take action to reduce the position. Market conditions and the size of the overage may then prevent the member from reducing the overage until the end of the second trade date. During the initial three violations, issuing letters of caution or conducting a staff interview should educate a member to avoid future violations. Thus, the Commission believes that treating two consecutive trade date occurrences as one violation is not warranted for the fourth and succeeding violations.

The Commission also believes that using a more graduated scale for calculation of multiple position limit summary fines may effectively deter multiple violations. By creating a fining level of $2.50 per contract between the $1.00 per contract fining level and the $5.00 per contract fining level, the proposed rule change will deter multiple position limit violations though the use of increasingly higher fines.

The Commission also finds that using a rolling 12 month period of review, rather than a calendar year, for multiple position limit violations occurring in member and non-member accounts will deter repeat violations. Using the rolling 12 month period to calculate position limit violations will prevent a firm from repeating multiple position limit violations at the end of a calendar year and continuing its position limit violations through the beginning of the succeeding calendar year without incurring a fine.

The Commission finds good cause for approving Amendment No. 2 to the proposed rule change prior to the thirtieth day after the date of publication of notice of the filing of the proposed rule change in the **Federal Register** to allow the Exchange to review multiple position limit violations occurring in non-member accounts under CBOE Rule 17.50(g)(1)(a) using the same rolling 12 month period used for violations occurring in member accounts under CBOE Rule 17.50(g)(1)(b), without further delay.

The Commission also believes that Amendment No. 2 does not raise any significant new issues that require public notice prior to approval because Amendment No. 2 only changes the Exchange's review period of multiple position limit violations occurring in non-member accounts to the same rolling 12 month period used for violations occurring in member accounts and no comments were received on the substance of the original proposal. The Commission also believes that delaying for three months after the approval date of SR–CBOE–97–19 the change to the rolling 12 month review period for multiple position limit violations will ensure that any CBOE members have adequate notice prior to the change from a calendar year to a rolling 12 month period. Accordingly, the Commission believes it is consistent with Section 6 of the Act to approve Amendment No. 2 to the proposed rule change on an accelerated basis.

Interested persons are invited to submit written data, views and arguments concerning Amendment No. 2. 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 Room. Copies of such filing will also be available for inspection and copying at the principal office of the CBOE. All submissions should refer to File No. SR–CBOE–97–19 and should be submitted by July 30, 1997.

It is therefore Ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change, SR–CBOE–97–19, be, and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[6]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–17940 Filed 7–8–97; 8:45 am]

BILLING CODE 8010–01–M

[6] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–38804; File No. SR–NASD–97–46]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the National Association of Securities Dealers, Inc. Relating to an Extension of the Effectiveness of the NASD's Excess Spread Rule Until September 30, 1997

July 1, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Exchange Act''), 15 U.S.C. 78s(b)(1), notice is hereby given that on July 1, 1997, the National Association of Securities Dealers, Inc. (''NASD'' or ''Association'') 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 NASD. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and is approving the proposal on an accelerated basis.

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

The NASD proposes to amend NASD Rule 4613(d) to extend the effectiveness of its current excess spread rule applicable to Nasdaq National Market (''NNM'') securities through September 30, 1997. The excess spread rule applicable to NNM securities provides that a registered market maker in a security listed on The Nasdaq Stock Market (''Nasdaq'') shall be precluded from being a registered market maker in that issue for twenty (20) business days if its average spread in the security over the course of any full calendar month exceeds 150 percent of the average of all dealer spreads in such issue for the month. The text of the proposed rule change is as follows. (Additions are italicized; deletions are bracketed.)

* * * * *

NASD Rule 4613 Character of Quotations

* * * * *

(d) Reasonably Competitive Quotations

A registered market maker in a Nasdaq National Market security will be withdrawn as a registered market maker and precluded from re-registering as a market maker in such issue for 20 business days if its average spread in the security over the course of any full