

NATIONAL CAPITAL PLANNING COMMISSION**Washington, DC, Sports and Entertainment Arena; Intent to Prepare Environmental Assessment; Public Meeting**

AGENCY: National Capital Planning Commission.

ACTION: Proposed construction and operation of a sports and entertainment arena in Washington, DC; addendum to notice of public meeting.

SUMMARY: On January 13, 1995, the National Capital Planning Commission in conjunction with the District of Columbia Government published a notice of a public meeting for the purpose of determining significant issues related to the alternatives and potential impacts associated with the proposed construction and operation of a sports and entertainment arena. The meeting, to be held on February 13, 1995, will serve as part of the formal environment review/scoping process for the preparation of the environmental document that is required for the project pursuant to Section 102(2)(c) of the National Environmental Policy Act of 1969 (NEPA).

As described in the earlier notice, this meeting will also serve to provide an opportunity for the public to comment on the historic preservation issues raised by the proposed project. This public participation is pursuant to Section 106 of the National Historic Preservation Act (16 USC 470f) and its implementing regulations at 36 CFR Part 800. Information concerning the time, place and purpose of the meeting can be found in the earlier notice at 60 FD 3273.

FOR FURTHER INFORMATION CONTACT: National Capital Planning Commission, 801 Pennsylvania Avenue, NW., Suite 301, Washington, D.C. 20576, Attention: Ms. Sandra H. Shapiro, General Counsel, Phone: (202) 724-0174.

Ms. Sandra H. Shapiro,
General Counsel, National Capital Planning Commission.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-35268; File No. SR-CSE-95-01]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by Cincinnati Stock Exchange, Inc. Relating to Designated Dealer Market Quotations Requirements

January 24, 1995.

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 January 17, 1995, the Cincinnati Stock Exchange, Inc. ("CSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. 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 CSE hereby proposes to amend Rule 11.9 by revising spread parameter requirements for Designated Dealers ("DDs"), which have been part of the Exchange's quality market policy, and by imposing new requirements on market quotes entered by DDs.

The text of the proposed rule change to CSE Rule 11.9(c) is as follows, with additions in italics:

Interpretations and Policies:
.01 *Except during unusual market conditions or as otherwise permitted by an Exchange Official, the maximum allowable spread that may be entered by a Designated Dealer in a particular security shall be 125% (rounded out to the next 1/8 point increment) of the average of the three narrowest applicable spreads in that security. Applicable spreads shall include the inside quote of CSE and all ITS Participant market centers. In no event shall the maximum allowable spread that a Designated Dealer is required to quote be less than 1/4 point. Nothing in this paragraph, however, shall prohibit a Designated Dealer from entering a quote whose bid/ask spread is less than 1/4 point.*

.02 *Designated Dealers shall not furnish bid-asked quotations that are generated by an automated quotation tracking system (such as the Autoquote system or the Centramart system employed by certain ITS Participants).*

.03 *Except during unusual market conditions or as otherwise permitted by an Exchange official, the average*

firmwide quote-to-trade ratio for Designated Dealers shall not exceed ten-to-one. This ratio shall be measured on a quarterly basis.

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 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 enhance the quality of the CSE's market. First, the Exchange seeks to prohibit the furnishing of "bid-asked quotations which are generated by an automated quotation tracking system." This prohibition broadens the current quotation restrictions contained in Section 8(d)(2) of the Intermarket Trading System ("ITS") Plan, which limits such quotations to a size of 100 shares. Second, the Exchange seeks to impose a requirement that competing specialists spread their quotations no more than 125% of the average of the three best quote spreads provided by all markets that participate in the national market system. Finally, the Exchange proposes to require that the average firmwide quote-to-trade ratio for competing specialists, measured on a quarterly basis, not exceed ten-to-one.

The CSE is the first exchange to propose the complete elimination of autoquoting. Currently, regional exchange specialists use autoquoting as a means to technically comply with their obligation to provide continuous two-sided markets. The CSE believes that it is generally agreed that autoquoted markets provide no meaningful liquidity to the national market system: they are usually away from the NBBO; they must be limited to 100 shares by ITS rules; and they are exempt from ITS's national price protection rules, which means that they can be traded through without penalty. If extended to all exchanges, the CSE believes that the elimination of autoquoting would reduce capacity

demands on the consolidated quotation system and significantly enhance the transparency of the national market system.

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 in that it is intended to promote just and equitable principles of trade and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

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

The CSE 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

The proposed rule change is similar to that contained within File No. SR-CSE-94.11, which was circulated to ITS Participants and which has been withdrawn by the Exchange. The CSE received comments on SR-CSE-94-11 from the New York Stock Exchange, Inc. ("NYSE").¹ The NYSE reiterated the positions it took on autoquoting, spread parameters, and quote-to-trade ratios in an earlier comment letter that was filed in response to File No. SR-CSE-94-01,² the CSE's earlier quality of markets filings.³ In brief, the NYSE questioned the effectiveness of spread parameter and quote-to-trade ratios in improving market quality, and alleged that the CSE was attempting to codify a practice that violated the ITS Plan by permitting specialists to disseminate computer-generated quotes, all forms of which, the NYSE argued, were autoquoting. The NYSE acknowledged, however, in a letter dated September 15, 1994, that "the method of autoquoting in and of itself is not the issue" as much as the impact on market quality which flows from it.⁴

The CSE responded in depth to the NYSE's earlier comments in a letter

dated July 29, 1994, and the Exchange incorporates, by reference, that response here.⁵ Partly in response to industry comment, the CSE withdrew SR-CSE-94-01 and replaced it with SR-CSE-94-11, which has been withdrawn and replaced with this filing. In both of the recent filings, the CSE has simplified its autoquote prohibition by utilizing the language contained in Section 8(d)(ii) of the ITS Plan. The CSE believes that the elimination of autoquoting, as proposed by the CSE, will contribute significantly to the transparency and liquidity of the national market system without stifling the benefits of competition and technical innovation.

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 CSE. All submissions should refer to File No. SR-CSE-95-01 and should be submitted by February 21, 1995.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-2267 Filed 1-30-95; 8:45 am]

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SMALL BUSINESS ADMINISTRATION

[License No. 05/05-0172]

Business Ventures, Inc.; Surrender of License

Notice is hereby given that Business Ventures, Inc., 20 North Wacker Drive, Chicago, Illinois 60606, has surrendered its license to operate as a small business investment company under the Small Business Investment Act of 1958, as amended (the Act).

Business Ventures Inc. was licensed by the Small Business Administration on October 31, 1983.

Under the authority vested by the Act and pursuant to the Regulations promulgated thereunder, the surrender was accepted on January 23, 1995, and accordingly, all rights, privileges, and franchises derived therefrom have been terminated.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies)

Dated: January 25, 1995.

Robert D. Stillman,

Associate Administrator for Investment.

[FR Doc. 95-2323 Filed 1-30-95; 8:45 am]

BILLING CODE 8025-01-M

[License #08-0002]

First Midwest Capital Corp.; Notice of License Surrender

Notice is hereby given that *First Midwest Capital Corporation ("FMCC")*, has surrendered its license to operate as a small business investment company under the Small Business Investment Act of 1958, as amended ("the Act"). *FMCC* was licensed by the Small Business Administration on *March 19, 1959*.

Under the authority vested by the Act and pursuant to the regulations promulgated thereunder, the surrender of the license was accepted on January 24, 1995, and accordingly, all rights, privileges, and franchises derived therefrom have been terminated.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies)

¹ See letter from James K.C. Doran, NYSE, to David Colker, CSE, dated December 22, 1994.

² See letter from James Buck, NYSE, to Jonathan Katz, Secretary, SEC, dated May 16, 1994 (commenting on File No. SR-CSE-94-01). This and other comment letters received by the Commission regarding SR-CSE-94-01 and SR-CSE-94-11 are available in the public file for this proposed rule change (File No. SR-CSE-95-1).

³ The CSE withdrew SR-CSE-94-01 on December 22, 1994. See letter from Robert Ackerman, to Sharon Lawson, SEC, dated December 22, 1994.

⁴ See letter from James K.C. Doran, NYSE, to ITS Operating Committee, dated September 15, 1994.

⁵ See letter from David Colker, CSE, to Jonathan G. Katz, Secretary, SEC, dated July 29, 1994.