

National Association of Manufacturers Corporate Finance and Management Committee, Executive Vice President Legal and External Affairs, International Paper

Seasoned Issuer Proposal

Mr. Christopher J. Murphy III, Chairman, Association of Publicly Traded Companies, to be accompanied by Mr. Brian T. Borders, President, Association of Publicly Traded Companies

Reasonable Basis In Fact Proposal

National Association of Securities and Commercial Law Attorneys—[witness to be named].

Opt-in Proposal

Harvey Pitt, Esquire—Fried, Frank, Harris, Shriver & Jacobson

Disimplication Theory

Professor Joseph Grundfest, Stanford University School of Law

1:00 pm: Break

1:30 pm: Professor Joel Seligman, University of Michigan Law School, Carl Schneider, Esq., Wolf Block Schorr & Solis-Cohen, Securities Registration Standing Committee of the Association of the Bar of the City of New York—[witness to be named]

2:00 pm: North American Securities Administrators Association—[witness to be named]

2:30 pm: New York Stock Exchange [witness to be named], American Stock Exchange—Mr. James F. Duffy, Executive Vice President and General Counsel, National Association of Securities Dealers—Mr. Joseph R. Hardiman, President and Chief Executive Officer.

3:15 pm: Bell Atlantic Corporation, Mr. P. Alan Bulliner, Vice President, Corporate Secretary and Counsel, MCI Corporation, Mr. John R. Worthington, Senior Vice President and General Counsel, Legent Corporation, Mr. John Burton, President, Storage Technology Corporation, Richard Bland, Esq., Deputy General Counsel

4:00 pm: American Institute of Certified Public Accountants—Mr. Phillip B. Chenok, President and Richard Miller Esq., General Counsel, Price Waterhouse LLP, Mr. Arthur Siegel, Vice Chairman, Audit and Business Advisory Services, to be accompanied by Andrew J. Pincus Esq., Mayer, Brown and Platt

4:45 pm: United Brotherhood of Carpenters, Mr. Edward Durking, Director Special Programs Department, International

Brotherhood of Teamsters, Mr. Bartlett Naylor, National Coordinator Office of Corporate Affairs

5:15 pm: State of Connecticut, Christopher Burnham, Treasurer

Tuesday, February 14, 1995

10:00 am: American Electronics Association—[witnesses to be named], Manufacturers Alliance, Mr. Francis W. Homan, Jr., Vice President and Secretary, Business Software Alliance—[witness to be named], Software Publishers Association—[witness to be named]

11:00 am: Business Roundtable—Mr. John A. Georges, Chairman of the Corporate Governance Task Force and Chairman and CEO of International Paper, to be accompanied by Joseph McLaughlin, Esquire, Brown & Wood

11:30 am: National Venture Capitalists Association

11:45 am: Association for Investment Management and Research, Mr. Tom Moore, CFA, Chair, Corporate Information Committee and Senior Vice President, State Street Research and Management Co., National Investor Relations Institute, Mr. Louis M. Thompson, Jr., President and CEO

12:20 pm: University of Michigan School of Business Administration, Douglas Skinner The Conference Board, Dr. Carolyn Brancato, Research Director, Corporate Governance

B. The San Francisco Hearings

Thursday, February 16, 1995

10:00 am: Disimplication Theory Professor Joseph Grundfest, Stanford University School of Law

Seasoned Issuer Proposal

Mr. George Kadonada, Vice-Chairman, Association of Publicly Traded Companies, to be accompanied by Mr. Brian T. Borders, President, Association of Publicly Traded Companies

Reasonable Basis In Fact Proposal

National Association of Securities and Commercial Law Attorneys—(witness to be named later), Bruce Alan Mann, Esquire, Morrison & Foerster

11:30 am: Software Publishers Association—(witness to be named), Software Industry Coalition (witness to be named), ITAA—Douglas C. Jerger, Vice-President American Software Association

12:30 pm: Break

1:30 pm: California Public Employees' Retirement System, Ms. Kayla J. Gillan, Assistant General Counsel

2:00 pm: Western Association of Venture Capitalists, Mr. Authur Patterson, Accel Partners, Mr. Douglas Carlisle, Menlo Ventures, Mr. Philip Gianos, InterWest Partners

2:45 pm: Hewlett-Packard, Robert P. Wayman, Executive Vice President Finance and Administration/Chief Financial Officer

3:00 pm: Sybase, Inc., Michael Engelhardt, Vice President of External Affairs

3:15 pm: Motorola—(witness to be named)

3:30 pm: BankAmerica, Michael J. Halloran, Executive Vice President and General Counsel

[Release No. 34-35310; File No. SR-Amex-95-01]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval to Proposed Rule Change by American Stock Exchange, Inc. Relating to an Extension of Its Pilot Program Which Permits Specialists To Grant Stops in a Minimum Fractional Change Market

January 31, 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 January 11, 1995, the American Stock Exchange, Inc. ("Amex") or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization.

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

The Amex requests a four month extension of a pilot program which amended Exchange Rule 109 to permit a specialist, upon request, to grant stops in a minimum fractional change market.³ The text of the proposed rule

¹ 15 U.S.C. 78s(b)(1) (1988).

² 17 CFR 240.19b-4 (1991).

³ The Amex received approval to amend Rule 109, on a pilot basis, in Securities Exchange Act Release No. 30603 (April 17, 1992), 57 FR 15340 (April 27, 1992) (File No. SR-Amex-91-05) ("1992 Approval Order"). The Commission subsequently extended the Amex's pilot program in Securities Exchange Act Release Nos. 32185 (April 21, 1993), 58 FR 25681 (April 27, 1993) (File No. SR-Amex-93-10) ("April 1993 Approval Order"); 32664 (July 21, 1993), 58 FR 40171 (July 27, 1993) (File No. SR-Amex-93-22) ("July 1993 Approval Order"); and

change is available at the Office of the Secretary, Amex and 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 Item III 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

On March 21 1994, the Commission extended its pilot approval of amendments to Exchange Rule 109 until March 21, 1995.⁴ The amendments permit a specialist, upon request, to grant a stop⁵ in a minimum fractional change market⁶ for any order of 2,000 shares or less, up to a total of 5,000 shares for all stopped orders, provided there is an order imbalance, without obtaining prior Floor Official approval. A Floor Official, however, must authorize a greater order size or aggregate share threshold.

During the course of the pilot program, the Exchange has closely monitored compliance with the rule's requirements; analyzed the impact on orders on the specialist's book resulting from the execution of stopped orders at a price that is better than the stop price; and reviewed market depth in a stock when a stop is granted in a minimum fractional change market. The Exchange believes that the amendments to Rule 109 have provided a benefit to investors by providing an opportunity for price

improvement, while increasing market depth and continuity without adversely affecting orders on the specialist's book. The Exchange's findings in this regard have been forwarded to the Commission under separate cover.

The Exchange is therefore proposing a four month extension of the pilot program which amended Rule 109.

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 designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest. The Exchange believes that the proposed amendments to Rule 109 are consistent with these objectives in that they are designed to allow stops, in minimum fractional change markets, under limited circumstances that provide for the possibility of price improvement to customers whose orders are granted stops.

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

The proposed rule change will impose no 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. 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 at the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for

inspection and copying at the principal office of the Amex. All submissions should refer to File No. SR-Amex-95-01 and should be submitted by February 28, 1995.

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange and, in particular, with Section 6(b)(5)⁷ and Section 11(b)⁸ of the Act. The Commission believes that the amendments to Rule 109 should further the objectives of Section 6(b)(5) and Section 11(b) through pilot program procedures designed to allow stops, in minimum fractional change markets, under limited circumstances that provide the possibility of price improvement to customers whose orders are granted stops.⁹

In its orders approving the pilot procedures,¹⁰ the Commission asked the Amex to study the effects of stopping stock in a minimum fractional change market. Specifically, the Commission requested information on (1) the percentage of stopped orders executed at the stop price, versus the percentage of such orders that received a better price; (2) whether limit orders on the specialist's book were bypassed due to the execution of stopped orders at a better price (and, to this end, the Commission requested that the Amex conduct a one-day review of all book orders in the ten stocks receiving the greatest number of stops); (3) market depth, including a comparison of the size of stopped orders to the size of the opposite side of the quote and to any quote size imbalance, and an analysis of the ratio of the size of the bid to the size of the offer; and (4) specialist compliance with the pilot program's procedures.

The Exchange has submitted to the Commission several monitoring reports regarding the amendments to Rule 109. The Commission believes that, although these monitoring reports provide certain useful information concerning the operation of the pilot program, the Commission must conduct further

33791 (March 21, 1994), 59 FR 14432 (March 28, 1994) (File No. SR-Amex-93-47) ("1994 Approval Order"). Commission approval of these amendments to Rule 109 expires on March 21, 1995. The Exchange seeks accelerated approval of the proposed rule change in order to allow the pilot program to continue without interruption. See letter from Linda Tarr, Special Counsel, Legal & Regulatory Policy Division, Amex, to Glen Barentine, Senior Counsel, Division of Market Regulation, SEC, dated January 31, 1995.

⁴See 1994 Approval Order, *supra*, Note 3.

⁵When a specialist agrees to a floor broker's request to "stop" an order, the specialist is obligated to execute the order at the best bid or offer, or better if obtainable. See Amex Rule 109(a).

⁶Amex Rule 127 sets forth the minimum fractional changes for securities traded on the Exchange.

⁷ 15 U.S.C. 78f (1988).

⁸ 15 U.S.C. 78k (1988).

⁹For a description of Amex procedures for stopping stock in minimum fractional change markets, and of the Commission's rationale for approving those procedures on a pilot basis, see 1992 Approval Order, *supra*, note 3. The discussion in the aforementioned order is incorporated by reference into this order.

¹⁰See *supra*, note 3.

analysis of the Amex data and, in particular, of Rule 109's impact on limit orders on the specialist's book, before it can consider permanent approval thereof. To allow the Commission fairly and comprehensively to evaluate the Amex's use of its pilot procedures, without compromising the benefit that investors might receive under Rule 109, as amended, the Commission believes that it is reasonable to extend the pilot program until July 21, 1995.

First, the Amex's latest monitoring report indicates that approximately half of orders stopped in minimum fractional change markets received price improvement. The Commission, therefore, believes that the pilot procedures provide a benefit to certain investors by offering the possibility of price improvement to customers whose orders are granted stops in minimum fractional change markets. According to the Amex report, moreover, nearly all stopped orders were for 2,000 shares or less. In this respect, the amendments to Rule 109 should mainly affect small public customer orders, which the Commission envisioned could most benefit from professional handling by the specialist.

Second, the Amex states that the amendments to Rule 109 have not adversely affected customer limit orders existing on the specialist's book.¹¹ This conclusion is based on the Exchange's review of limit orders on the opposite side of the market at the time a stop was granted pursuant to this pilot program. As part of its one-day review of the ten stocks receiving the greatest number of stops, the Amex determined how often book orders which might have been entitled to an execution had the order not been stopped, in fact, were executed at their limit price by the close of the day's trading.¹² In addition to

¹¹ When stock is stopped, book orders on the opposite side of the market that are entitled to immediate execution lose their priority. If the stopped order then receives an improved price, limit orders at the stop price are bypassed and, if the market turns away from that limit, may never be executed.

As for book orders on the same side of the market as the stopped stock, the Commission believes that Rule 109's requirements make it unlikely that these limit orders would not be executed. Under the Amex's pilot program, an order can be stopped only if a substantial imbalance exists on the opposite side of the market. See *infra*, text accompanying notes 14-20. In those circumstances, the stock would probably trade away from the large imbalance, resulting in execution of orders on the book.

¹² Beyond the one-day review, the Amex could make this determination only for those stocks in which the electronic display book had been implemented. For other stocks, the Amex determined how often an equivalent volume (*i.e.*, the same number of shares as the stopped order) was executed at the opposite side's limit price by the close of the day's trading.

aggregated data, the Amex provided a detailed breakdown of the disposition of each order.

The Commission historically has been concerned that book orders may get bypassed when stock is stopped, especially in a minimum fractional change market.¹³ Based on the Amex's prior experience, the Commission did not have sufficient grounds to conclude that this long-standing concern had been alleviated. The Commission acknowledges, however, that Amex's recent monitoring reports provide new information on this aspect of the pilot program. As a result, the Commission finds that additional time is necessary for the Commission to review such information and to ensure that Rule 109, as amended, does not harm public customers with limit orders on the specialist's book.

In terms of market depth, the Amex's monitoring report suggests that stock tends to be stopped in minimum fractional change markets where there is a significant disparity (in both absolute and relative terms) between the number of shares bid for and the number of shares offered.¹⁴ That report also suggests that, given the depth of the opposite side of the market, orders affected by the Rule 109 pilot tend to be relatively small.¹⁵ The Amex repeatedly has stated, both to the Commission¹⁶ and to its members,¹⁷ that specialists can only stop stock in a minimum fractional change market when (1) an imbalance exists on the opposite side of the market and (2) such imbalance is of sufficient size to suggest the likelihood of price improvement.¹⁸

¹³ See, *e.g.*, SEC, Report of the Special Study of the Securities Markets of the Securities and Exchange Commission, H.R. Doc. No. 95, 88th Cong., 1st Sess. Pt. 2 (1963).

¹⁴ There is a direct relationship between such a quote size imbalance and the likelihood of price improvement. A large imbalance on one side of the market suggests that subsequent transactions will take place on the other side. In those circumstances, it could be appropriate to grant a stop, since the delay might allow the specialist to execute the order at a better price for the customer.

¹⁵ A relatively large order might begin to counteract the pressure the imbalance on the opposite side of the market is putting on the stock's price. Accordingly, it might not be as appropriate to stop such an order.

¹⁶ See letter from Claire P. McGrath, Senior counsel, Legal & Regulatory Policy Division, Amex, to Mary Revell, Branch Chief, Division of Market Regulation, SEC, dated January 6, 1992 (Amendment No. 1 to File No. SR-Amex-91-05). Amendment No. 1 formally incorporated the requirement that the indicia of market depth discussed below must, without exception, be satisfied before a specialist is permitted to stop stock in a minimum fractional change market.

¹⁷ See Amex Information Circular Nos. 92-74 (April 24, 1992) and 93-333 (April 7, 1993).

¹⁸ For further discussion of the relationship between quote size imbalance and the likelihood of price improvement, see *supra* note 14.

In the Commission's opinion, the Amex data generally supports its conclusions regarding market depth. The Commission continues to believe that the requirement of a sufficient market imbalance is a critical aspect of the pilot program.¹⁹ When properly applied, such a requirement should help the Amex ensure that stops are only granted in a minimum fractional change market when the benefit (*i.e.*, price improvement) to orders being stopped far exceeds the potential of harm to orders on the specialist's book.²⁰

Finally, the Amex report describes its efforts regarding compliance with the pilot procedures. To alleviate confusion about how to evidence Floor Official approval (which, as noted above, a specialist must obtain to stop any order for more than 2,000 shares, or a total of more than 5,000 shares for all stopped orders), the Exchange has developed new manual and automated reports, which serve as a written audit trail for surveillance purposes. As a result, the Commission believes that the Amex has sufficient means to determine whether a specialist complied with the amendments' order size and aggregate share thresholds and, if not, whether Floor Official approval was obtained for larger parameters. The Commission also notes the Amex's ongoing effort to keep its specialists properly informed about the pilot program's requirements. In this context, the Amex has distributed Information Circulars,²¹ and held continuing educational sessions on the pilot program and its requirements for stopping stock in minimum fractional change markets. The Commission would expect the Amex to take appropriate action in response to any instance of specialist non-compliance with Rule 109's procedures.

During the pilot extension, the Commission requests that the Exchange continue to monitor the effects of stopping stock in a minimum fractional change market and to provide additional information where appropriate. Moreover, if the Exchange determines to request permanent approval of the pilot program or an extension thereof beyond July 21, 1995, the Amex should submit to the Commission a proposed rule change by April 1, 1995.

¹⁹ In extending a comparable pilot program on the New York Stock Exchange, the Commission placed similar emphasis on the critical nature of the sufficient size standard when stopping stock in minimum fractional change markets. See Securities Exchange Act Release No. 33791 (March 21, 1994), 59 FR 14437 (March 28, 1994) (File No. SR-NYSE-94-06).

²⁰ See *supra*, text accompanying notes 11-13.

²¹ See *supra*, note 17.

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of the notice of filing thereof. This will permit the pilot program to continue on an uninterrupted basis. In addition, the procedures the Exchange proposes to continue using are the identical procedures that were published in the **Federal Register** for the full comment period and were approved by the Commission.²²

It is therefore ordered, pursuant to Section 19(b)(2),²³ that the proposed rule change (SR-Amex-95-01) is hereby approved until July 21, 1995.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.²⁴

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-2971 Filed 2-6-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-35300; File No. SR-CBOE-94-46]

Self-Regulatory Organizations; Order Approving Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval of Amendment No. 1 to the Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to Amendments to the Minor Rule Violation Fine Plan

January 31, 1995.

On November 21, 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 proposed rule change to amend certain provisions of CBOE Rule 17.50, "Imposition of Fines for Minor Rule Violations."

Notice of the proposed rule change appeared in the **Federal Register** on December 5, 1993.³ No comments were received on the proposal.⁴

²² No comments were received in connection with the proposed rule change which implemented these procedures. See 1992 Approval Order, *supra*, note 3.

²³ 15 U.S.C. 78s(b)(2) (1988).

²⁴ 17 CFR 200.30-3(a)(12) (1991).

¹ 15 U.S.C. 78s(b)(1) (1998).

² 17 CFR 240.19b-4 (1994).

³ See Securities Exchange Act Release No. 35014 (November 28, 1994), 59 FR 62429 (December 5, 1994).

⁴ On January 10, 1995, the CBOE amended its proposal to provide that fines imposed pursuant to CBOE Rule 17.50(b)(7) are subject to review by the Exchange's Appeals Committee. See Letter from Arthur B. Reinstein, Attorney, CBOE, to Sharon Lawson, Assistant Director, Division of Market

The CBOE proposes to amend CBOE Rule 17.50 to (1) extend the "lookback period" for determining certain sanctions; (2) limit the number of transactions for which a member may request verification; (3) clarify appeal procedures; (4) provide for the waiver of certain fees for appeals; (5) conform procedures for requests for review under CBOE Rule 17.50 with other CBOE rules; and (6) clarify certain provisions of the rule.

Specifically, the Exchange proposes to (1) amend CBOE Rule 17.50(g)(4) to extend from nine to 18 months the "lookback period" for failure to submit accurate trade information pursuant to CBOE Rule 6.51, "Reporting Duties;" and (2) amend CBOE Rule 17.50(g)(5) to create an 18-month "lookback period" for failure to submit trade information to the price reporter pursuant to CBOE Rule 6.51. The Exchange also proposes to amend CBOE Rule 17.50(g)(6) to provide that the maximum fine authorized under the Exchange's trading and decorum policies may be imposed for a first or second offense if warranted under the circumstances in the view of the Floor Officials Committee.

The CBOE proposes to amend Exchange Rule 17.50, Interpretation and Policy .03 to impose a cap on the number of transactions during a particular month for which a member fined more than twice in an 18-month period for failure to submit accurate trade information or failure to submit trade information to the price reporter may request verification. Under Interpretation and Policy .03, as amended, a member fined more than twice in an 18-month period may request verification of the greater of 50 transactions during a month or 10% of the number of transactions deemed not to be in compliance with CBOE Rule 6.51.

The CBOE also proposes several amendments to revise the procedures applicable to the appeal and review of fines imposed under CBOE Rule 17.50. First, the CBOE proposes to amend Exchange Rule 17.50(c)(1) to state explicitly the rights of members fined under the rule. The CBOE also proposes to add paragraph (d)(1) to clarify the procedures applicable to appeals from fines imposed for trading conduct and decorum violations to note that, among other things, a person fined for such violations may contest the Exchange's determination by filing a written application with the Secretary of the

Regulation, Commission, dated January 9, 1995 ("Amendment No. 1"). CBOE Rule 17.50(g)(7) establishes a fine schedule for failures to submit trade data on the trade date. See order approving File No. SR-CBOE-94-50.

Exchange pursuant to CBOE Rule 19.2, "Submission of Application to Exchange," and that a hearing, if requested, will be conducted in accordance with the provisions of CBOE Rules 19.3, "Procedure Following Applications for Hearing," and 19.4, "Hearing." Under paragraph (d)(2), the Appeals Committee may waive the forum fee if the Appeals Committee finds that the person charged is guilty of one or more of the rule violations alleged and the sole disciplinary sanction imposed by the Appeals Committee is a fine which is less than the total fine initially imposed by the Exchange.

In addition, the CBOE proposes to amend CBOE Rule 17.50(c) to provide the Exchange's Business Conduct Committee ("BCC")⁵ and the Appeals Committee with the discretion to waive the forum fee provided for if the applicable committee finds that the person charged is guilty of one or more of the rule violations alleged and the sole disciplinary sanction imposed is a fine which is less than the total fine initially imposed by the Exchange. The CBOE believes that this amendment will lead to a more equitable resolution of certain appeals under CBOE Rule 17.50 in situations where the committees believe that a waiver of the forum fee is warranted; such situations arise, for example, when a fine is reduced on appeal.

The CBOE also proposes to amend CBOE Rule 17.50(c)(3) and to add (d)(3) to make the procedures applicable to requests by the Board of Directors ("Board") for review by the Board of determinations of the Appeals Committee under CBOE Rule 17.50 consistent with the procedures applicable to similar requests regarding other decisions of these committee as provided in CBOE Rules 17.10(c) and 19.5(a).

Finally, the CBOE proposes a nonsubstantive change to clarify CBOE Rule 17.50(g)(1), "Violation of position limit rules," by deleting a potentially confusing reference to CBOE Rule 24.4, "Position Limits for Broad-Based Index Options." Currently, CBOE Rule 17.50(g)(1), which applies to violations of all of the Exchange's position limit rules, only specifically references CBOE

⁵ The BCC has decision-making authority concerning possible violations within the disciplinary jurisdiction of the Exchange. The BCC reviews CBOE staff investigatory reports and issues statements of charges, accepts or rejects offers of settlement and letters of consent, holds hearings and conducts summary proceedings, serves written decisions on the parties to proceedings, and, when appropriate, imposes sanctions, including expulsions, suspensions, fines, censures, and other fitting sanctions.