

(e) of Part 1 of the rule, which currently authorizes the imposition of the maximum fine for third and subsequent offenses in the case of a first or second offense if warranted under the circumstances. To give the Exchange greater flexibility in the administration of the rule, the rule is being amended to also authorize the imposition of the fine for a second offense in the case of a first offense, again if warranted under the circumstances. Finally, Paragraph (g) is being amended to cite to Exchange policy rather than a rule with regard to Violation 7 relating to member firm submission of audit trail data.

## 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)(6) in particular in that it is intended to assure that Exchange members and member firms are appropriately disciplined for rule violations.

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

Because the foregoing proposed rule change: (1) does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) does not become operative for 30 days from June 20, 1995, the date on which it was filed, and the Exchange provided the Commission with written notice of its intent to file the proposed rule change at least five days prior to the filing date, it has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(e)(6) thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

## 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, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR-Amex-95-25 and should be submitted by July 26, 1995.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

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[Release No. 34-35901; File No. CBOE-95-21]

## Self-Regulatory Organizations; Order Approving Proposed Rule Change by the Chicago Board Options Exchange, Inc. Relating to Parents of Member Organizations.

June 28, 1995.

On April 18, 1995, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") submitted to the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to Section 19(b) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to rescind Rule 3.7 ("Parents of Member Organizations"), which requires the Exchange's Board to approve each country under whose laws non-U.S. parents of member organizations are organized. The Exchange also proposed to move from Rule 3.7 to Rule 3.5 ("Persons Associated with Member Organizations"), subsection (a), the

requirement that parents of member organizations must furnish certain information to the Exchange upon request. Notice of the proposed rule change was published for comment and appeared in the **Federal Register** on May 10, 1995.<sup>3</sup> No comment letters were received on the proposal. This order approves the CBOE proposal.

## I. Description of the Proposal

The Exchange is proposing to rescind Rule 3.7. The first paragraph of Rule 3.7 provides that "[a] member organization shall not be an affiliate of a parent organization unless the parent organization is organized under the laws of the United States or such other country as the Board may approve." ("the prohibition"). Additionally, the CBOE has proposed to move to Rule 3.5 the requirement currently contained in Rule 3.7 obligating persons who control member organizations to furnish to the Exchange, upon request, any information reasonably related to their securities business.

## II. Discussion

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, the requirements of Section 6(b)(2)<sup>4</sup> in that it eliminates restrictions on who may be associated with a member of the Exchange without diminishing the protection of investors and the public interest. Specifically, the Commission believes that the elimination of the prohibition will facilitate the Exchange's review of membership applications submitted by member organizations that have non-U.S. parents, as well as its review of transactions that would result in the transfer of control of an existing member organization to a foreign parent.

The CBOE represents that it has never adopted standards to govern the Board's approval of individual countries for purposes of Rule 3.7. Indeed, the Commission understands the difficulties which may have been encountered by the Exchange in attempting to distinguish one country from another for purposes of Board approval pursuant to Rule 3.7. Eliminating the prohibition is consistent with Section 6(b)(5) of the Act in that it removes an impediment to a free and open market and is practically significant in an era of

<sup>3</sup> See Securities Exchange Act Release No. 35666 (May 3, 1995), 60 FR 24936.

<sup>4</sup> 15 U.S.C. 78f(b)(2).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

increased internationalization of the securities markets.

The Commission believes that the proposed rule change will not diminish the CBOE's continued and adequate regulatory jurisdiction over U.S. foreign parents of member organizations. Notably, Rule 3.4 ("Denial of and Conditions to Membership") provides the Exchange's Membership Committee with broad discretion in granting or denying an application for membership to the Exchange. Moreover, Rule 3.5, as amended by this order, permits the Exchange to bar a person<sup>5</sup> from becoming or continuing to be associated with a member organization if the person does not agree to furnish the Exchange with information concerning such person's relationship with the member, and information reasonably related to such person's other securities business. Rule 3.5 also subjects persons associated with the Exchange, including parent organizations, to the Constitution and Rules of the Exchange and applicable clearing organization. Finally, the Exchange's authority over parents of member organizations is further enlarged by Rule 17.1 ("Disciplinary Jurisdiction") which subjects persons associated with members to the disciplinary jurisdiction of the Exchange. As a result, the Commission believes that eliminating the prohibition will not hinder the Exchange's ability to adequately regulate its members and associated persons of its members.

It Therefore Is Ordered, pursuant to Section 19(b)(2) of the Act,<sup>6</sup> that the proposed rule change (SR-CBOE-95-21) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>7</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 95-16395 Filed 7-3-95; 8:45 am]

BILLING CODE 8010-01-M

## SOCIAL SECURITY ADMINISTRATION

### 1994-95 Advisory Council on Social Security; Meeting

**AGENCY:** Social Security Administration.

**ACTION:** Notice of public meeting.

**SUMMARY:** In accordance with the Federal Advisory Committee Act, this notice announces a meeting of the

1994-95 Advisory Council on Social Security (the Council).

**DATES:** Thursday, July 27, 1995, 9:00 a.m. to 5:00 p.m. and Friday, July 28, 1995, 9:00 a.m. to 3:00 p.m.

**ADDRESSES:** The National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, DC 20036, (202) 857-9500.

**FOR FURTHER INFORMATION CONTACT:** By mail—Dan Wartonick, 1994-95 Advisory Council on Social Security, Suite 705, 1825 Connecticut Avenue, NW., Washington, DC 20009; By telephone—(202) 482-7117; By telefax—(202) 482-7123.

#### SUPPLEMENTARY INFORMATION:

##### I. Purpose

Under section 706 of the Social Security Act (the Act), the Secretary of Health and Human Services (the Secretary) appoints the Council every 4 years. The Council examines issues affecting the Social Security Old-Age, Survivors, and Disability Insurance (OASDI) programs, as well as the Medicare program and impacts on the Medicaid program, which were created under the Act.

In addition, the Secretary has asked the Council specifically to address the following:

- Social Security financing issues, including developing recommendations for improving the long-range financial status of the OASDI programs;
- General program issues such as the relative equity and adequacy of Social Security benefits for persons at various income levels, in various family situations, and various age cohorts, taking into account such factors as the increased labor force participation of women, lower marriage rates, increased likelihood of divorce, and higher poverty rates of aged women.

In addressing these topics, the Secretary suggested that the Council may wish to analyze the relative roles of the public and private sectors in providing retirement income, how policies in both sectors affect retirement decisions and the economic status of the elderly, and how the disability insurance program provisions and the availability of health insurance and health care costs affect such matters.

The Council is composed of 12 members in addition to the chairman: Robert Ball, Joan Bok, Ann Combs, Edith Fierst, Gloria Johnson, Thomas Jones, George Kourpias, Sylvester Schieber, Gerald Shea, Marc Twinney, Fidel Vargas, and Carolyn Weaver. The chairman is Edward Gramlich.

The Council met previously on June 24-25, 1994 (59 FR 30367), July 29, (59

FR 35942), September 29-30 (59 FR 47146), October 21-22 (59 FR 51451), November 18-19 (59 FR 55272), January 27, 1995 (60 FR 3416), February 10-11 (60 FR 5433), March 8-9 (60 FR 10091), March 10-11 (60 FR 10090), April 21-22 (60 FR 18419), May 19-20 (60 FR 24961) and June 2-3 (60 FR 27372).

##### II. Agenda

The following topics will be presented and discussed:

- Options for ensuring the long-term financing of the Social Security program; and
- Changes to Social Security benefits to ensure relative equity and adequacy.

The meeting is open to the public to the extent that space is available. Interpreter services for persons with hearing impairments will be provided. A transcript of the meeting will be available to the public on an at-cost-of duplication basis. The transcript can be ordered from the Executive Director of the Council.

(Catalog of Federal Domestic Assistance Program Nos. 93.802, Social Security-Disability Insurance; 93.803, Social Security-Retirement Insurance; 93.805, Social Security-Survivors Insurance)

Dated: June 28, 1995.

**David C. Lindeman,**

*Executive Director, 1994-95 Advisory Council on Social Security.*

[FR Doc. 95-16412 Filed 7-3-95; 8:45 am]

BILLING CODE 4190-29-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### Approval of Noise Compatibility Program, Laredo International Airport, Laredo, TX

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice.

**SUMMARY:** The Federal Aviation Administration (FAA) announces its findings on the noise compatibility program submitted by the city of Laredo, TX, under the provisions of Title I of the Aviation Safety and Noise Abatement Act of 1979 (Public Law 96-193) and CFR Part 150. These findings are made in recognition of the description of Federal and non-Federal responsibilities in Senate Report No. 96-52 (1980). On April 18, 1994, the FAA determined that the noise exposure maps submitted by the city of Laredo under Part 150 were in compliance with applicable requirements. On October 14, 1994, the Administrator approved the

<sup>5</sup> The Act defines "person" to include a company. 15 U.S.C. 78(c)(9).

<sup>6</sup> 15 U.S.C. 78s(b)(2).

<sup>7</sup> 17 CFR 200.30-3(a)(12).