

must address inquiries to the head of the facility where the employee is employed. Inquiries must contain the employee's or applicant's full name, social security number, and facility where employed (or tested).

RECORD ACCESS PROCEDURES:

Requests for access must be made in accordance with the notification procedures above and the Postal Service Privacy Act regulations regarding access to records and verification of identity under 39 CFR 266.6.

CONTESTING RECORD PROCEDURES:

See Notification Procedures and Record Access Procedures above.

RECORD SOURCE CATEGORIES:

Postal Service employees, Postal Service medical staff, Postal Service designee testing facilities, substance abuse professionals, and designated contractors."

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 95-18159 Filed 7-24-95; 8:45 am]

BILLING CODE 7710-12-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-35987; File No. SR-BSE-95-12]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by Boston Stock Exchange, Inc. Relating to Specialist Concentration

July 18, 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 June 19, 1995, the Boston Stock Exchange, Inc. ("BSE" 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 Exchange seeks to obtain permanent approval of its Specialist Concentration Policy.¹ This will permit

¹ On February 7, 1990, the Commission approved, on a six-month pilot basis ending August 7, 1990, a proposed rule change by the BSE to establish procedures for reviewing proposed combinations among specialist units on the Exchange. See Securities Exchange Act Release No. 27684

the Exchange's Executive Committee to review proposed combinations that, in the Exchange's view, may lead to undue concentration within the specialist community.

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 test 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 seek permanent approval of the concentration policy, which establishes certain standards based on Consolidated Tape Association ("CTA") ranking² of specialist stocks for reviewing certain proposed mergers, acquisitions and other combinations between or among specialist units. The proposed policy would authorize the Executive Committee of the Board of Governors to review proposed combinations that, in the Exchange's view, may lead to undue concentration within the specialist community.

(February 7, 1990), 55 FR 5527 (approving File No. SR-BSE-89-05). The Commission later approved the renewal of the pilot program for additional one-year periods ending August 1, 1991, August 13, 1992, August 13, 1993, and August 13, 1994. See Securities Exchange Act Release Nos. 28327 (August 10, 1990), 55 FR 33794 (File No. SR-BSE-90-11); 29551 (August 13, 1991), 56 FR 41380 (File No. SR-BSE-91-06); 31037 (August 13, 1992), 57 FR 37854 (File No. SR-BSE-92-08); and 32753 (August 16, 1993), 58 FR 44707 (File No. SR-BSE-93-15).

² The CTA disseminates last sale transaction information for trades executed on any of the participant exchanges or the Nasdaq Stock Market. The current CTA participants include the New York Stock Exchange ("NYSE"), American Stock Exchange ("Amex"), Chicago Stock Exchange ("CHX"), Philadelphia Stock Exchange ("Phlx"), Pacific Stock Exchange ("PSE"), BSE, Chicago Board Options Exchange ("CBOE"), Cincinnati Stock Exchange ("CSE"), and the National Association of Securities Dealers ("NASD"). Each specialist stock is ranked according to the number of CTA trades in such stock. The ranking is based upon the average volume of trades and shares reported to CTA over the past four quarters. Conversation between Karen Aluise, BSE, and Amy Bilbija, SEC, on July 12, 1995.

The Executive Committee will review any arrangement where previously separate specialist organizations would be operating under common control and would comprise:

- (a) 15% or more of the 100 most actively traded CTA stocks; or,
- (b) 15% or more of the second 100 most actively traded CTA stocks; or,
- (c) 20% or more of the third 100 most actively traded CTA stocks; or
- (d) 15% or more of all the CTA stocks eligible for trading on the BSE where the Free List contains fewer than 100 issues.³

The Executive Committee shall approve or disapprove the proposed combination based on its assessment of the following considerations:

(a) Specialist performance and market quality in the stocks subject to the proposed combination;

(b) The effects of the proposed combination in terms of the following criteria:

- (i) Strengthening the capital base of the resulting specialist organization;
- (ii) Minimizing both the potential for financial failure and the negative consequences of any such failure on the specialist system as a whole; and
- (iii) Maintaining or increasing operational efficiencies;

(c) Commitment to the Exchange market, focusing on whether the constituent specialist organizations engage in business activities that might detract from the resulting specialist organization's willingness or ability to act to strengthen the Exchange agency/auction market and its competitiveness in relation to other markets; and

(d) The effect of the proposed combination on overall concentration of specialist organizations.

With respect to the criteria relating to the "commitment to the Exchange market," the Executive Committee would look to a variety of factors that extend beyond compliance with the Exchange's requirements for providing sufficient capital, talent and order handling services. For example, the Committee would review and assess each constituent unit's past performance on the Exchange relating to such matters as:

- Acceptance and cooperation in the development, implementation and enhancement to the Boston Exchange Automated Communications and Order-routing Network ("BEACON");
- Efforts at resolving problems concerning customer orders;

³ The Free List is made up of securities that are not registered to certain specialists and can be traded by any specialist.

- Willingness to facilitate early openings in order to compete effectively with other exchanges; and
- Willingness to voluntarily provide Execution Guarantees beyond the minimum required under Rule 2039A.⁴

2. Statutory Basis

The Exchange believes that the basis under the Act for the proposed policy is Section 6(b)(5) in that the policy enables the Exchange to monitor the tendencies toward concentration in the specialist community and to intervene to prevent undue concentration. As such, it is designed to protect investors and the public interest, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers, or to regulate by virtue of any authority conferred by this title matters not related to the purpose of this title or the administration of the Exchange.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

The Exchange has neither solicited nor received written comments on the proposed rule change.

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 longer 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:

- By order approve the proposed rule change, or
- 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

⁴ See BSE Rule 2039A. The Rule states that the BSE Execution Guarantee shall be available to each member firm in all issues traded through the Intermarket Trading System (ITS) registered to a member specialist of the Exchange. The Rule imposes an obligation upon specialists to guarantee executions on all agency orders from 100 up to and including 1,299 shares.

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 BSE. All submissions should refer to File No. SR-BSE-95-12 and should be submitted by August 15, 1995.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 95-18214 Filed 7-24-95; 8:45 am]
BILLING CODE 8010-01-M

[Release No. 34-35989; File No. SR-CBOE-95-37]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Chicago Board Options Exchange, Inc. Relating to the Listing of Options on the CBOE Technology Index

July 18, 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 July 14, 1995, 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, II, and III below, which Items have been prepared by the Exchange. 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 CBOE proposes to list and trade options on the CBOE Technology Index ("Tech Index" or "Index"). The text of the proposed rule change is available at the Office of the Secretary, the CBOE, 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 CBOE included statements concerning the purpose of and basis for the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Section (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

The purpose of the proposed rule change is to permit the Exchange to list and trade cash-settled, European-style¹ stock index options on the Tech Index. The Exchange represents that the Tech Index meets the generic criteria for listing options on narrow-based indexes set forth in Exchange Rule 24.2 and the Commission's order approving that Rule.² Accordingly, the CBOE is submitting this proposed rule change pursuant to, and in accordance with, the procedures set forth in CBOE Rule 24.2. In accordance with Rule 24.2, the CBOE proposes to list and trade options on the Tech Index beginning 30 days from July 14, 1995, the filing date of this proposed rule change.

The Tech Index consists of the stocks of 30 issuers involved in various high technology industries, including: computer services, telecommunications equipment, server software and hardware, design software, PC software and hardware, networking, peripherals, and semiconductors.³ The Exchange represents that no proxy for the performance of the high technology sector is currently available in the U.S. derivative markets. The Exchange believes, therefore, that options on the Index will provide investors with a low-

¹ European-style options may only be exercised during a specified period prior to expiration of the options.

² See Securities Exchange Act Release No. 34157 (June 3, 1994), 59 FR 30062 (June 10, 1994) ("Generic Index Approval Order").

³ The components of the Index are: Apple Computer, Inc.; Adobe Systems Inc.; ADC Telecommunications Inc.; Adaptec Inc.; Advanced Micro Devices Inc.; Bay Networks Inc.; Computer Associates International; 3Com Corp; Compaq Computer Corp; Cirrus Logic Inc.; Cabletron Systems Inc.; Computer Sciences Corp.; Cisco Systems Inc.; Digital Equipment Corp.; DSC Communications Corp.; Hewlett Packard Co.; IBM; Intel Corp.; Motorola Inc.; Microsoft Corp.; Micron Technology Inc.; Novell Inc.; Oracle Corporation; Picturitel Corp.; Parametric Technology Corp.; Seagate Technology Inc.; Silicon Graphics Inc.; Synopsys Inc.; Tellabs Inc.; and Xilinx Inc.