the handling of Satisfaction Orders in an efficient and fair manner.

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of the notice thereof in the **Federal Register**. As noted above, the proposed rule change incorporates changes into the BSE Rules that correspond to changes made to the Linkage Plan through Joint Amendment No. 11, which was published for public comment in the **Federal Register** on May 19, 2004.[12] The Commission received no comments in response to publication of Joint Amendment No. 11. The Commission believes that no new issues of regulatory concern are being raised by BSE's proposed rule change. The Commission believes, therefore, that granting accelerated approval of the proposed rule change, as amended, is appropriate and consistent with sections 6 and 19(b) of the Act.[13]

V. Conclusion

It is therefore ordered, pursuant to section 19(b)(2) of the Act,[14] that the proposed rule change, as amended, (SR–BSE–2004–17) is approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[15]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 04–15748 Filed 7–9–04; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–49798A; File No. SR–CBOE–2004–23]

Self-Regulatory Organizations; Order Approving Proposed Rule Change and Amendments Nos. 1 and 2 Thereto by the Chicago Board Options Exchange, Inc. To Permanently Approve the Modified ROS Opening Procedure Pilot Program, Which Occurs on the Settlement Date of Futures and Options on Volatility Indexes

July 6, 2004.

Correction

In Part III of Release No. 34–49798, issued June 3, 2004,[1] the Commission is replacing the following sentence: ''The Commission notes that futures and options on Volatility Indexes with contract months that expire beyond November 2004 are currently being traded''[2] with ''The Commission notes that, with respect to futures on Volatility Indexes, the futures contract month on the CBOE Volatility Index, which is the only Volatility Index futures contract traded on the CBOE Futures Exchange, LLC, having the furthest expiration month as of June 18, 2004 is the November 2004 futures contract. CBOE listed the February 2005 futures contract on Monday, June 21, 2004.''[3]

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[4]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 04–15684 Filed 7–9–04; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–49965; File No. SR–CBOE–2004–30]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval to a Proposed Rule Change by the Chicago Board Options Exchange, Inc. Relating to the Handling of Satisfaction Orders Pursuant to the Plan for the Purpose of Creating and Operating an Intermarket Option Linkage

July 2, 2004.

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 May 11, 2004, the Chicago Board Options Exchange, Inc. (''CBOE'' or ''Exchange'') submitted to the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the CBOE. 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 amend its rules regarding how its members handle Satisfaction Orders[3] pursuant to the Linkage Plan.

The text of the proposed rule change is available at the Exchange 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 and discussed any comments it had received on the proposed rule change. The text of these statements may be examined at the places specified in Item III below. The Exchange 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 this filing is to implement a proposed rule change related to proposed Joint Amendment No. 11 to the Linkage Plan.[4] That amendment to the Linkage Plan, together with this proposed rule change, will enhance the manner in which the CBOE processes Satisfaction Orders following a Trade-Through. If the displayed price that is traded through represents a customer order, the CBOE Designated Primary Market Maker (''DPM''), specialist, or specialist equivalent of another participant in the Linkage Plan (''Participant'')[5] can send

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[12] *See supra* note 5.

[13] 15 U.S.C. 78f and 78s(b).

[14] 15 U.S.C. 78s(b)(2).

[15] 17 CFR 200.30–3(a)(12).

[1] *See* Securities Exhange Act Release No. 49798 (June 3, 2004), 69 FR 32644 (June 10, 2004).

[2] Telephone conversation between David Doherty, Attorney, CBOE, and Christopher Solgan, Attorney, Division, Commission, on May 24, 2004.

[3] *See* letter from David Doherty, Attorney, CBOE, and Christopher Solgan, Attorney, Division, Commission, dated June 18, 2004. The Commission notes CBOE has not commenced trading options on Volatility Indexes. *Id.*

[4] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] A ''Satisfaction Order'' is defined as an order sent through the Options Intermarket Linkage to notify a Participant of a Trade-Through and to seek satisfaction of the liability arising from that Trade-Through. A ''Trade-Through'' is a transaction in an options series at a price that is inferior to the National Best Bid or Offer. *See* Sections 2(16)(c) and 2(29) of the Plan for the Purpose of Creating and Operating an Intermarket Option Linkage (the ''Linkage Plan''), respectively.

[4] *See* Securities Exchange Act Release No. 49691 (May 12, 2004), 69 FR 28594 (May 19, 2004) (File No. 4–429) (Notice of filing Joint Amendment No. 11 to the Linkage Plan).

[5] A ''Participant'' is defined as an Eligible Exchange whose participation in the Linkage Plan has become effective pursuant to Section 4(c) of the Linkage Plan. *See* Section 2(24) of the Linkage Plan. Currently, the Participants in the Linkage Plan are the International Securities Exchange, Inc., the American Stock Exchange LLC, the CBOE, the Pacific Exchange, Inc. the Philadelphia Stock Exchange, Inc. and the Boston Stock Exchange, Inc.