

and (iii)] each of the following criteria are satisfied:

(a) No change.

(b) *Index Calculation*—The index will be calculated based on either the capitalization weighting, price weighting or equal-dollar weighting methodology. Indexes based upon the equal-dollar weighting method will be rebalanced at least quarterly. If the index is maintained by a broker-dealer, the broker-dealer shall erect a “fire [Chinese] wall” around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer. The current index value will be disseminated every 15 seconds over the Consolidated Tape Association’s Network B.

(c) No change.

(d) *Maintenance of the Index*—Once approved for options trading pursuant to *Rule 19b-4(e)* [Section 19b(3)(A)], the index must continuously maintain the standards set forth above, except that:

(1) No change.

(2) No change.

(3) No change.

(4) No change.

(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 designated to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, 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 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

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) and Rule 19b-4(f)(6) of the Act. The proposed rule change does not

significantly affect the protection of investors or the public interest; does not impose any significant burden on competition; and does not become operative prior to 30 days after the date the proposed rule change was filed with the Commission. In addition, the Amex provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing the proposed rule change as required by Rule 19b-4(f)(6).

At any time within 60 days of the filing of such 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 the 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, including whether the proposed rule change is consistent with the Act. 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 4 U.S.C. 552, will be available for inspection and copying in the Commission’s Public Reference Room in Washington, DC. 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 number SR-Amex-99-07 in the caption above and should be submitted by March 25, 1999.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41108; File No. SR-BSE-99-2]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Boston Stock Exchange, Inc. Relating to Its Trade Reporting and Comparison Fee Schedule

February 25, 1999.

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 29, 1999, the Boston Stock Exchange, Inc. (“BSE” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Item I, II, and III below, which Items have been prepared by BSE. The BSE has designated this proposed rule change as establishing or changing a due, fee or other charge under Section 19(b)(3)(A) of the Act, which renders the proposed rule change effective upon receipt of this filing by the Commission. ³ 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 BSE proposes to amend its Trade Recording and Comparison Fee Schedule to reduce the rate charged for non-specialist trades executed by a floor broker on another exchange and then transferred into an account at the Exchange for clearing purposes. The text of the proposed rule change is available at the Office of the Secretary, BSE, 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, BSE 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 BSE has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

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 amend the Trade Recording and Comparison Fee Schedule to reduce the rate charged for non-specialist trades executed by a floor broker on another exchange and then transferred into an account at the Exchange for clearing purposes. Because the floor broker is simply facilitating the clearance of the trade at the Exchange, his side of the trade will be reduced to a flat \$0.05 per 100 shares from the current volume based rates he currently incurs. This change will more accurately reflect the cost of executing different types of business through the Exchange facilities and systems.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with Section 6(b)(5)⁴ of the Act, in that the proposed rule change is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities; to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

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 that is not necessary or appropriate in furtherance of the purposes of the Act.

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

Written comments on the proposed rule change were neither solicited nor received.

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

The foregoing rule change establishes or changes a due, fee, or other charge imposed by the Exchange and, therefore, has become effective pursuant to

Section 19(b)(3)(A)⁵ and subparagraph (f)(2) of Rule 19b-4 thereunder.⁶ 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.⁷

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments, concerning the foregoing, including whether the proposed rule change is consistent with the Act. 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 Room. Copies of such filing also will be available for inspection and copying at the principal office of BSE. All submissions should refer to File No. SR-BSE-99-2 and should be submitted by March 25, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁸

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41112; File No. SR-CBOE-99-05]

Self-Regulatory Organizations; Order Granting Accelerated Approval of Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval of Amendment No. 1 to Proposed Rule Change by the Chicago Board Options Exchange, Incorporated Relating to Listing of Options on the Dow Jones E* Commerce Index

February 25, 1999.

I. Introduction

On January 28, 1999, the Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange"), submitted to the Securities Exchange Commission ("SEC" or "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act"),¹ and Rule 19b-4 thereunder,² a proposed rule change to provide for the listing and trading of options on the Dow Jones E*Commerce Index, ("E*Commerce Index" or "Index") a narrow-based index designed by Dow Jones & Company, Inc. ("Dow Jones TM").³ The Commission published the proposed rule change for comment in the **Federal Register** on February 4, 1999.⁴ No comments were received. On February 17, 1999, the CBOE submitted Amendment No. 1 to the proposed rule.⁵ This order approves the proposed rule change on an accelerated basis and also Amendment No. 1 on an accelerated basis.

II. Description of the Proposal

A. Index Design

The E*Commerce Index has been designed to measure the performance of certain Internet commerce stocks. All of the stocks in the Index are U.S.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Dow Jones & Company, Inc. ("Dow Jones") has licensed "Dow Jones™," and "Dow Jones E*Commerce Index" for use for certain purposes to the Chicago Board Options Exchange, Incorporated. CBOE's options based on the Dow Jones E*Commerce Index are not sponsored, endorsed, sold or promoted by Dow Jones, and Dow Jones makes no representation regarding the advisability of investing in such products.

⁴ Securities Exchange Act Release No. 40995 (January 28, 1999) 64 FR 5693 (February 4, 1999).

⁵ Amendment No. 1 clarifies that the base date for the Dow Jones E*Commerce Index has been changed to June 30, 1998. The index level on that date was set to 100.00. Based on this adjustment, the index level on January 21, 1999 was 233.75. See letter from William M. Speth, Research and Planning, CBOE to Marianne H. Duffy, Special Counsel, Division of Market Regulation, SEC, dated February 17, 1999.

⁵ 15 U.S.C. 78s(b)(3)(A)(ii).

⁶ 17 CFR 240.19b-4(f)(2).

⁷ In reviewing this proposal, the Commission has considered the proposal's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁸ 17 CFR 200.30-3(a)(12).

⁴ 15 U.S.C. 78f(b)(5).