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 and the rules and regulations thereunder.

As noted in the previous Commission order approving suspension of the Mandatory Posting Rule for the two six month periods ending June 30 and December 31, 1986, [3] the Commission believes that it is important for the Exchange to monitor the performance of MSE specialists and co-specialists to ensure that they provide the best possible markets for the securities they trade. In this regard, the Commission believes the Exchange's plan to revise its mandatory posting evaluation criteria is part of continuing effort to develop comprehensive, balanced, and fair specialist performance standards.

Based on the above, the Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice of filing thereof in that approval of the proposed rule change would suspend the application of the Rule for an additional six months while simultaneously providing the Exchange with additional time to complete its review and submit to the Commission revised specialist evaluation performance criteria. The Commission, therefore, believes that accelerated approval of the proposed rule change is appropriate.

It is therefore ordered, pursuant to section 19(b)(2) of the Act, that the proposed rule change be, and hereby is, approved.

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

Jonathan G. Katz,

Secretary.

Dated: September 9, 1987.

[FR Doc. 87-21367 Filed 9-15-87; 8:45 am]

BILLING CODE 8010-01-M

Self-Regulatory Organizations; Applications for United Trading Privileges and of Opportunity for Hearing; Midwest Stock Exchange, Inc.

September 10, 1987

The above named national securities exchange has filed applications with the Securities and Exchange Commission pursuant to section 12(f)(1)(B) of the Securities Exchange Act of 1934 and Rule 12f-1 thereunder, for unlisted trading privileges in the following securities:

Del-Val Financial Corporation, Common Stock, $1.00 Par Value (File No. 7-0437)
Furr's/Bishop's Cafeterias, L.P., Depositary, Preference, Units (File No. 7-0438)
John Fluke MFG., Co., Common Stock, $.50 Par Value (File No. 7-0439)
Americus Trust for American Express Shares, Scores (File No. 7-0440)
Americus Trust for Ford Shares, Scores (File No. 7-0441)
Americus Trust for Mobil Oil Shares, Scores (File No. 7-0442)
Americus Trust for Bristol-Myers Shares, Scores (File No. 7-0443)
Americus Trust for Coca-Cola Shares, Scores (File No. 7-0444)
Americus Trust for Dow Chemical Shares, Scores (File No. 7-0445)
Americus Trust for General Electric Shares, Scores (File No. 7-0446)
Lewis Galoob Toys, Inc., Common Stock, $.01 Par Value (File No. 7-0447)
Turner Broadcasting System, Inc., Class A Common Stock, 6¼ Par Value (File No. 7-0448)
Turner Broadcasting System, Inc., Class B Common Stock, 6¼ Par Value (File No. 7-0449)
Solitron Devices, Inc. (Del.) Common Stock, $1.00 Par Value (File No. 7-0450)

These securities are listed and registered on one or more other national securities exchange and are reported in the consolidated transaction reporting system.

Interested persons are invited to submit on or before October 1, 1987 written data, views and arguments concerning the above-referenced applications. Persons desiring to make written comments should file three copies thereof with the Secretary of the Securities and Exchange Commission, Washington, DC 20549. Following this opportunity for hearing, the Commission will approve the applications if it finds, based upon all the information available to it, that the extensions of unlisted trading privileges pursuant to such applications are consistent with the maintenance of fair and orderly markets and the protection of investors.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 87-21370 Filed 9-15-87; 8:45 am]

BILLING CODE 8010-01-M

Self-Regulatory Organizations; Midwest Stock Exchange; Application for Unlisted Trading Privileges in an Over-the-Counter Security

September 9, 1987.

The Midwest Stock Exchange, Inc. ("MSE") on September 4, 1987, submitted an application for unlisted trading privileges ("UTP") pursuant to section 12(f)(1)(C) of the Securities Exchange Act of 1934 in the following over-the-counter ("OTC") security, *i.e.*, a security not registered under section 12(b) of the Act:

File No.	*Symbol*	*Issuer*
7-0485	MSFT	Microsoft Corp., Common Stock, $.001 Par Value.

Comments

Interested persons are invited to submit on or before September 30, 1987, written comments, data, views and arguments concerning the above-referenced application. Persons desiring to make written comments should file three copies with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Commentators are requested to address whether they believe the grant of UTP is consistent with section 12(f)(1)(C). In considering an application for extension of UTP to OTC securities under section 12(f)(1)(C), the Commission is required to take account of, among other matters, the public trading activity in such security, the character of such trading, the impact of such extension on the existing markets for such securities, and the desirability of removing impediments to and the progress that has been made toward the development of a national market system. The Commission may not grant such application if any rule of the national securities exchange making an application under 12(f)(1)(C) would unreasonably impair the ability of any dealer to solicit or effect transactions in such security for his own account, or would unreasonably restrict competition among dealers in such security or between such dealers acting in the activity of market makers who are specialists and such dealers who are not specialists.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 87-21371 Filed 9-15-87; 8:45 am]

BILLING CODE 8010-01-M

[3] See, Securities Exchange Act Rel. No. 24444 (May 12, 1987), 52 FR 19002.

[4] 17 CFR 200.30-3.

[Release No. 34-24880; File No. SR-NYSE-87-14]

Self-Regulatory Organizations; Order Approving Proposed Rule Change by the New York Stock Exchange, Inc.; Indications of Interest Upon Openings and Reopenings

On April 30, 1987, the New York Stock Exchange, Inc. ("NYSE") submitted to the Securities and Exchange Commission ("Commission") pursuant to section 19(b)(1) under the Securities Exchange Act of 1934 ("Act") and Rule 19b-4 thereunder, a proposed rule change that would revise the NYSE's policy on opening and reopening of trading after indications of interest have been disseminated by the specialist. The proposal also sets forth the NYSE's policy on when a specialist may commence dissemination of indications of interest in a security that has been subject to a trading halt. The proposed rule change was noticed in Securities Exchange Act Relases No. 24510 (May 26, 1987), 52 FR 20657. No comments were received.

The proposal retains the current requirement of waiting at least fifteen minutes from the first indication of interest before reopening a stock, but reduces the additional delay required for reopening when more than one indication is necessary. Under the proposal, the additional fifteen minute waiting period currently required after each subsequent indication would be reduced to either five or ten minutes depending upon the circumstances.[1]

The proposal also sets forth situations where opening indications will be permitted, subject in most cases to the waiting periods described above. It permits the dissemination of an initial indication with the approval of a Floor Official before 9:30 for a security which is a spinoff or for which a trading halt had existed at the close of the prior trading session; permits indications before opening the security in the case of an initial public offering with the approval of a Floor Director or Floor Governor; and in any other situation, permits pre-opening indications with the approval of a Floor Director or Floor Governor and authorizes them to tailor the waiting periods to the situation.[2]

In its filing, the NYSE states that the purpose of the proposed rule change is to eliminate its competitive disadvantage arising out of inconsistencies between the CTA Plan, of which the NYSE is a participant, and the NYSE's policy on reopenings. The CTA Plan permits markets to resume trading after fifteen minutes as measured by "T time" (*i.e.*, the time at which news has been fully disclosed), so long as the market has disseminated indications of interest during that fifteen minute period, [3] whereas the NYSE cannot resume trading until fifteen minutes after the last indication prints. The proposed rule change reflects the NYSE's determination that, when one or more indications follows an initial indication, investors and other off-floor participants will have an adequate time to react to indications. As noted above, there still would be the fifteen minute minimum requirement, thereby continuing a longer waiting period than required under the current CTA Plan.

The Commission has carefully reviewed the proposal and believes the proposal adequately balances the need to provide the public sufficient time to react to indications of interest with the NYSE's desire to be competitive with other marketplaces. Although the proposal does reduce the overall waiting period where successive indications occur, it does not premit the reopening of the market any earlier than fifteen minutes from the first indication. The NYSE will monitor the implementation of these procedures and report its findings to the Commission at the conclusion of the first year of the policy's operation.

The Commission also believes that the granting to Floor Officials, Governors, and Directors of discretion to approve disseminations for pre-opering indications in instances such as contemplated in the proposal is appropriate. Floor officials are appointed by the Exchange for the purpose of ensuring that required procedures are followed by members. These officials are trained to make appropriate decisions concerning procedures on the floor and should be very familiar with floor operations and trading situations. Accordingly, the NYSE should be able to rely on their expertise in authorizing pre-opening indications. Based on the above, the Commission finds that the proposed rule change is consistent with the requirements for the Act and the rules and regulations thereunder applicable to a national securities exhange and, in particular, the requirements of section 6 and the rules and regulations thereunder.

It is therefor ordered, pursuant to section 19(b)(2) of the Act, that the proposed rule change (File No. SR-NYSE-87-14) be, and hereby is, approved.

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

Jonathan G. Katz,

Secretary.

Dated: September 4, 1987.

[FR Doc. 87-21368 Filed 9-15-87; 8:45 am]

BILLING CODE 8010-01-M

[1] The fifteen minute waiting period may be reduced to ten minutes if one of more indications perceded it and the last indication and the immediately preceding indication do not overlap. The waiting period may be reduced to five minutes if one or more indications preceded it and the last indication and the immediately preceeding indication do overlap.

[2] For example, under the revised policy the NYSE has indicated that a Floor Director of Floor Governor may approve pre-9:30 indications where significant news concerning and NYSE-listed company was released after the market closed the day before and in situations such as "Triple Witching" days, to provide for more orderly trading. *See* sections (1)(d) and (2)((b), File No. SR-NYSE-87-14, at 1-2. In Securities Exchange Act Release No. 24596 (June 16, 1987), 52 FR 23618, the Commission granted accelerated approval of a proposal by the NYSE (File No. SR-NYSE-87-17) to permit, among other things, pre-opening indications of interest and the reduction of waiting periods on the June 19 "Expiration Friday" in order to assist in handling order flow associated with the concurrent expiration of stock index futures, stock index options and options on stock index futures. These procedures were not utilized, however, since the volume and volatility on June 19 was less than on previous Expiration Fridays.

[3] *See* Securities Exchange Act Release No. 22981 (March 13, 1986), 51 FR 8731.

[Release No. 24895; File No. ODD-87-3]

Self-Regulatory Organizations; The Options Clearing Corp.; Order Granting Approval to Proposed Amendments to Options Disclosure Document

On August 29, 1987, the Options Clearing Corporation ("OCC"), in conjunction with the American Stock Exchange, Inc., the Chicago Board Options Exchange, Inc., the New York Stock Exchange, Inc., the Pacific Stock Exchange, Inc., the Philadelphia Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. [collectively, the self-regulatory organizations ("SROs")] submitted to the Commission amended copies of an options disclosure document ("ODD") pursuant to Rule 9b-1 of the Securities Exchange Act of 1934 ("Act").[1] Rule 9b-1 requires that the ODD contain information concerning, among other matters, the mechanics of buying, writing and exercising standardized options, and the risks of trading the options, and prohibits a broker or dealer from accepting a customer's options order, or approving a customer's account for trading, unless the broker furnishes the customer with an ODD.

[1] 17 CFR 240.9b-1 (1986).

The disclosure document filed with the Commission reflects recent changes in the options markets. For example, the revised document discusses some of the special characteristics and risks of internationally-traded options; [2] the commencement of evening trading in foreign currency options; [3] the possibility that the settlement value of certain index options may be determined by reference to the prices of the constituent stocks at times other than the close of trading; [4] proposals to trade options on Treasury yield measures that would be settled in cash rather than by the delivery of underlying securities; [5] and new settlement procedures for foreign currency options.[6] The ODD also states that in the future the time period during which European-style options may be exercised may be extended beyond the current one-day period.[7]

[2] *E.g.*, the document discusses the possibility that option premiums in foreign countries for internationally-traded options may not reflect current prices of the underlying interests in the United States, because foreign options markets may be open for trading during hours or on days when U.S. markets are closed.

[3] As of the date of this release, one U.S. options market, the Philadelphia Stock Exchange ("Phlx"), plans to initiate trading in foreign currency options during evening trading sessions. *See* Securities Exchange Act Release No. 24652, June 29, 1987, 52 FR 25680.

[4] Disclosure regarding this issue previously was approved by the Commission, and was made by the OCC and SROs, by means of a supplement to the ODD. *See* Securities Exchange Act Release No. 24259, March 25, 1987, 52 FR 10651. The present amendments provide further disclosure of the ramifications of settlement procedures based on other than the closing prices of the underlying stocks.

[5] As of the date of this release, the Commission has not approved any new debt option contracts as described in the amended ODD's new section on Treasury yield options. Assuming that such Treasury yield options ultimately are approved for options trading, the Commission separately will consider, at that time, whether the ODD, as approved in this Order, adequately describes the characteristics and risks of such options. Accordingly, the Commission's determination to approve the revised ODD does not necessarily entail a conclusion that the ODD disclosure regarding proposed Treasury yield options complies with Rule 9b-1.

[6] The revised ODD states that the Intermarket Clearing Corporation ("ICC"), a wholly owned subsidiary of OCC, may act as OCC's agent in making foreign currency settlements with OCC Clearing Members. ICC's settlement procedures are same as those of OCC. In addition, OCC has established procedures whereby Clearing Members may permit customers to make settlement directly with an OCC correspondent bank.

[7] At the current time all of the European-style options traded on U.S. markets are exercisable only on the day before expiration. The Commission reserves judgment regarding the adequacy of the revised ODD's disclosure concerning this matter pending the filing of SRO proposals to effectuate such a change, and Commission approval thereof.

Rule 9b–1 provides that an options market must file five copies of amendments to the ODD with the Commission at least 30 days prior to the date definitive copies are furnished to customers unless the Commission determines otherwise having due regard to the adequacy of the information fisclosed and the protection of investors. This provision is intended to permit the Commission either to accelerate or extend the time period definitive copies of a disclosure document may be distributed to the public.

The Commission has reviewed the amended disclosure document and finds that it is consistent with the protection of investors and in the public interest to allow its distribution as of September 17, 1987.[8]

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

Jonathan G. Katz,

Secretary.

Dated: September 9, 1987.

[FR Doc. 87–21369 Filed 9–15–87; 8:45 am]

BILLING CODE 8010-01-M

[8] Rule 9b-1 provides that the use of an options disclosure document shall not be permitted unless the options classes to which the document relates are the subject of an effective registration statement on Form S–20 under the Securities Act of 1933. Post-Effective Amendment No. 1 to OCC's Form S–20 registration statement covering the options classes discussed in the ODD became effective on April 30, 1987. *See* Registration No. 33–4165.

[Release No. 34–24889; File No. SR–Phlx–87–20]

Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Order Approving Proposed Rule Change

Pursuant to section 19(b) of the Securities Exchange Act of 1934 ("Act") [1] and Rule 19b–4 thereunder, [2] the Philadelphia Stock Exchange, Inc. (Phlx" or "Exchange"), on June 10, 1987, filed with the Securities and Exchange Commission ("Commission") a proposed rule change that would allow the Phlx to list options on a 20-stock Utility Index. The proposed rule change was published for comment in Securities Exchange Act Release No. 24722 (July 20, 1987), 52 FR 28403. No comments were received on the proposed rule change.

The Phlx proposes to list options on a Utility Index which it has developed. This narrow-based index [3] would be comprised of 20 common stocks of domestic companies that are involved primarily in electric power generation. These companies include many of the most highly capitalized American electric utility companies. The Utility Index would be capitalization-weighted and its value would be updated at least every minute during the trading day.[4]

Options on the Utility Index would be traded pursuant to current Exchange rules governing the trading of index options.[5] These rules govern matters such as units of trading, exercise prices, expiration cycles, premium quotations, position and exercise limits, and replacement of stocks in an index. The only rule amendment proposed by the Phlx in connection with listing Utility Index options is an amendment to Rule 1006A ("Other Restrictions on Options Transactions and Exercise") that would specify that the Exchange would offer only European-style options on the Utility Index and that, accordingly, restrictions on exercise would be in effect until the last trading day prior to expiration.[6]

The Commission previously has indicated that minimum standards should be designed to ensure that narrow-based index options are not used as a subterfuge to trade options on individual stocks that do not meet the options eligibility standards [7] or as a

[1] 15 U.S.C. 78s(b)(1) (1982).

[2] 17 CFR 240.19b–4 (1987).

[3] A narrow-based index generally is considered an industry index designed to be representative of price movements in particular categories of stocks. *See* Phlx Rule 1000A(11). The Utility Index will be subject to the Phlx's rules relating to narrow-based indexes, which often differ from the requirements relating to broad-based indexes. For example, Phlx Rule 722 requires margin for short call and put positions in narrow-based indexes to be deposited and maintained in an amount equal to the premium, or market value of the contract, plus 15% of the index's dollar value, less any amount the option is out-of-the-money, with a minimum required margin of premium plus 5% of the contract's dollar value. By contrast, the margin requirement for a broad-based index generally is the premium, or market value of the contract, plus 5% of the index's dollar value, less any amount the option is out-of-the-money, with a minimum required margin of premium plus 2% of the index's dollar value. Under Phlx Rule 1001A(b)(1), position and exercise limits for narrow-based indexes are 8,000 contracts, while Phlx Rule 1001A(a) sets position and exercise limits for broad-based indexes at an aggregate contract value of $300 million.

[4] Details relating the calculation of the Index value and the composition of the Index, including a list of the specific stocks and their prices, market values and relative weights in the Utility Index, were included in the original rule filing. *See* 52 FR at 28404–05.

[5] *See* Phlx Rules 1000A–1103A.

[6] Although a European-style option is designed so that exercise cannot occur prior to the option's expiration date, investors are free to trade out of their positions at any time throughout the life of the option.

[7] The options exchanges have adopted uniform options eligibility standards. To be eligible for options trading, a company's common stock must, for example, have a market price per share of at

Continued

way to trade options on one stock that makes up a very large proportion of the index.[8] The Commission decided, however, that, rather than setting an absolute minimum number of securities that could be included in a narrow-based index, the exchanges should establish appropriate standards and submit proposed index options to the Commission for review.

In view of the Commission's concerns regarding potential abuses in connection with narrow-based indexes, the exchanges generally have set forth criteria that must be met for industry or narrow-based indexes. For example, the Pacific Stock Exchange's ("PSE") rules require that no stock comprise greater than 50% of the index and that any stock constituting greater than 10% of the index be eligible for options trading.[9] In addition, if the index consists of fewer than 20 stocks, at least 50% of its value must be comprised of options-eligible stocks; if it consists of 20 or more stocks, at least 35% of its value must be options-eligible stocks. Other exchanges, however, such as the Phlx, have chosen to provide less specific guidance in their Rules as to what minimum criteria must be satisfied for designation as a narrow-based index.[10]

Regardless of the specificity provided by an exchange in its rules, however, the Commission must determine that the proposed index option satisfies the relevant statutory criteria. In particular, the Commission must find that the proposed index contains a sufficient number of active and liquid stocks so that the index is not susceptible to manipulation, and that the index is not used as a surrogate for trading options on securities that themselves are not options-eligible.

The Phlx's proposed Utility Index satisfies all of the guidelines described above, even the very detailed criteria set forth in PSE Rule XXI. No stock in the Utility Index comprises more than 10% of the value of the index.[11] The stocks in the Index are, for the most part, activity traded.[12] In addition, 80% of the stocks in the 20-stock Utility Index are options-eligible.[13] Finally, no one individual or group of the 20 stocks has a capitalization that is so large in comparison to the other stocks in the Index that its price movements will impact disproportionately the Index's value. Consequently, the Commission does not believe that purchases or sales of several of the utility stocks comprising the Index would make the Index readily susceptible to manipulation.

The trading of listed options on an index of domestic utility stocks will provide investors with a valuable hedging vehicle that should reflect accurately the overall movement of utility stocks. In this regard, the Commission notes that the Phlx Utility Index are currently comprised correlates very closely to movements of leading utility averages.[14] Institutional and individual investors, among others, with substantial investments in utility stocks will be able to use the Phlx Utility Index to hedge their exposure or to supplement their dividend income by writing Utility Index call options.[15]

Application of the Phlx's existing rules governing trading of index options should ensure that Utility Index options trading is conducted in a fair and orderly manner. In addition, the Phlx has in place surveillance procedures for other narrow-based indexes currently trading on the Phlx. These procedures will be used by Phlx staff to ensure that unusual trading in the Utility Index will be identified and investigated quickly.

The availability of options on the Utility Index should help to remove impediments to a free and open market and should facilitate transactions in securities. Accordingly, 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[16] and the rules and regulations thereunder.

It is therefore ordered, pursuant to section 19(b)(2) of the Act,[17] that the proposed rule change is approved.

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

Jonathan G. Katz,

Secretary.

Dated: September 9, 1987.

[FR Doc. 87-21313 Filed 9-15-87; 8:45 am]

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least $10 and be held by a minimum of 6,000 shareholders. In addition, the company must have at least seven million publicly-traded shares outstanding, the trading volume of which must have been at least 2.4 million shares in the preceding 12 months. *See, e.g.*, American Stock Exchange Rule 915; Chicago Board Options Exchange Rule 5.3.

[8] *See* Securities Exchange Act Release No. 20396 (November 18, 1983), 48 FR 53691.

[9] *See* PSE Rule XXI, Section 3(b)-(e).

[10] For example, Phlx Rule 1009A provides that the securities underlying the index do not have to meet the requirements of Phlx Rule 1009, which provides the minimum criteria necessary for a security to qualify for options trading. *See* note 7, *supra*.

[11] According to the figures attached as *Exhibit* A to the original rule filing, 52 FR at 28405, Pacific Gas and Electric Co., at 8.92% of the Index's total capitalization, comprised the greatest percentage of the Utility Index value as of June 4, 1987.

[12] All of the Utility Index's 20 component stocks are listed and traded on the New York Stock Exchange. For the six-month period March 1, 1987 through August 31, 1987, average daily trading volume for these stocks has ranged from a low of approximately 164,178 shares for Centerior Energy to a high of 775,232 shares for Pacific Gas and Electric.

[13] According to the Phlx, 16 of the 20 Utility Index stocks are options-eligible. These include: American Electric Power Co.; Centerior Energy Co.; Commonwealth Edison Co.; Consolidated Edison of N.Y., Detroit Edison Co., Dominion Resources, Inc.; Duke Power Co.; FPL Group Inc.; Houston Industries, Inc.; Niagara Mohawk Power Corp.; Pacific Gas and Electric Co.; Philadelphia Electric; Public Service Enterprise Group; Southern California Edison Co.; Southern Company; and Texas Utilities Co. The four utility stocks that are not options-eligible are: Union Electric Co.; Pacificorp; Ohio Edison Co.; and Northeast Utilities.

[14] According to figures supplied by the Phlx, the correlation coefficients for the Utility Index as compared with the Dow Jones Utility Average (15 stocks) and the Standard & Poor's Electric Average (21 stocks) are greater than 95% over terms ranging from 150 days to 10 years. *See* letter from William W. Uchimoto, Acting General Council, Phlx, to David Underhill, Attorney, Divison of Market Regulation, SEC, dated August 6, 1987.

[15] Unlike the regulations under the Commodity Exchange Act, the federal securitities laws do not contain an explicit "economic purpose" test for new options products. Nevertheless, to approve a new options proposal the Commission must be satisfied that its introduction is in the public interest. *See* section 6(b)(5) of the Act, 15 U.S.C. 78(f)(b)(5) (1982). Such a finding would be difficult with respect to an options product that served no hedging or other economic function, because any benefits that might be derived by market participants would likely be outweighed by the potential for manipulation, diminished public confidence in the integrity of the markets, and other valid regulatory concerns. While it is unclear whether an index product based on 20 utility stocks will attract widespread investor participation, the Commission accepts the Phlx's representation in a September 8, 1987 telephone conversation that a utility industry index would serve an economic function by allowing investors to hedge portfolios of utility stocks and take positions with respect to price movements in the utility segment of the market. Telephone conversation between Michele Berkowitz, Staff Counsel, Phlx, and David Underhill, Attorney, Division of Market Regulation, SEC. Accordingly, because the Commission is satisfied that the Index will not raise regulatory problems and can serve an economic function, the Commission believes it is up to the business judgement of the exchange to determine whether to introduce the product.

[16] 15 U.S.C. 78f (1982).

[17] 15 U.S.C. 78s(b)(2) (1982).

[Release No. 34-24897; File No. SR-SCCP-87-02]

Self-Regulatory Organizations; Stock Clearing Corporation of Philadelphia; Order Approving Proposed Rule Change

The Stock Clearing Corporation of Philadelphia ("SCCP") on June 6, 1987, filed a proposed rule change with the Commission under section 19(b) of the Securities Exchange Act ("Act"). As explained in greater detail below, the proposal would authorize SCCP to establish procedures for the automated