

complete withdrawal liability, and a multiemployer plan sponsor can apply to the PBGC for approval of individually-tailored plan rules for abatement of complete withdrawal liability. The PBGC uses information submitted to it to determine whether plan rules satisfy statutory standards.

The PBGC estimates that the total annual burden of the regulation is 125½ hours. Of this total, 125 hours represents 100 employer abatement applications and plan responses and one-half hour represents a submission to the PBGC by one plan sponsor.

Issued at Washington, DC., this 12th day of September, 1995.

Martin Slate,

Executive Director, Pension Benefit Guaranty Corporation.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-36207; File No. SR-CBOE-95-38]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment Nos. 1, 2, and 3 to the Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to the Listing of Warrants Based on the CBOE Technology 50 Index

September 8, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on August 1, 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 CBOE subsequently filed Amendment No. 1 to the proposed rule change on August 2, 1995,² Amendment No. 2 on August 3, 1995,³ and Amendment No. 3 on August

29, 1995.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes list and trade warrants on the CBOE Technology 50 Index ("Tech 50 Index" or "Index"), which the Exchange represents is a broad-based index. The text of the proposed rule change is available at the Office of the Secretary, 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 Exchange 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 index warrants based on the Tech 50 Index ("Index Warrants"). On August 29, 1995, the Commission approved the Exchange's proposal to amend its standards for the listing and trading of currency warrants and index warrants ("Generic Warrant Listing Standards").⁵ The Exchange states that the listing and trading of warrants based on the Tech 50 Index will comply in all respects with the Generic Warrant Listing Standards.

Index Design

The Exchange represents that the Tech 50 Index is a broad-based index comprised of stocks of 50 of the largest domestic technology companies, representing various industries within that general economic category. The Index was designed by and will be

maintained by the CBOE. The Index is price-weighted and reflects changes in the prices of the component stocks relative to the Index base date, January 3, 1995, when the Index was set to an initial level of 200.00.

On August 15, 1995,⁶ the 50 stocks in the Index ranged in market capitalization from a low of approximately \$829.28 million to a high of approximately \$82.47 billion. Total market capitalization for the Index on August 15, 1995, was approximately \$578.53 billion. The highest weighted stock in the Index on that date accounted for 5.62% of the weight of the Index and the lowest weighted security in the Index accounted for 0.68% of the weight of the Index. In aggregate, the five highest weighted components on that date accounted for 21.45% of the weight of the Index. Currently, the Exchange represents that all of the component stocks are eligible for the listing of standardized options on the Exchange pursuant to CBOE Rule 5.3.

As of August 15, 1995, the Exchange represents that the industry breakdown for the Index, by weight, was as follows: (1) computer hardware—8.20%; (2) computer software—14.63%; (3) computers systems and services—11.12%; (4) integrated circuit components—10.43%; (5) semiconductors—12.66%; (6) precision instrumentation—3.15%; (7) medical technology—8.74%; (8) network and server systems—10.14%; (9) telecommunication components—12.62%; and (10) telecommunications—8.31%.⁷

Warrant Terms

Index Warrants will be direct obligations of the issuing entity and will be cash-settled in U.S. dollars. Upon exercise (or at the warrant expiration date in the case of warrants with European-style exercise), the holder of an Index Warrant structured as a "put" will receive payment in U.S. dollars to the extent that the value of the Index has declined below a pre-stated cash settlement value. Conversely, upon exercise (or at the warrant expiration date in the case of warrants with European-style exercise), the holder of an Index Warrant structures as a "call" will receive payment in U.S. dollars to the extent that the Index value has increased above a pre-stated cash settlement value. Index Warrants that are out-of-the-money at the time of expiration will expire worthless.

¹ 15 U.S.C. § 78s(b)(1) (1988).

² As a result of the Commission's approval of the Exchange's Generic Warrant Listing Standards (as defined herein), Amendment No. 1 has been rendered moot.

³ In Amendment No. 2, as discussed herein, the CBOE amended certain of the objective standards set forth in the section of its proposal entitled "Classification of the Index as Broad-Based." See Letter from Timothy Thompson, Senior Attorney, Legal Department, CBOE, to Michael Walinskas, Branch Chief, Office of Market Supervision ("OMS"), Division of Market Regulation ("Division"), Commission, dated August 3, 1995 ("Amendment No. 2").

⁴ In Amendment No. 3, as discussed herein, the Exchange amended the composition of the Index to, in the Exchange's opinion, provide better balance between the technology industry subsectors represented in the Index. See Letter from William Speth, Jr., Senior Research Analyst, Research Department, CBOE, to Brad Ritter, Senior Counsel, OMS, Division, Commission, dated August 29, 1995 ("Amendment No. 3").

⁵ See Securities Exchange Act Release No. 36169 (August 29, 1995).

⁶ See Amendment No. 3, *supra* note 4.

⁷ *Id.*

Maintenance of the Index

The Index will be maintained by the Exchange and will be reviewed monthly.⁸ The CBOE may change the composition of the Index at any time to reflect changes affecting the components of the Index or the various technology industry subsectors represented in the Index. If it becomes necessary to remove a stock from the Index (e.g., because of a takeover or merger), the CBOE will take into account the capitalization, liquidity, volatility, and name recognition of any proposed replacement security.⁹

The Exchange intends to maintain the Index with 50 components, however, the Exchange may increase the number of components in the Index by up to 33%, i.e., 66 stocks.¹⁰

Calculation and Dissemination of the Value of the Index

The Index value will be calculated by the CBOE or its designee on a real-time bases using last-sale prices, and will be publicly disseminated¹¹ every 15 seconds. If a component stock is not currently being traded, the most recent price at which the stock traded will be used in the Index value calculation. The value of the Index as of the close of trading on July 17, 1995, was 335.10.

The Index is price-weighted and reflects changes in the prices of the component stocks relative to the base date of January 3, 1995, when the Index was set to an initial value of 200.00.

⁸ These reviews are mainly for the purpose of determining whether to make composition changes to the Index. These monthly reviews generally are not for the purpose of applying the proposed objective standards for ensuring that the Index remains broad-based (see "Classification of the Index as Broad-Based," *infra*). Telephone conversation among Timothy Thompson, Senior Attorney, Legal Department, CBOE, Eileen Smith, Director, Product Department, Research Department, CBOE, and Brad Ritter, Senior Counsel, OMS, Division, Commission, on August 3, 1995 ("August 3 Conversation").

⁹ Whenever a new component is added to the Index, the CBOE will apply those objective standards proposed for ensuring that the Index remains broad-based (see "Classification of the Index as Broad-Based," *infra*) that could be affected by the addition of a new component security to the Index. Telephone conversation between Timothy Thompson, Senior Attorney, Legal Department, CBOE, and Brad Ritter, Senior Counsel, OMS, Division, Commission, on August 4, 1995 ("August 4 Conversation").

¹⁰ The Commission notes that the Exchange will be required to distribute a circular to members notifying them of any change in the components of the Index. Further, if the Exchange determines to maintain the Index with some number of components other than 50, the Exchange will be required to change the name of the Index. In such an event, the Exchange should immediately notify the Commission to determine whether a rule filing pursuant to Section 19(b) of the Act will be required.

¹¹ See August 3 Conversation, *supra* note 8.

Specifically, the Index value is calculated by adding the prices of the component stocks and then dividing this sum by the Index divisor.¹² The Index divisor is adjusted to reflect non-market changes in the prices of the component securities as well as changes in the composition of the Index. Changes that may result in divisor changes include, but are not limited to, stock splits and dividends (other than ordinary cash dividends),¹³ spin-offs, certain rights issuances, and mergers and acquisitions.

Classification of the Index as Broad-Based¹⁴

The CBOE has designed the Index to meet certain objective criteria which it believes are appropriate to classify the Index as broad-based. To ensure that the Index remains representative of a broad spectrum of the various high technology industries and that stocks with low trading volumes are not included in the Index, the Exchange chose the current components and will maintain the Index according to the following guidelines: (1) Each underlying security selected for inclusion in the Index must have an average daily trading volume of at least 75,000 shares during the preceding six months; (2) each underlying security included in the Index must maintain an average daily trading volume of at least 50,000 shares during the preceding six months;¹⁵ (3) no underlying security will represent more than 15% of the total weight of the Index; (4) the five most heavily weighted securities in the Index will not represent more than 40% of the total weight of the Index; (5) the Index will be comprised of at least ten technology industry subsectors representing a total of no less than 50 underlying securities; and (6) at least 75% of the total weight of the Index will be represented by underlying securities that are eligible for the listing of standardized options pursuant to CBOE Rule 5.3. The Exchange will conduct semi-annual reviews of the underlying securities included in the Index to assure that the Index continues to meet the standards set forth above. The Exchange represents that the above guidelines are similar to the requirements set forth in Interpretation .01 to Rule 7.3 of the Pacific Stock Exchange ("PSE") regarding the designation of the PSE's High Technology Index as a broad-based

¹² As of August 15, 1995, the share prices of the Index components ranged from a high of \$158.13 to a low of \$19.00. See Amendment No. 3, *supra* note 4.

¹³ See August 3 Conversation, *supra* note 8.

¹⁴ See Amendment No. 2, *supra* note 3.

¹⁵ See August 4 Conversation, *supra* note 9.

index for purposes of the trading of standardized options.

The Exchange believes that the proposed rule change is consistent with Section 6 of the Act in general and with Section 6(b)(5) in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation with persons engaged in facilitating and clearing transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and to protect investors and the public interest.

(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

Within 35 days of the date of 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:

(A) By order approve such proposed rule change, or

(B) 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 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 CBOE. All submissions should refer to SR-CBOE-95-38 and should be submitted by October 6, 1995.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁶

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-22965 Filed 9-14-95; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Loan Area #2810]

Florida; Declaration of Disaster Loan Area

Collier and Lee Counties and the contiguous Counties of Broward, Charlotte, Dade, Glades, Hendry, and Monroe in the State of Florida constitute a disaster area as a result of damages caused by Tropical Storm Jerry which occurred on August 24 and 25, 1995. Applications for loans for physical damages as a result of this disaster may be filed until the close of business on November 3, 1995, and for economic injury until the close of business on June 3, 1996, at the address listed below:

U.S. Small Business Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308, or other locally announced locations.

The interest rates are:

| | Percent |
|---|---------|
| For Physical Damage: | |
| Homeowners with credit available elsewhere | 8.000 |
| Homeowners without credit available elsewhere | 4.000 |
| Businesses with credit available elsewhere | 8.000 |
| Businesses and non-profit organizations without credit available elsewhere | 4.000 |
| Others (including non-profit organizations) with credit available elsewhere | 7.125 |
| For Economic Injury: | |
| Businesses and small agricultural cooperatives without credit available elsewhere | 4.000 |

The number assigned to this disaster for physical damage is 281011 and for economic injury the number is 863500.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008).

Dated: September 1, 1995.

John T. Spotila,

Acting Administrator.

[FR Doc. 95-22963 Filed 9-14-95; 8:45 am]

BILLING CODE 8025-01-P

[Declaration of Disaster Loan Area #2809]

North Carolina (and Contiguous Counties in South Carolina); Declaration of Disaster Loan Area

Mecklenburg, Orange, and Wake Counties and the contiguous Counties of Alamance, Cabarrus, Caswell, Chatham, Durham, Franklin, Gaston, Granville, Harnett, Iredell, Johnston, Lincoln, Nash, Person, and Union in the State of North Carolina, and Lancaster and York Counties in the State of South Carolina constitute a disaster area as a result of damages caused by Tropical Storm Jerry which occurred on August 26-28, 1995. Applications for loans for physical damages may be filed until the close of business on November 9, 1995 and for economic injury until the close of business on June 6, 1996 at the address listed below:

U.S. Small Business Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308, or other locally announced locations.

| | Percent |
|---|---------|
| The interest rates are: | |
| For Physical Damage: | |
| Homeowners with credit available elsewhere | 8.000 |
| Homeowners without credit available elsewhere | 4.000 |
| Businesses with credit available elsewhere | 8.000 |
| Businesses and non-profit organizations without credit available elsewhere | 4.000 |
| Others (including non-profit organizations) with credit available elsewhere | 7.125 |
| For Economic Injury: | |
| Businesses and small agricultural cooperatives without credit available elsewhere | 4.000 |

The numbers assigned to this disaster for physical damage are 280911 for North Carolina and 280811 for South Carolina. For economic injury the numbers are 863400 for North Carolina and 863300 for South Carolina.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: September 8, 1995.

Philip Lader,

Administrator.

[FR Doc. 95-22961 Filed 9-14-95; 8:45 am]

BILLING CODE 8025-01-P

[Declaration of Disaster Loan Area #2806]

Ohio; Declaration of Disaster Loan Area

As a result of the President's major disaster declaration on August 25, 1995, I find that Champaign, Licking, Logan, Marion, Mercer, Miami, Scioto, and Shelby Counties in the State of Ohio constitute a disaster area due to damages by severe storms and flooding which occurred August 7-18, 1995. Applications for loans for physical damages may be filed until the close of business on October 24, 1995, and for loans for economic injury until the close of business on May 28, 1996 at the address listed below:

Small Business Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308, or other locally announced locations. In addition, applications for economic injury loans from small businesses located in the following contiguous counties may be filed until the specified date at the above location: Adams, Auglaize, Clark, Coshocton, Crawford, Darke, Delaware, Fairfield, Franklin, Hardin, Jackson, Knox, Lawrence, Madison, Montgomery, Morrow, Muskingum, Peery, Pike, Union, Van Wert, and Wyandot Counties in Ohio; Adams and Jay Counties in Indiana; and Greenup and Lewis Counties in Kentucky.

Interest rates are:

| | Percent |
|---|---------|
| For Physical Damage: | |
| Homeowners with credit available elsewhere | 8.000 |
| Homeowners without credit available elsewhere | 4.000 |
| Businesses with credit available elsewhere | 8.000 |
| Businesses and non-profit organizations without credit available elsewhere | 4.000 |
| Others (including non-profit organizations) with credit available elsewhere | 7.125 |
| For Economic Injury: | |
| Businesses and small agricultural cooperatives without credit available elsewhere | 4.000 |

The number assigned to this disaster for physical damage is 280606. For economic injury the numbers are 862900 for Ohio, 863000 for Indiana, and 863100 for Kentucky.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

¹⁶ 17 CFR 200.30-3(a)(12) (1994)