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Videoteleconferencing service is available for observing open sessions of ACRS meetings. Those wishing to use this service for observing ACRS meetings should contact Mr. Theron Brown, ACRS Audio Visual Technician (301-415-8066), between 7:30 a.m. and 3:45 p.m., ET, at least 10 days before the meeting to ensure the availability of this service. Individuals or organizations requesting this service will be responsible for telephone line charges and for providing the equipment and facilities that they use to establish the videoteleconferencing link. The availability of videoteleconferencing services is not guaranteed.

Dated: March 17, 2003.

Andrew L. Bates,

Advisory Committee Management Officer.

[FR Doc. 03-6806 Filed 3-20-03; 8:45 am]

BILLING CODE 7590-01-P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: [To be published].

STATUS: Closed Meeting.

PLACE: 450 Fifth Street, NW., Washington, DC.

ANNOUNCEMENT OF OPEN MEETING: Additional Meeting.

An additional Closed Meeting was held on Monday, March 17, 2003 at 6 p.m. Commissioner Goldschmid, as duty officer, determined that no earlier notice thereof was possible.

The subject matter of the Closed Meeting was: Institution of an injunctive action.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942-7070.

Dated: March 19, 2003.

Jonathan G. Katz,
Secretary.

[FR Doc. 03-6975 Filed 3-19-03; 4:02 pm]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[File No. 500-1]

HealthSouth Corporation; Order of Suspension of Trading

March 19, 2003.

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning the securities of HealthSouth Corporation ("HealthSouth") because of questions regarding the accuracy of publicly disseminated information by HealthSouth and others concerning, among other things: (1) The company's earnings and assets, and (2) the company's current financial condition.

The Commission is of the opinion that the public interest and the protection of investors require a suspension of trading in the securities of the above-listed company.

Therefore, *it is ordered*, pursuant to section 12(k) of the Securities Exchange Act of 1934, that trading in the above-listed company is suspended for the period from 9:30 a.m. E.S.T., March 19, 2003 through 11:59 p.m. E.S.T., on March 20, 2003.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 03-6911 Filed 3-19-03; 11:58 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-47508; File No. SR-CBOE-2003-06]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by Chicago Board Options Exchange, Incorporated To Establish a Four-Month Pilot Program Implementing the Market Share Incentive Plan

March 14, 2003.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and rule 19b-4² thereunder, notice is hereby given that on February 19, 2003, 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, II, and III 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 establish a four-month pilot program that makes a change to its Fee Schedule in order to implement a Market Share Incentive Plan. The text of the proposed rule change, showing the proposed fee schedule, is available at the principal offices of 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 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 CBOE 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 CBOE proposes a four-month pilot program called the Market Share Incentive Plan ("MIP"). The MIP, which commenced on March 1, 2003, and will continue through June 30, 2003, will initially apply to the 300 CBOE equity option classes with the largest total trading volume nationwide (the "top 300 classes")³ as well as options on the NASDAQ 100® Index Tracking Stock ("QQQ") (collectively, the "pilot MIP classes.") The MIP is designed to provide an incentive to CBOE Designated Primary Market-Makers ("DPMs") and market-makers to increase CBOE's share of national volume in the pilot MIP classes by continually maintaining highly competitive quotes with deeper, more liquid markets and tighter spreads.

The MIP will do this by providing two types of fee refunds to DPMs and market-makers who achieve the following specified market share thresholds in the pilot MIP classes.

³ The top 300 classes represent approximately 85% of total CBOE equity option contract volume. The CBOE believes it would not be practical to include the remaining equity option classes in the MIP pilot program, given the swings in market share that can occur in such lower volume classes.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

a. Maintaining CBOE Market Share At or Above 25%

DPMs and market makers in the pilot MIP classes who maintain a CBOE market share of 25% in those classes in a particular month will receive a transaction fee refund of \$0.01 per contract for their transactions in those classes during that month. The refund per contract will increase by \$0.01 for each 1% increase in CBOE market share above 25%, up to a maximum of a \$0.16 per contract refund for a 40% CBOE market share, as set forth in the following table:

TABLE I.—PER CONTRACT CREDIT FOR MAINTAINING 25% OR BETTER CBOE MARKET SHARE

Market share (percent)	Credit per MM contract
25.0	\$0.01
26.0	0.02
27.0	0.03
28.0	0.04
29.0	0.05
30.0	0.06
31.0	0.07
32.0	0.08
33.0	0.09
34.0	0.10
35.0	0.11
36.0	0.12
37.0	0.13
38.0	0.14
39.0	0.15
40.0	0.16

b. Increasing CBOE Market Share

Additionally, where the DPM and market makers in a pilot MIP class succeed in increasing the CBOE monthly market share in that class by 1% over the prior six-month rolling average CBOE market share for the class, the DPM and market-makers will receive a \$0.01 per contract refund in their transaction fees in that class for that month. The refund per contract will increase by \$0.01 for each additional 1% increase in CBOE market share over the prior six-month rolling average up to a maximum of a \$0.08 per contract refund for an 8% increase in CBOE market share, as set forth in the following table:

TABLE II.—PER CONTRACT CREDIT FOR INCREASING MARKET SHARE

Market share increase (percent)	Credit per MM contract
1.0	\$0.01
2.0	0.02
3.0	0.03
4.0	0.04
5.0	0.05
6.0	0.06

TABLE II.—PER CONTRACT CREDIT FOR INCREASING MARKET SHARE—Continued

Market share increase (percent)	Credit per MM contract
7.0	0.07
8.0	0.08

c. General Provisions

As is customary with the CBOE's billing practices, MIP refunds will be provided after the close of a given month. At the end of each month, CBOE will calculate the market share of each option class and then send a credit through to each clearing firm, which will then credit individual market maker and DPM accounts. All market makers and DPMs will be provided with reports showing the total credit they received along with details supporting CBOE's calculations. In no case will the monthly aggregate fee refunds under the MIP program in any option class exceed \$0.24 per contract, which is the current total of transaction and trade match fees currently paid by DPMs and market-makers.

The MIP will be funded by discontinuing the existing Prospective Fee Reduction Program ⁴ ("Program") for all equity as well as the QQQ option classes during the same time period that the MIP is in effect.⁵ The current Prospective Fee Reduction Program will remain in effect for all option classes other than the equity and the QQQ option classes.

According to the CBOE, the objective of the MIP program is similar to those of so-called "shortfall fee" programs ⁶ that became effective upon filing and were published by the Commission for several other options exchanges.⁷

⁴ For the current CBOE fiscal year, the Program provides that if at the end of the second or third quarter of the Exchange's fiscal year, the Exchange's average contract volume per day on a fiscal year-to-date basis exceeds one of certain predetermined volume thresholds, the Exchange's market-maker transaction fees will be reduced in the following fiscal quarter in accordance with a fee reduction schedule. The temporary discontinuation of the Program has taken effect as part of this proposed rule change. Telephone conversation between Christopher Hill, Attorney, CBOE, and Cyndi Rodriguez, Special Counsel, Division of Market Regulation ("Division"), Commission, on March 13, 2003.

⁵ The Commission notes that the temporary discontinuation of the Program for the pilot MIP classes has taken effect as part of this proposed rule change.

⁶ The CBOE believes that the goal of such "shortfall fee" programs is to encourage trading volume on the exchange. Telephone conversation among Christopher Hill, Attorney, CBOE and Cyndi Rodriguez, Special Counsel, Division, and Tim Fox, Attorney, Division, Commission, on March 6, 2003.

⁷ See Securities Exchange Act Release No. 45351 (January 29, 2002), 67 FR 5631 (February 6, 2002)

However, the CBOE believes that unlike "shortfall fee" programs, which penalize members when they fall below established market share expectations, the CBOE will use the MIP to provide positive incentives for members to increase their market share by continually maintaining highly competitive quotes.

2. Statutory Basis

The Exchange believes that its proposed rule change is consistent with section 6(b) of the Act ⁸ in general, and furthers the objectives of section 6(b)(4) of the Act ⁹ in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among CBOE members.

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

The Exchange believes that the proposed rule change will impose no burden on competition 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

No written comments were solicited or received in response to the proposed rule change.

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

The proposed rule change has become effective pursuant to section 19(b)(3)(A)(ii) of the Act ¹⁰ and rule 19b-4(f)(2)¹¹ thereunder because it establishes or changes a due, fee, or other charge imposed by the CBOE. 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.

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

(SR-PCX-2001-51); Securities Exchange Act Release No. 43201 (August 23, 2000), 65 FR 52465 (August 29, 2000) (SR-PHLX-00-07).

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(4).

¹⁰ 15 U.S.C. 78s(b)(3)(A)(ii).

¹¹ 17 CFR 240.19b-4(f)(2).

should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. 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 in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the CBOE. All submissions should refer to File No. SR-CBOE-2003-06 and should be submitted by April 11, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹²

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 03-6828 Filed 3-20-03; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-47505; File No. SR-CHX-2003-09]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Chicago Stock Exchange, Inc. Relating to the Execution of Odd Lot Orders

March 14, 2003.

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 March 6, 2003, the Chicago Stock Exchange, Inc. ("CHX" 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 Exchange proposes to amend certain provisions of CHX Article XXXI,

Odd Lots and Odd-Lot Dealers, Dual System, rule 9, Execution of Odd-Lot Orders During the Primary Session, which governs execution of odd-lot orders on the CHX. Specifically, the CHX seeks to add a provision that would permit inclusion of 100-share primary market quotations in the CHX's calculation of the adjusted Intermarket Trading System best bid or offer ("ITS BBO"). The text of the proposed rule change is below. Proposed new language is in italics.

Chicago Stock Exchange Rules
Article XXXI

Odd Lots and Odd-Lot Dealers, Dual System

* * * * *

Rule 9. Execution of Odd-Lot Orders
During the Primary Trading Session

* * * * *

(b) Nasdaq/NM Securities and Dually Traded Issues. As to Nasdaq/NM Securities, market orders will be accepted for execution as an odd lot based on the best bid disseminated pursuant to SEC rule 11Ac1-1 on a sell order or the best offer disseminated pursuant to SEC rule 11Ac1-1 on a buy order in effect at the time the order is presented at the specialist post, provided the order is for a number of shares less than the full lot in said stock. Any market order to purchase or sell a Dual Trading System issue in an odd-lot amount, which is transmitted for execution to an odd-lot dealer or its agent shall be executed, unless otherwise provided herein, at the price of the adjusted ITS bid (in the case of an order to sell) or adjusted ITS offer (in the case of an order to purchase) in the security at the time the order is received by the Exchange system designated to process odd-lot orders (the "odd lot system").

* * * * *

(c) General

* * * * *

(vi) In instances in which quotation information is not available, *e.g.*, the quotation collection or dissemination facilities are inoperable, or the primary market in the security has been determined to be in non-firm mode (as referenced in Interpretation and Policy .01), standard, regular way odd-lot market orders shall be executed based on the next primary market round lot sale or shall be executed by the member organization designated by the Exchange as the odd-lot dealer for the issue, at a price deemed appropriate under prevailing market conditions.

* * * * *

Interpretations and Policies:

.01 Adjusted Best Bid or Offer. For purposes of paragraph (b) of this rule,

the terms "adjusted ITS best bid" and "adjusted ITS best offer" for a security shall mean the highest bid and lowest offer, respectively, disseminated by (i) the Exchange or (ii) a market center participating in the Intermarket Trading System; provided, however, that the bid and offer in another ITS market center will be considered in determining the adjusted ITS best bid or adjusted ITS best offer in a security only if (a) the security is included in ITS in that market center; (b) the size of the quotation is greater than 100 shares; *provided, however, that 100-share quotations by the primary market may be considered*; (c) the bid or offer is no more than \$.25 away from the bid or offer disseminated by the primary market; (d) the quotation conforms to Exchange requirements regarding minimum trading variations; (e) the quotation does not result in a locked market; (f) the market center is not experiencing operational or system problems with respect to the dissemination of quotation information; and (g) the bid or offer is "firm," that is, members of the market center disseminating the bid or offer are not relieved of their obligations with respect to such bid or offer under paragraph (c)(2) of rule 11Ac1-1 pursuant to the "unusual market" exception of paragraph (b)(3) of rule 11Ac1-1.

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 the 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. CHX 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 proposed rule change would permit inclusion of 100-share primary market quotations in the CHX's calculation of the adjusted ITS BBO. The Commission previously approved a change to CHX Article XXXI, rule 9, based on rule 124(A) of the New York Stock Exchange.³ The rule change

¹² 17 CFR 200.30-3(a)(12).

¹⁵ 15 U.S.C. 78s(b)(1).

¹⁷ 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 46657 (October 11, 2002), 67 FR 64679 (October 21, 2002).