

of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to amend CBOE Rule 8.95, Allocation of Securities and Location of Trading Crowds and DPMs, to extend from six months to one year, the time in which the Allocation Committee may reallocate a security if the trading crowd or Designated Primary Market-Maker ("DPM") to which the security had been allocated fails to adhere to any market performance commitments made by the trading crowd or DPM in connection with receiving the allocation. Notice of the proposed rule change appeared in the **Federal Register** on July 19, 2002.³ The Commission received no comments on the proposed rule change. On August 28, 2002, the CBOE filed an amendment to the proposed rule change.⁴ This order approves the proposed rule change, as amended.

The Commission finds that the proposed rule change is consistent with the requirements of section 6 of the Act⁵ in general, and the rules and regulations thereunder.⁶ In particular, the Commission believes that the proposal is consistent with section 6(b)(5) of the Act,⁷ which requires, among other things, that an exchange's rule be designed to promote just and equitable principles of trade, and in general, to protect investors and the public interest. The Commission believes that CBOE's proposal to extend the initial review period from six months to one year should give the Allocation Committee a sufficient amount of time to monitor the trading patterns of DPMs and trading crowds while considering other relevant factors such as current market conditions, and if necessary, reallocate a security if the DPM or trading crowd fails to adhere to any market performance commitments in connection with receiving the allocation.⁸

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 46183 (July 11, 2002), 67 FR 47584.

⁴ See letter to Lisa N. Jones, Attorney, Division of Market Regulation, Commission, from Patrick Sexton, Assistant General Counsel, Legal Division, CBOE ("Amendment No. 1"). Amendment No. 1 corrects an inadvertently deleted word ("and") in the proposed rule text. This is a technical amendment and therefore is not subject to notice and comment.

⁵ 15 U.S.C. 78f.

⁶ In approving this proposal, the Commission has considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁷ 15 U.S.C. 78f(b)(5).

⁸ The CBOE noted that market performance commitments may relate to pledges to keep bid-ask spreads within a particular width, or pledges to make every effort possible to become the exchange of choice in a particular option class, as measured during the initial months of trading by consistently

It is therefore ordered, pursuant to section 19(b)(2) of the Act,⁹ that the proposed rule change (SR-CBOE-2002-32), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to the delegated authority.¹⁰

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-46461; File No. SR-PCX-2002-33]

Self-Regulatory Organizations; Pacific Exchange, Inc.; Order Granting Approval To Proposed Rule Change To Revise the Process for Designating Arbitrators for Member-to-Member Disputes

September 5, 2002.

On May 30, 2002, the Pacific Exchange, Inc. ("PCX") filed with the Securities and Exchange Commission ("Commission"), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to amend PCX Rule 12.8(e) to revise the process for designating arbitrators for member-to-member disputes.

The proposed rule change was published for comment in the **Federal Register** on July 19, 2002.³ The Commission received no comments regarding the proposed rule change.

After careful review, 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.⁴ Specifically, the Commission finds that the proposal is consistent with section 6(b)(5) of the Act⁵ because it is designed to promote just and equitable principals of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities,

achieving a certain market share if the class is listed on more than one options exchange.

⁹ 15 U.S.C. 78s(b)(2).

¹⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 46190 (July 11, 2002), 67 FR 47590.

⁴ In approving this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁵ 15 U.S.C. 78f(b)(5).

and to protect investors and the public interest. The Commission notes that the proposed rule change would simplify the PCX arbitrator selection process for Member Controversies by coordinating the rule with existing rules on Public Controversies and provide uniformity with PCX Rules for Public Controversies by raising the amount in controversy from \$10,000 to \$30,000 as the threshold in determining whether the controversy would be heard by at least three arbitrators. The proposed rule would also provide for a consistent source of arbitrators by using the same arbitrator list for the selection of arbitrators for both Public and Member Controversies.

It is therefore ordered, pursuant to section 19(b)(2) of the Act,⁶ that the proposed rule change (SR-PCX-2002-33) be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02-23235 Filed 9-11-02; 8:45 am]

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SOCIAL SECURITY ADMINISTRATION

Social Security Ruling, SSR 02-1p; Titles II and XVI: Evaluation of Obesity

AGENCY: Social Security Administration.
ACTION: Notice of Social Security ruling.

SUMMARY: In accordance with 20 CFR 402.35(b)(1), the Commissioner of Social Security gives notice of Social Security Ruling, SSR 02-1p. This Ruling supersedes SSR 00-3p and provides guidance on the evaluation of disability claims involving obesity following our deletion of listing 9.09, Obesity, from the Listing of Impairments (the listings). The final rule deleting listing 9.09 was effective on October 25, 1999 (64 FR 46122 (1999)).

EFFECTIVE DATE: September 12, 2002.

FOR FURTHER INFORMATION CONTACT: Bonnie Davis, Office of Disability, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235-6401, (410) 965-4172 or TTY (410) 966-5609. For information on eligibility or filing for benefits, call our national toll-free number, 1-800-772-1213 or TTY 1-800-325-0778, or visit our Internet Web site, Social Security Online, at <http://www.ssa.gov>.

SUPPLEMENTARY INFORMATION: Although we are not required to do so pursuant

⁶ 15 U.S.C. 78s(b)(2).

⁷ 17 CFR 200.30-3(a)(12).