

Generalized System of Preferences (GSP); Initiation of a Review to Consider the Designation of Moldova as a Beneficiary Developing Country Under the GSP; Solicitation of Public Comments Relating to the Designation Criteria

AGENCY: Office of the United States Trade Representative.

ACTION: Notice and solicitation of public comment with respect to the eligibility of Moldova for the GSP program.

SUMMARY: This notice announces the initiation of a review to consider the designation of Moldova as a beneficiary developing country under the GSP program and solicits public comment relating to the designation criteria.

FOR FURTHER INFORMATION CONTACT: GSP Subcommittee, Office of the United States Trade Representative, 600 17th Street NW., Room 513, Washington, D.C. 20506. The telephone number is (202) 395-6971.

SUPPLEMENTARY INFORMATION: The Trade Policy Staff Committee (TPSC) has initiated a review to determine if Moldova meets the designation criteria of the GSP law and should be designated as a beneficiary developing country for purposes of the GSP, which is provided for in the Trade Act of 1974, as amended (19 U.S.C. 2461-2465). The designation criteria are listed in sections 502(a), 502(b) and 502(c) of the Act. Interested parties are invited to submit comments regarding the eligibility of Moldova for designation as a GSP beneficiary. The designation criteria mandate determinations related to participation in commodity cartels, preferential treatment provided to other developed countries, expropriation without compensation, enforcement of arbitral awards, support of international terrorism, and protection of internationally recognized worker rights. Other practices taken into account relate to the extent of market access for goods and services, investment practices and protection of intellectual property rights.

Comments must be submitted in 15 copies, in English, to the Chairman of the GSP Subcommittee, Trade Policy Staff Committee, 600 17th Street, N.W., Room 513, Washington, D.C. 20506. Comments must be received no later than 5 p.m. on Wednesday, March 1, 1995. Information and comments submitted regarding Moldova will be subject to public inspection by appointment with the staff of the USTR Public Reading Room, except for information granted "business confidential" status pursuant to 15 CFR 2003.6. If the document contains

business confidential information, 15 copies of a nonconfidential version of the submission along with 15 copies of the confidential version must be submitted. In addition, the submission should be clearly marked "confidential" at the top and bottom of each and every page of the document. The version which does not contain business confidential information (the public version) should also be clearly marked at the top and bottom of each and every page (either "public version" or "non-confidential").

Frederick L. Montgomery,
Chairman, Trade Policy Staff Committee.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-35198; File No. 600-24]

Self-Regulatory Organizations; Delta Government Options Corp.; Notice of Filing and Order Approving Application for Extension of Temporary Registration as a Clearing Agency

January 6, 1995.

On December 28, 1994, Delta Government Options Corporation ("Delta") filed with the Securities and Exchange Commission ("Commission") a request pursuant to Section 19(a)¹ of the Securities Exchange Act of 1934 ("Act") for extension of its registration as a clearing agency under Section 17A² of the Act for a period of two years.³ The Commission is publishing this notice and order to solicit comments from interested persons and to grant Delta's request for an extension of its temporary registration as a clearing agency through January 31, 1997.

On January 12, 1990, the Commission granted Delta's application for registration as a clearing agency pursuant to Sections 17A(b)(2) and 19(a) of the Act⁴ on a temporary basis for a period of thirty-six months.⁵ On February 11, 1993, the Commission approved Delta's request for an extension of its temporary registration as a clearing agency through January 12, 1995.⁶ Delta now requests that the

¹ 15 U.S.C. 78s(a)(1) (1988).

² 15 U.S.C. 78q-1 (1988).

³ Letter from Kathryn V. Natale, Morgan, Lewis & Bockius, to Jerry W. Carpenter, Assistant Director, Division of Market Regulation, Commission (December 28, 1994).

⁴ 15 U.S.C. 78q-1(b)(2) and 78s(a) (1988).

⁵ Securities Exchange Act Release No. 27611 (January 12, 1990), 55 FR 1890 [File No. 600-24].

⁶ Securities Exchange Act Release No. 31856 (February 11, 1993), 59 FR 9005 [File No. 600-24].

Commission grant an extension of its original order granting Delta temporary registration as a clearing agency subject to the same terms and conditions for a period of two years.

As discussed in detail in the order granting Delta's initial temporary registration as a clearing agency,⁷ one of the primary reasons for Delta's registration is to enable it to provide for the safe and efficient clearance and settlement of transactions involving the over-the-counter ("OTC") trading of options on U.S. Treasury securities. Delta has functioned effectively in this capacity as a registered clearing agency for the past five years. In light of Delta's past performance, the Commission believes that Delta has the capacity to comply with the statutory obligations set forth under Section 17A(b)(3) of the Act⁸ as the prerequisites for registration as a clearing agency. Comments received during Delta's temporary registration will be considered in determining whether Delta should receive permanent registration as a clearing agency under Section 17A(b) of the Act.⁹

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, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the request for extension of temporary registration as a clearing agency that are filed with the Commission, and all written communications relating to the requested extension between the Commission and any person, other than those that may be withheld from the public in accordance with provisions of 5 U.S.C. § 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street NW., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of Delta. All submissions should refer to File No. 600-24 and should be submitted by February 3, 1995.

Conclusion

On the basis of the foregoing, the Commission finds that Delta's request for extension of temporary registration

⁷ *Supra* note 5.

⁸ 15 U.S.C. 78q-1(b)(3) (1988).

⁹ 15 U.S.C. 78q-1(b) (1988).

as a clearing agency is consistent with the Act and in particular with Section 17A of the Act.

It is Therefore Ordered, that Delta's temporary registration as a clearing agency (File No. 600-24) be, and hereby is, extended through January 31, 1997.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-913 Filed 1-12-95; 9:45 am]

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[Rel. No. IC-20823; 812-9322]

Croft-Leominster Income Fund, et al.; Notice of Application

January 9, 1995.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Exemption under the Investment Company Act of 1940 (the "Act").

APPLICANTS: Croft-Leominster Income Fund (the "Fund"), Leominster Income, L.P. (the "Partnership"), and Croft Leominster, Inc. (the "Adviser").

RELEVANT ACT SECTIONS: Order requested under section 17(b) of the Act for an exemption from section 17(a) of the Act.

SUMMARY OF APPLICATION: Applicants request an order that would permit the exchange of shares of the Fund for portfolio securities of the Partnership. Thereafter, the Partnership will dissolve and distribute the shares it received in the exchange *pro rata* to its partners.

FILING DATES: The application was filed on November 14, 1994. Applicants agree to file an additional amendment, the substance of which is incorporated herein, during the notice period.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on February 3, 1995 and should be accompanied by proof of service on the applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, 207 East Redwood Drive, Suite 802, Baltimore, Maryland 21202.

FOR FURTHER INFORMATION CONTACT: Sarah A. Buescher, Staff Attorney, at (202) 942-0573, or Robert A. Robertson, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch.

Applicants' Representations

1. The Partnership was organized in 1991 as a limited partnership under Maryland law. It has not been registered under the Act in reliance upon section 3(c)(1) of the Act, and the Partnership interests have not been registered under the Securities Act of 1933 (the "Securities Act") in reliance upon section 4(2) thereof. The Adviser is the sole general partner of the Partnership and has exclusive control over the management of its business. The Adviser has maintained an investment in the Partnership not less than 1% of the net assets of the Partnership, and is allocated net income, gains, and losses of the Partnership in proportion with its investment.

2. The Fund is one of two initial series of the Croft Funds Corporation, an open-end investment company organized under Maryland law (the "Corporation"). The Fund filed a notification of registration under the Act on Form N-8A and a registration statement under the Act and the Securities Act on Form N-1A on July 22, 1994. The N-1A registration statement has not yet been declared effective, and no offering of shares has commenced. The Adviser will act as investment adviser to the Fund.

3. Applicants propose that the Partnership exchange its assets, less funds required to pay the liabilities of the Partnership, for shares of the Fund. Thereafter, the Partnership will dissolve and distribute the shares of the Fund it receives to its partners *pro rata*. The exchange was proposed to permit the limited partners of the Partnership to invest in a larger fund, and to eliminate administrative burdens, filing requirements, and complicated allocation calculations currently faced by the Partnership. The Fund was designed as a successor investment vehicle to the Partnership, with investment objectives and policies substantially the same as those of the

Partnership. The same persons who selected the investments for the Partnership will select them for the Fund.

4. The Fund will be sold without any load or sales charge, and will adopt a plan of distribution pursuant to rule 12b-1 under the Act. Under the rule 12b-1 plan, the Fund will pay a rule 12b-1 distribution fee of up to 0.25% of its average daily net assets. Applicants anticipate that shares of the Fund will be marketed to essentially the same classes of persons and in the same manner as the interests in the Partnership have been marketed.

5. The proposed exchange will be effected pursuant to an agreement and plan of reorganization (the "Plan") to be approved by the limited partners of the Partnership. Under the Plan, the portfolio securities of the Partnership will be acquired at their independent "current market price," as defined in rule 17a-7 under the Act. The Fund will not acquire securities that, in the opinion of the Adviser, would result in a violation of the Fund's investment objectives, policies, or restrictions. Any remaining securities will be liquidated by the Partnership for cash and these proceeds distributed *pro rata* to the partners of the Partnership.

6. The general partner of the Partnership will consider the desirability of the exchange from the point of view of the Partnership and must conclude that (a) the exchange is in the best interests of the Partnership and its partners and (b) upon the exchange, the interests of the partners of the Partnership will not be diluted as a result of the exchange.

7. The board of directors of the Fund will consider the desirability of the exchange from the point of view of the Fund, and a majority of the directors, including a majority of the non-interested directors, must conclude that (a) the exchange is desirable as a business matter from the point of view of the Fund, (b) the exchange is in the best interest of the Fund, (c) upon the exchange, the interests of existing shareholders of the Fund will not be diluted as a result of the exchange, and (d) the terms of the exchange as reflected in the Plan have been designed to meet the criteria contained in section 17(b) of the Act.

8. The exchange will not be effected unless: (a) the registration statements of the Fund have been declared effective; (b) the limited partners of the Partnership have approved the Plan and an amendment to the partnership agreement authorizing the general partner to take such actions as it deems necessary or appropriate to effect the

¹⁰ 17 CFR 200.30-3(a)(50)(i) (1994).