2. Statutory Basis

The exchange believes that the proposed rule change is consistent with Sections 6(b) of the Act in general and furthers the objectives of Section 6(b)(5) in particular in that it will promote just and equitable principles of trade and remove impediments to and perfect the mechanisms of a free and open market and a national market system.

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

The CSE does not believe that the proposed rule change will impose any inappropriate burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

The CSE solicited comments on the filing from other Intermarket Trading System participants. None were received.

III. 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, N.W., Washington, D.C. 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 N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the CSE. All submissions should refer to File No. SR–CSE–95–06 and should be submitted by [insert date 21 days from date of publication].

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

The Commission finds that the CSE's proposal to extend its preferencing pilot program to October 2, 1995 is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange. Specifically, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act[3] in that it will promote just and equitable principles of trade and remove impediments to and perfect the mechanism of a free and open market and a national market system. The pilot is extended under the same conditions set out in the prior pilot approval orders.[4]

The pilot modifies CSE's priority rules in order to permit one designated dealer to step ahead of another, at the same or better price, when trading with its own customer order. Public orders in the CSE book continue to have priority over all preferencing interest.

The Commission notes that pursuant to its most recent pilot extension approval order, the CSE was required to submit quarterly data reports and a report analyzing such data.[5] The CSE has submitted data to the Commission. In addition, the Commission has received extensive commentary on the CSE's request for permanent approval of its preferencing pilot, noticed for comment on March 13, 1995.[6] The Commission is currently reviewing the comments and data submitted thus far, and believes that due to the complexity of the issues, the extensive comment letters, and the significant amount of data, the preferencing pilot should be extended to provide the Commission with adequate time to more thoroughly evaluate the data and the issues involved in the filing for permanent approval.

The Commission finds good cause for approving the proposed rule change prior the thirtieth day after the date of publication of notice of filing thereof in the **Federal Register**. The Commission believes that accelerated approval of the proposal is appropriate in order to avoid an unnecessary interruption to the existing pilot, while allowing the Commission to continue to evaluate the data and comments submitted in response to the solicitation of comments published in March.

It is therefore ordered, pursuant to Section 19(b)(2)[7] that the proposed rule change is hereby approved, and the preferencing pilot is extended through October 2, 1995.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[8]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–12313 Filed 5–18–95; 8:45 am]

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[3] 15 U.S.C. 78f(b)(5) (1988).

[4] The CSE preferencing program is limited by the following: (1) A designated dealer may preference up to a maximum of 350 stocks; (2) no payment for order flow; (3) no index arbitage. *See* letter from Fredrick Moss, Chairman of the Board of Trustees, CSE, to Richard G. Ketchum, Director, Division of Market Regulation, Commission, dated November 14, 1990.

[5] *See* Securities Exchange Act Release No. 34493 (Aug. 5, 1994), 59 FR 41531 (Aug. 12, 1995).

[6] *See,* File No. SR–CSE–95–03, Securities Exchange Act Release No. 35448 (March 7, 1995), 60 FR 13493 (March 13, 1995). The comments received on this proposal are available from the CSE or the Commission. (*See* Section III, *supra.*)

[7] 15 U.S.C. 78s(b)(2) (1988).

[8] 17 CFR 200.30–3(a)(12) (1994).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–35715; File No. S7–27–93]

Consolidated Tape Association; Order Granting Approval of Seventeenth Substantive Amendment to the Restated Consolidated Tape Association Plan and Twenty-First Substantive Amendment to the Consolidated Quotation Plan

May 12, 1995.

I. Introduction

On March 9, 1995, the Consolidated Tape Association (''CTA'') and consolidated Quotation (''CQ'') Plan Participants filed with the Securities and Exchange Commission (''Commission'' or ''SEC'') amendments to the Restated CTA Plan and CQ Plan pursuant to Rule 11Aa3–2 of the Securities Exchange Act of 1934 (''Act''). Notice of the filing appeared in the **Federal Register** on April 3, 1994.[1] No comment letters were received in response to the Notice. For the reasons discussed below, the Commission has determined to approve the filing.

II. Description

The amendments change the procedure for allocating high speed line access fee revenues between ''Network A'' and ''Network B'' under each plan. Under the new procedure,[2] the participants will apply ''relative message usage percentages'' to the allocation of high speed line revenues between networks retroactively, beginning with the period commencing January 1, 1994.

The amendments also eliminate the requirements that the participants set the high speed line access fee at a level designed to recover the costs of making the high speed line available, and set indirect high speed line access fees at a level that equals one-half of the direct

[1] Securities Exchange Act Release No. 35543 (March 28, 1995), 60 FR 16901.

[2] A description of the new procedure was included in the Notice of Filing of Amendment (*see,* note 1, *supra*), and is incorporated by reference herein.

access fees. The actual fees currently in effect, however, are not changed.

Prior to this amendment, the participants, under each plan, imposed on subscribers, vendors, computer input users and others one combined high speed line access fee for access to both Network A and Network B market data. These amendments will change the current fee structure and replace it with a more appropriate and equitable measure that reflects each network's relative usage of the plans' systems.

Additionally, these amendments will eliminate the current requirements to: (a) Set high speed line access fees at levels that allow the participants to recover the operating expenses that the Processor incurs in making the high speed line available, and (b) set indirect high speed line access fees at a level that equals one-half of the direct access fees. Those requirements were established over twenty years ago. Today's digital data feed and other technologies make high speed lines cheaper and easier to access necessitating a change in the manner in which the participants determine high speed line access fees. The actual fees, however, will not be amended at this time.

III. Discussion

The Commission has determined that the CTA/CQ Plan amendments are consistent with the Act. Rule 11Aa3–2(c)(2) under the Act provides, *inter alia,* that the Commission approve an amendment to an effective National Market System plan if it finds that the amendment is necessary or appropriate in the public interest, for the protection of investors and maintenance of fair and orderly markets, to remove impediments to and perfect the mechanisms of a National Market System, or otherwise in furtherance of the purposes of the Act. In making such a determination, the Commission must examine Section 11A of the Act and Rule 11Aa3–2(b)(5), promulgated thereunder. Rule 11Aa3–2(b)(5)(ii) provides that every national market system plan, or any amendment thereto, shall provide a description of the method by which any fees or charges collected on behalf of all of the participants in connection with access to, or use of, any facility contemplated by the plan or amendment will be determined and imposed (including any provision for distribution of any net proceeds from such fees or charges to the participants) and the amount of such fees or charges.

The CTA and CQ Plan Participants have properly described the determination, imposition and distribution of the fees and charges that are the subject of the proposed amendments. Furthermore, the amendments will remove impediments to and perfect the mechanisms of a National Market System by instituting a more equitable line access fee that reflects actual usage, and by removing certain requirements concerning the calculation of line access fees that are no longer appropriate in light of technological advances. Accordingly, the Commission finds that the adoption of the delineated changes for allocating high speed line access fees for both Plans, and the elimination of the above discussed requirements concerning the recovery of costs for making high speed line available, to be consistent with the Act and the Rules thereunder.

IV. Conclusion

For the reasons discussed above, the Commission finds that the proposed amendments to the CTA and CQ Plans are consistent with the Act, particularly Rules 11Aa3–2(c)(2) and 11Aa3–2(b)(5)(ii) thereunder.

It is therefore ordered, pursuant to Section 11A of the Act, that the amendments to the CTA and CQ Plans be, and hereby are, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[3]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–12311 Filed 5–18–95; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 35–26290]

Filings Under the Public Utility Holding Company Act of 1935, as Amended (''Act'')

May 12, 1995.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by June 5, 1995 to the Secretary, Securities and Exchange Commission, Washington, DC 20549, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

CINergy Corp. et al. (70–8587)

CINergy Corp. (''CINergy''), 139 East Fourth Street, Cincinnati, Ohio 45202, a registered holding company, and certain of its subsidiaries, including CG&E Resource Marketing, Inc. (''Resource Marketing''), 139 East Fourth Street, Cincinnati, Ohio 45202, filed an application-declaration under sections 2(a)(8), 6, 7, 9(a), 10, 12(b), 12(f) and 13 of the Public Utility Holding Company Act of 1935, as amended (''Act''), and rules 40, 43, 45, 53, 54, and 80–95 thereunder. The Commission issued a notice of the filing on April 14, 1995 (HCAR No. 26273).

Resource Marketing holds a one-third general partnership interest in U.S. Energy Partners, a gas marketing partnership with Public Service Electric & Gas Company. CINergy states that it does not ''control'' U.S. Energy Partners or possess a ''controlling influence'' over its management or policies. In addition to the matters discussed in the notice referred to above, CINergy also seeks in this filing an order of the Commission declaring that U.S. Energy Partners is not a ''subsidiary company'' of CINergy within the meaning of section 2(a)(8) of the Act.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–12314 Filed 5–18–95; 8:45 am]

BILLING CODE 8010–01–M

[Investment Company Act Release No. 21065; 811–7300]

Third Avenue Series Funds, Inc.; Notice of Application

May 12, 1995.

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

ACTION: Notice of Application for Deregistration under the Investment Company Act of 1940 (the ''Act'').

APPLICANT: Third Avenue Series Funds, Inc.

[3] 17 CFR 200.30–3(a)(27).