

company organized as a Massachusetts business trust. On March 13, 1992, applicant filed a notification of registration pursuant to section 8(a) of the Act on Form N-8A and a registration statement under the Act and the Securities Act of 1933. Applicant's registration statement has not been declared effective and applicant has not made a public offering of its shares.

2. Applicant has not issued or sold any securities. As of the date of the filing of the application, applicant has no shareholders, liabilities or assets. Applicant is not a party to any litigation or administrative proceeding.

3. Pursuant to unanimous written consent dated October 26, 1995, applicant's Board of Trustees determined that it was advisable and in the best interests of applicant to withdraw its registration statement with the SEC, cease to be registered as an investment company, and to liquidate its assets and terminate its existence as a Massachusetts business trust.

4. Applicant is not now engaged, nor does it propose to engage in any business activities other than those necessary for the winding-up of its affairs.

For the SEC, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 95-29615 Filed 12-5-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36529; International Series Release No. 892; File No. 600-20]

Self-Regulatory Organizations; International Securities Clearing Corporation; Order Approving Extension of Temporary Registration as a Clearing Agency Through November 30, 1996

November 29, 1995.

Pursuant to Section 19(a) of the Securities Exchange Act of 1934 ("Act"),¹ on October 23, 1995, the International Securities Clearing Corporation ("ISCC") filed with the Securities and Exchange Commission ("Commission") a request that the Commission extend ISCC's temporary registration as a clearing agency until November 30, 1997.² Notice of ISCC's request for extension of temporary registration appeared in the Federal

Register on October 31, 1995.³ No comments were received. This order approves ISCC's amendment by extending ISCC's registration as a clearing agency through November 30, 1996.

On May 12, 1989, the Commission granted the application of ISCC for registration as a clearing agency pursuant to Sections 17A and 19(a) of the Act⁴ and Rule 17Ab2-1(c)⁵ thereunder for a period of eighteen months.⁶ At that time, the Commission granted ISCC an exemption from compliance with Section 17A(b)(3)(C) of the Act.⁷ Section 17A(b)(3)(C) of the Act requires that ISCC's rules assure fair representation of its shareholders (or members) and participants in the selection of its directors and administration of its affairs. The Commission subsequently extended ISCC's temporary registration as a clearing agency and temporary exemption from Section 17A(b)(3)(C) of the Act until November 30, 1995.⁸

As discussed in the order first granting ISCC's temporary registration as a clearing agency, one of the primary reasons for ISCC's registration was to enable it to provide for the safe and efficient clearance and settlement of international securities transactions by providing links to centralized, efficient processing systems in the United States and to foreign financial institutions. ISCC continues to develop its capacity to offer these services.⁹

As stated above, ISCC has an exemption from the fair representation requirements of Section 17A(b)(3)(C) of the Act. Pursuant to this exemption, ISCC's sole shareholder, the National Securities Clearing Corporation ("NSCC") elects ISCC's Board of Directors. ISCC's rules for election of

³ Securities Exchange Act Release No. 36411 (October 20, 1995), 60 FR 55399.

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

⁵ 17 CFR 240.17Ab2-1(c).

⁶ Securities Exchange Act Release No. 26812 (May 12, 1989), 54 FR 21691.

⁷ 15 U.S.C. § 78q-1(b)(3)(C) (1988).

⁸ Securities Exchange Act Releases Nos. 28606 (November 16, 1990), 55 FR 47976; 30005 (November 27, 1991), 56 FR 63747; and 33233 (November 22, 1993), 58 FR 63195.

⁹ ISCC has added three service providers, Standard Bank of South Africa, Westpac Custodian Nominees Limited of Australia, and Westpac Nominees-NZ-Limited, to its Global Clearance Network Service to provide settlement and custody services in South Africa, Australia, and New Zealand, respectively. Securities Exchange Act Release Nos. 35392 (February 16, 1995), 60 FR 10415 and 36339 (October 5, 1995), 60 FR 53447. ISCC also has established links with Monte Titoli, S.p.A., an Italian settlement and depository service, and Caja de Valores, S.A., an Argentine settlement and depository service. Securities Exchange Act Release Nos. 35219 (January 11, 1995), 60 FR 3685 and 35218 (January 11, 1995), 60 FR 3686.

directors are not operatives.¹⁰ At the time of ISCC's initial registration, ISCC requested that the exemption from the fair representation requirement of the Act remain in place until the earlier of (1) the time ISCC has twenty-five active members or (2) 1992. Although both these benchmarks have been surpassed, ISCC continues to believe that it does not have a meaningful participant base with only thirty-seven of its forty-four members currently using ISCC services. ISCC states that if its participants have the ability to participate in the selection of the board of directors these participants will have an inordinate and unintended control of the nomination and voting processes.¹¹

The Commission believes that ISCC should diligently work towards compliance with the requirements of Section 17A(b)(3)(C) and expects that ISCC will no longer require an exemption from the fair representation requirements no later than the end of this extension of its registration as a clearing agency.

It is therefore ordered, that ISCC's registration as a clearing agency be, and hereby is, approved until November 30, 1996.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 95-29689 Filed 12-5-95; 8:45 am]

BILLING CODE 8010-01-M

¹⁰ ISCC's rules provide for ISCC's Board of Directors to consist of a maximum of twenty-two members. ISCC's rules further provide that (1) twelve of those directors are to be selected from the general partners or officers of participants by ISCC's nominating committee, (2) two directors are to be officers of ISCC, and (3) eight directors are to be nominees of NSCC. Participants may submit names to ISCC's Nominating committee by submitting a petition to ISCC's Secretary signed by the lesser of 5% of the participants or fifteen participants. If a participant nominates a candidate for participant director, ballots would be sent out to all participants to vote in accordance with their usage of ISCC's system. NSCC would vote its shares to elect the participant directors selected by the participants.

¹¹ *Supra* note 6.

¹² 17 C.F.R. § 240.30-3(a)(50) (1994).

¹ 15 U.S.C. § 78q-1 (1988).

² Letter from Julie Beyers, Associate Counsel, ISCC, to Christine Sibille, Division of Market Regulation, Commission (October 20, 1995).

[Release No. 34-36525; File No. SR-CBOE-95-67]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 to Proposed Rule Change by the Chicago Board Options Exchange, Inc. Relating to the Establishment of Uniform Listing and Trading Guidelines for Narrow-based Stock Index Warrants

November 29, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. § 78s(b)(1), notice is hereby given that on November 9, 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 self-regulatory organization. On November 20, 1995, the CBOE submitted Amendment No. 1 ("Amendment No. 1") to the filing to clarify issues relating to settlement values for both narrow-based and broad-based index warrants and also the reporting of hedge unwinding transactions.¹ 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 CBOE proposes to amend Exchange rules 30.35, 30.53, and 31.5 to establish uniform listing and trading guidelines applicable to narrow-based stock index warrants.

The text of the proposed rule change is available at the Office of the Secretary, 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

On August 29, 1995, the Commission approved SR-CBOE-94-34 which established uniform listing and trading guidelines for broad-based stock index, currency, and currency index warrants.² This filing proposes rules governing the listing and trading of narrow-based indexes, *i.e.*, indexes that do not meet the Commission's criteria for broad-based treatment. This filing would modify the recently approved regulatory framework for the trading of broad-based stock index warrants, by adopting certain rules for the trading of warrants on narrow-based indexes that are now applicable to the trading of narrow-based index options.

The Exchange first traded narrow-based index options in September 1983. Exchange rules governing the trading of warrants, including stock index warrants, were approved in October 1990³ and similar rules were approved for another exchange as early as 1988.⁴ Because of the years of experience the Exchange has with trading index options and the Commission has with regulating index option and warrant trading, the Exchange believes that the trading of warrants based on narrow-based indexes presents no new or novel regulatory issues and should be permitted subject to the same restrictions that apply to the trading of narrow-based stock index options.

Specifically, the Exchange proposes that the margin requirements applicable to the short sales of narrow-based index options would apply to the short sale of narrow-based index warrants, and the reduced position limits applicable to narrow-based index options would apply to narrow-based index warrants. The Exchange proposes that the narrow-based index warrant position limit be set at 75% of the levels recently approved by the Commission for narrow-based index options.⁵ In all

other respects, the rules applicable to broad-based and narrow-based options are the same. Consequently, all other rules applicable to broad-based index warrants would apply to warrants on narrow-based indexes. In addition, the Exchange would conduct the surveillance of trading in narrow-based index warrants in a similar manner to its surveillance of trading in broad-based index warrants.

The Exchange proposes that, upon Commission approval of this filing, the Exchange be permitted, without further Commission review, to list a warrant on any narrow-based index that the Commission has previously approved for options or warrant trading. In order to expedite the review of a particular warrant issue, the Exchange proposes employing procedures similar to those set forth in Rule 24.2(b) to file for approval of the index underlying a proposed issuance of warrants.⁶ However, the Exchange will not list a warrant on an index consisting of fewer than nine stocks, nor will it allow any of the indexes upon which warrants are traded to consist of fewer than nine stocks, unless the Commission separately approves such index for warrant trading.

The Exchange also proposes to amend Rule 31.5(E)(5) in order to clarify that the settlement mechanism for narrow-based index warrants will be the same as that for broad-based index warrants.⁷ Accordingly, an issuer may elect to use closing prices for the securities underlying a stock index to determine settlement values at all times other than the day on which the final settlement value is to be determined ("valuation date"), as well as during the two business days preceding valuation date.⁸

2. Statutory Basis

CBOE believes the proposed rule change is consistent with Section 6(b) of the Act in general and furthers the objectives of Section 6(b)(5) in particular in that it will permit trading in warrants based on the Mexico 30 Index pursuant to rules designed to

12,000 position limit levels currently applicable to narrow-based index option trading.

⁶ These criteria establish streamlined procedures for listing options on stock industry groups (*i.e.*, narrow-based). Accordingly, the Exchange proposes that the same criteria apply to subsequent proposals to establish narrow-based indexes which underlie proposed warrant issuances.

⁷ See Amendment No. 1.

⁸ See Amendment No. 1. The Commission notes that although the recently approved regulatory framework for broad-based index warrants establishes uniform settlement valuation provisions adopted by several exchanges, including CBOE, the CBOE in this filing proposes to amend Rule 31.5(E)(5) to clarify such provisions.

¹ See Letter from Timothy Thompson, CBOE, to Steve Youhn, SEC, dated November 15, 1995.

Specifically, as discussed below, Amendment No. 1 clarifies that narrow-based index warrants will be governed by the same settlement procedures applicable to broad-based index warrants.

Furthermore, it clarifies that certain hedge unwinding transactions in narrow-based index warrants which are undertaken as a result of early exercises will be reported to the Exchange in the same manner as with broad-based index warrants.

² See Securities Exchange Act Release No. 36169.

³ See Securities Exchange Act Release No. 28556 (Oct. 26, 1990).

⁴ See Securities Exchange Act Release No. 26152 (Oct. 3, 1988).

⁵ See Securities Exchange Act Release No. 36439 (Oct. 31, 1995). Accordingly, the Exchange proposes that position limits for narrow-based index warrants be set at 4,500,000, 6,750,000, and 9,000,000, which are equivalent to 75% of the 6,000, 9,000, and

prevent fraudulent and manipulative acts and practices and to promote just and equitable principles of trade, and thereby will provide investors with the ability to invest in warrants based on additional indexes.

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

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

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

Within 35 days of the 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 the 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, 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 CBOE. All submissions should refer to File No. SR-CBOE-95-67 and should be submitted by December 27, 1995.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-29690 Filed 12-5-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36439A; File No. SR-CBOE-95-56]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to Modifications of the Position and Exercise Limits for Narrow-Based Index Options

November 30, 1995.

Correction

In FR Document No. 95-27424, beginning on page 56075, column 1, for Monday, November 6, 1995, a phrase in footnote number three was incorrectly stated. The first part of footnote number three is corrected to read:

Under CBOE Rule 24.4A, the current position limits for industry index options are as follows: (1) 5,500 contracts if the CBOE determines in its semi-annual review that any single underlying stock accounted, on average, for 30% or more of the index value during the 30-day period immediately preceding the review; . . ."¹

The remainder of footnote number three remains unchanged.

In addition, the position limits for the Standard & Poor's ("S&P") Chemical Index and the S&P Retail Index were incorrectly stated as 5,500 contracts. The position limits for both the S&P Chemical Index and the S&P Retail Index are revised to be stated as 7,500 contracts.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-29692 Filed 12-5-95; 8:45 am]

BILLING CODE 8010-01-M

⁹ 17 CFR 200.30-3(a)(12) (1994).

¹ 17 CFR 200.30-3(a)(12) (1994).

[Release No. 34-36527; International Series Release No. 891; File No. SR-Amex-95-43]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 thereto by the American Stock Exchange, Inc. Relating to Index Fund Shares

November 29, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on October 26, 1995, the American Stock Exchange, Inc. ("Amex" 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 Amex. On November 14, 1995, the Amex filed Amendment No. 1 to its proposal.² 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 Amex proposes to list and trade under Amex Rules 1000A *et seq.* Index Fund Shares, which are shares issued by an open-end management investment company that seeks to provide investment results that correspond generally to the price and yield performance of a specified foreign or domestic equity market index.

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 self-regulatory organization 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 self-regulatory organization has prepared summaries, set forth in Sections (A), (B) and (C) below, of the most significant aspects of such statements.

¹ 15 U.S.C. 78s(b)(1) (1988).

² In Amendment No. 1, the Amex states that any broker-dealer handling transactions for customers in "World Equity Benchmark Securities" (or "WEBS") will have an obligation to deliver to such customers a prospectus regarding WEBS pursuant to the requirements of the Securities Act of 1933. Amendment No. 1 also states that prior to listing series of Index Fund Shares for indices other than those described in the present rule filing, it will make an appropriate filing pursuant to Rule 19b-4 under the Act. Letter from James F. Duffy, Executive Vice President and General Counsel, Legal Chief, Office of Market Supervisor, Division of Market Regulation, Commission, dated November 14, 1995 ("Amendment No. 1").