

these prohibitions would prohibit McDonald from acting as the principal underwriter or investment adviser for the Funds and other registered open-end investment companies in the future. McDonald states that acting in these capacities for the Funds is an integral part of McDonald's business as a full-service brokerage firm. McDonald states that it would lose substantial revenue if it were prohibited from conducting this business.

#### Applicant's Condition

Applicant agrees that the following condition may be imposed in any order of the SEC granting relief:

Any temporary exemption issued pursuant to this application shall be without prejudice to, and shall not limit the SEC's rights in any manner with respect to, any SEC investigation of, or administrative proceedings involving or against, applicant, including without limitation, the consideration by the SEC of the application for a permanent exemption from section 9(a) of the Act requested pursuant to this application or the revocation or removal of any temporary exemptions granted under the Act in connection with this application.

#### Temporary Order

The Division has considered the matter and, without necessarily agreeing with all of the facts represented or all of the arguments asserted by applicant, finds, in accordance with 17 CFR 200.30-5(a)(7), that it appears that (i) the prohibitions of section 9(a), as applied to applicant, may be unduly or disproportionately severe, (ii) applicant's conduct has been such as not to make it against the public interest or protection of investors to grant the temporary exemption, and (iii) granting the temporary exemption would protect the interests of the investment companies being served by applicant by allowing time for the orderly consideration of the application for permanent relief.

Accordingly, *it is hereby ordered*, under section 9(c), that applicant is granted a temporary exemption for sixty days from the provisions of section 9(a), effective forthwith, solely with respect to the Conviction, subject to the condition in the application.

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

Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 96-5217 Filed 3-5-96; 8:45 am]

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[Release No. 34-36908; File No. 265-19]

#### Consumer Affairs Advisory Committee

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Notice of the Renewal of the Securities and Exchange Commission Consumer Affairs Advisory Committee.

**SUMMARY:** The Chairman of the Commission, with the concurrence of the other members of the Commission, has renewed the Securities and Exchange Commission's Consumer Affairs Advisory Committee ("Committee"). The Committee will advise the Commission on the interests and concerns of individual investors in the securities market.

**ADDRESSES:** Written comments should be submitted in triplicate and should refer to File No. 265-19. Comments should be submitted to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

**FOR FURTHER INFORMATION CONTACT:** Jonathan M. Gottsegen, Counsel to the Director, Office of Investor Education and Assistance, at (202) 942-7040; Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

**SUPPLEMENTARY INFORMATION:** In accordance with the requirements of the Federal Advisory Committee Act, 5 U.S.C. App., the Securities and Exchange Commission has directed publication of this notice that Chairman Arthur Levitt, with the concurrence of the other member of the Commission, has renewed the "Securities and Exchange Commission Consumer Affairs Advisory Committee." Chairman Levitt certifies that he has determined that the renewal of the Committee is necessary and in the public interest.

The Committee's charter directs the Committee to (1) advise the Commission on the interests and concerns of consumers and individual investors who participate, directly or indirectly, in the U.S. securities markets, and (2) to advise the Commission on how the Commission's existing and proposed rules and programs could be improved to provide better disclosure and protection to individual consumers and investors.

The Committee members represent the varied interests affected by the range of issues being considered. The Committee's membership includes persons who represent investors, issuers, market participants, independent public accountants, regulators and the public at large. The Committee's members represent a

variety of viewpoints and have varying experience, and the Committee is balanced in terms of points of view, backgrounds and tasks. The Chairman of the Committee is Chairman Levitt.

The Committee will conduct its operations in accordance with the provisions of the Federal Advisory Committee Act. The duties of the Committee are solely advisory. Determinations of action to be taken and policy to be expressed with respect to matters upon which the Advisory Committee provides advice or recommendations shall be made solely by the Commission. The Committee will meet at such intervals as are necessary to carry out its functions. The Securities and Exchange Commission will provide necessary support services to the Committee.

The Committee will terminate on February 18, 1998 unless its charter is renewed for a further period in accordance with the Federal Advisory Committee Act. The Committee will also terminate on February 18, 1998 if the Chairman, with the concurrence of the other members of the Commission, determine that continuance of the Committee is no longer in the public interest.

Concurrent with publication of this notice in the Federal Register, a copy of the charter of the Committee will be filed with the Chairman of the Commission, the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Commerce. A copy of the charter will also be furnished to the Library of Congress and placed in the Commission's Public Reference Room for public inspection.

Dated: February 29, 1996.

By the Commission.

Jonathan G. Katz,  
*Secretary.*

[FR Doc. 96-5158 Filed 3-5-96; 8:45 am]

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[Release NO. 34-36905; File No. SR-CSE-96-02]

#### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by The Cincinnati Stock Exchange Relating To Including Within the Exchange's Minor Rule Plan Rule 4.1 Which Deals With the Maintenance of Records

February 28, 1996.

Pursuant to Section 19(b)(1) of the Secretary Exchange Act of 1934

("Act"),<sup>1</sup> notice is hereby given that on February 8, 1996 The Cincinnati Stock Exchange ("CSE" 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 February 27, 1996, the Exchange submitted Amendment No. 1 to the proposed rule change to the Commission.<sup>2</sup> 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 hereby corrects and amends Rule 8.14 regarding the imposition of fines for minor violations.

#### 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.

##### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory basis for, the Proposed Rule Change

###### 1. Purpose

Rule 8.14<sup>3</sup> authorizes the Exchange, in lieu of commencing a disciplinary proceeding before a hearing panel, to impose a fine not to exceed \$2,500, on any member, member organization, or registered or non-registered employee of

a member organization for a minor violation of certain specified Exchange Rules.<sup>4</sup>

The purpose of the Rule 8.14 procedure is to improve the Exchange's ability to efficiently meet its statutory enforcement responsibilities by establishing a program for the imposition of fines for minor violations of Exchange Rules and by designating certain specified Rule violations as minor Rule violations.<sup>5</sup> In File No. SR-CSE-88-1<sup>6</sup>, which initially set forth the provisions and procedures of Rule 8.14, the Exchange indicated that it would periodically prepare and announce to its members and member organizations a revised list of Exchange Rules for violation of which the Exchange may impose fines pursuant to Rule 8.14, as well as the fines that may be imposed for such violation.

The purpose of the proposed Rule change is to add Exchange Rule 4.1<sup>7</sup> to, and correct, Exchange Rule 8.14. Due to a typographical error, Exchange Rule 8.14, which includes a list of Rules to which the minor rule plan applies, referenced Rule 4.1 instead of Rule 4.2, which was added to the Exchange's minor rule plan in 1990.<sup>8</sup> At this time, the Exchange is correcting this reference and adding Rule 4.1, which relates to the maintenance of books and records, to such list. As a result, the list of Rules to which the minor rule plan applies will now reference both Rules 4.1 and 4.2.

###### 2. Statutory Basis

The Proposed rule change is consistent with Section 6(b)(6) of the

<sup>4</sup> CSE Rule 8.14, entitled Imposition of Fines for Minor Violation(s) of Rules, contains a list of minor rule violations as to which the Exchange may impose such fines. Although the CSE's Board of Trustees makes the initial determination of whether a CSE rule violation is "minor" for purposes of CSE Rule 8.14, this determination is subject to Commission approval pursuant to Section 19(d)(1) of the Act and paragraph (c)(2) of Rule 19d-1 under the Act. See Release No. 26053 n.5, *supra* note 2.

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> CSE Rule 4.1 provides that "each member shall make and keep books, accounts, records, memoranda and correspondence in conformity with Section 17 of the Act and the rules thereunder, with all other applicable laws and the rules, regulations and statements of policy promulgated thereunder, and with Exchange Rules."

<sup>8</sup> CSE Rule 4.2 provides that "every member shall furnish to the Exchange, upon request and in a time and manner required by the Exchange, current copies of any financial information filed with the Commission, as well as any records, files or financial information pertaining to transactions executed on or through the Exchange. Further, the Exchange shall be allowed access, at any time, to the books and records of the member in order to obtain or verify information related to transactions executed on or through the Exchange or activities relating to the Exchange." See Release No. 34-27609, *supra* note 3.

Act<sup>9</sup> in that it will provide a procedure whereby member organizations can be "appropriately disciplined" in those instances when a rule violation is minor in nature, but a sanction more serious than a warning or cautionary letter is appropriate. The rule change provides a fair procedure for imposing such sanctions, in accordance with the requirements of Sections 6(b)(7) and 6(d)(1) of the Act.<sup>10</sup>

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

The proposed rule change does not impose any burden on competition that is 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

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

Because the foregoing proposed rule change: (1) does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) does not become operative for 30 days from February 8, 1996, the date on which it was filed, and the Exchange provided the Commission with written notice of its intent to file the rule change at least five business days prior to the filing date, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>11</sup> and subparagraph (e)(6) of Rule 19b-4 thereunder.<sup>12</sup>

At any time within 60 days of the filing of such 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. 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

<sup>9</sup> 15 U.S.C. 78b(6).

<sup>10</sup> 15 U.S.C. 78f(b)(7) and 78f(d)(1).

<sup>11</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>12</sup> 17 CFR 240.19b-4.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> Amendment No. 1 corrected the CSE's filing to reference Section 6(b)(6) of the Act rather than Section 6(b)(5) thereof as the statutory basis for the proposal. Amendment No. 1 also redesignated the proposed rule change as a "noncontroversial" filing under Section 19(b)(3)(A) and Rule 19b-4(e)(6) thereunder. See Letter dated February 27, 1996, from Robert Ackermann, Vice President Regulatory Service, CSE, to Glen Barrentine, Senior Counsel/Team Leader, SEC.

<sup>3</sup> Rule 8.14 was approved by the Commission on September 1, 1988. See Securities Exchange Act Release No. 26053 (September 1, 1988), 53 FR 34851 (September 8, 1988) (order approving File No. SR-CSE-88-1). A subsequent addition of a rule to the Rule 8.14 Violations List was made in Securities Exchange Act Release No. 27609 (January 11, 1990), 55 FR 1758 (January 18, 1990) (ordering approving File No. SR-CSE-89-60).

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 also will be available for inspection and copying at the principal office of The Cincinnati Stock Exchange. All submissions should refer to File No. SR-CSE-96-02 and should be submitted by March 27, 1996.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>13</sup>

Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 96-5154 Filed 3-5-96; 8:45 am]

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[Release No. 34-36901; File No. SR-DGOC-96-02]

**Self Regulatory Organizations; Delta Government Options Corp.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to the Addition of Euro Brokers Maxcor Inc. as an Interdealer Broker for Delta Government Options Corp.'s Repurchase Agreement Clearance System**

February 28, 1996

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup>, notice is hereby given that on January 30, 1996, Delta Government Options Corp. ("DGOC") 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 primarily by DGOC. 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 purpose of the proposed rule change is to accommodate Euro Brokers Maxcor Inc. ("Euro Brokers") as an interdealer broker in DGOC's over-the-counter clearance and settlement system

for U.S. Treasury repurchase agreement ("repo") transactions.

**II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, DGOC 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. DGOC has prepared summaries, set forth in sections (A), (B), and (C) below of the most significant aspects of such statements.<sup>2</sup>

**(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

The System clears repo agreements that have been agreed to through the facilities of interdealer brokers that have been specially authorized by DGOC ("Authorized Brokers") to offer their services to DGOC participants.<sup>3</sup> Currently, Liberty Brokerage, Inc. and RMJ Special Brokerage Inc. are Authorized Brokers. The purpose of the proposed rule change is to accommodate Euro Brokers as an Authorized Broker in DGOC's clearance and settlement system for repo trades.

The proposed rule change will facilitate the prompt and accurate clearance and settlement of securities transactions, and therefore, the proposed rule change is consistent with the requirements of the Act, specifically Section 17A of the Act, and the rules and regulations thereunder.<sup>4</sup>

**(B) Self-Regulatory Organization's Statement on Burden on Competition**

DGOC does not believe that the proposed rule change will impose any burden on competition that is 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**

Comments were neither solicited nor received.

<sup>2</sup>The Commission has modified parts of these statements.

<sup>3</sup>For a complete description of the DGOC's repo clearance system, see Securities Exchange Act Release No. 36367 (October 13, 1995), 60 FR 54095.

<sup>4</sup>15 U.S.C. 78q-1 (1988).

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>5</sup> and Rule 19b-4(e)(4),<sup>6</sup> in that the proposal effects a change in an existing service of a registered clearing agency that does not adversely affect the safeguarding of securities or funds in the custody or control of the clearing agency or for which it is responsible and does not significantly affect the respective rights or obligations of the clearing agency or persons using the service. At any time within sixty 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. 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 communication 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 Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing also will be available for inspection and copying at DGOC. All submissions should refer to File No. SR-DGOC-96-02 and should be submitted by March 27, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.<sup>7</sup>

Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 96-5150 Filed 3-5-96; 8:45 am]

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<sup>5</sup> 15 U.S.C. 78s(b)(3)(A)(iii) (1988).

<sup>6</sup> 17 CFR 240.19b-4(e)(4) (1995).

<sup>7</sup> 17 CFR 200.30-3(a)(12) (1995).

<sup>13</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1) (1988).