

protection and price improvement.²⁷ In general, the NAqcess rules as proposed would apply to AZX participants who are NASD members.

The enhanced surveillance procedures adopted by AZX appear to be consistent with the proposed NAqcess rules. Because the NAqcess rules are currently in the proposing stage, however, it is premature to consider the need for possible changes to AZX's surveillance procedures. The Commission will address this issue prior to the approval of any NAqcess rules.

3. **Short Sale Rule.** The NASD notes that its short sale rule would apply to AZX participants who are NASD members.²⁸ AZX has taken measures to promote compliance with the NASD short sale rule by its members. Specifically, orders that are entered into AZX and that constitute short sales are put in the Balanced Book and not the Open Book. At the time of the auction, if it appears that certain of these orders, if executed, would breach the short sale restriction, then they will not be allowed to participate in the auction.

F. Terms and Conditions of the Exemption

All of the original terms and conditions of the Exemption Order remain in effect. The Amended Order notes, in this connection, that the following reporting requirements of the Order may be satisfied by compliance with the recordkeeping and reporting requirements contained in Rule 17a-23 under the Act:²⁹

- The number and identity of system participants;
 - The volume of business (expressed in dollars, transactions, and shares) transacted through the system;
 - Instances when system participants failed to deliver securities or make payment (expressed in transactions, shares and dollars); and
 - A list of securities trading on the system.
- The following information also must continue to be reported pursuant to the Exemption Order:
- The identity of applicants denied participation and reasons for the denial;
 - The number of auctions conducted; and
 - The prices at which particular blocks of securities were sold during the auctions.

²⁷ See Securities Exchange Act Release No. 36548 (December 1, 1995), 60 FR 63092.

²⁸ Art. III, Section 48 of the Rules of Fair Practice, NASD Manual (CCH) §2200H, at 2216.

²⁹ Rule 17a-23 requires registered broker-dealer sponsors of certain automated trading systems ("broker-dealer trading systems") to make and keep current certain records, and file reports with the Commission (and in certain circumstances, with the appropriate self-regulatory organization) regarding the operation of the system. ITC, the crossing broker for AZX, is subject to Rule 17a-23 with respect to the operation of AZX.

VI. Conclusion

The Commission has reviewed AZX's amendment to its application for exemption from registration as a national securities exchange and has determined that AZX continues to qualify for the limited volume exemption under the Act. As it found in the Exemption Order, the Commission finds that, by reason of the limited volume of transactions effected on AZX, it is not practicable and not necessary or appropriate in the public interest or for the protection of investors to require AZX's registration as a national securities exchange, subject to the conditions described herein.

It is therefore ordered that AZX's Exemption Order be amended to: (1) Grant AZX Inc.'s amended application for exemption from registration as a national securities exchange; and (2) reflect changes to the operation of the system as set forth herein.

By the Commission.
Jonathan G. Katz,
Secretary.
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BILLING CODE 8010-01-M

Issuer Delisting; Notice of Application to Withdraw From Listing and Registration; (Bitwise Designs, Inc., Common Stock, \$.001 Par Value) File No. 1-13276

June 3, 1996.

Bitwise Designs, Inc. ("Company") has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act") and Rule 12d2-2(d) promulgated thereunder, to withdraw the above specified security ("Security") from listing and registration on the Boston Stock Exchange Incorporated ("BSE").

The reasons alleged in the application for withdrawing the Security from listing and registration include the following:

According to the Company, the Security is presently listed on the BSE, PSE and the Nasdaq SmallCap Market. The Company wishes to delist its Security from the BSE. The decision to delist from the BSE has been occasioned by reason of the Company's listing on the PSE. PSE and Nasdaq quotations are readily available to the public from various media sources, and there appears to be no continuing benefit either to the Company or its shareholders for continued listing on the BSE. In addition, delisting from the BSE will save the Company redundant

listing fees. The Company's Security will continue to be traded on the PSE and the Nasdaq SmallCap Market.

Any interested person may, on or before June 24, 1996, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the exchanges and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

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

Jonathan G. Katz,
Secretary.
[FR Doc. 96-14355 Filed 6-6-96; 8:45 am]
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[Rel. No. IC-22000; International Series Release No. 990; File No. 812-10136]

The Chase Manhattan Bank, N.A. and Chemical Bank; Notice of Application

May 31, 1996.

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

ACTION: Notice of application for exemption under the Investment Company Act of 1940 (the "Act").

APPLICANTS: The Chase Manhattan Bank, N.A. ("Chase") and Chemical Bank ("Chemical").

RELEVANT ACT SECTIONS: Order requested under section 6(c) of the Act for an exemption from section 26(a) (2)(D) of the Act.

SUMMARY OF APPLICATION: Applicants request an order that would amend a prior order (the "Prior Order")¹ granted to Chase which permits Chase, as trustee for certain unit investment trusts ("UITs"), to deposit trust assets in the custody of the Euroclear System ("Euroclear") and Cedel Bank S.A. ("Cedel"). The requested order would substitute the entity surviving the anticipated merger of Chase and Chemical as the party to which relief is granted. Chemical will survive the merger and change its name to "The Chase Manhattan Bank."

FILING DATE: The application was filed on May 8, 1996.

¹ *The Chase Manhattan Bank, N.A.*, Investment Company Act Release Nos. 21673 (Jan. 16, 1996) (notice) and 21751 (Feb. 13, 1996) (order).