would be prepayable upon proper notice in whole or in part.

The proceeds of the borrowings under the proposed arrangements will be used by Entergy for general corporate purposes, including, among other things: (1) The acquisition of shares of Entergy's outstanding common stock; (2) further investments by Entergy in related non-utility businesses, subject to receipt of any further Commission approval, if necessary, under the Act in separate filings made at an appropriate time, and (3) investments in existing or future exempt wholesale generators and foreign utility companies as permitted by sections 33 and 34 of the Act or otherwise approved by the Commission.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96–23351 Filed 9–11–96; 8:45 am]

BILLING CODE 8010–01–M

[Rel. No. IC–22200; File No. 811–8554]

UST Master Variable Series, Inc.

September 5, 1996.

AGENCY: The Securities and Exchange Commission (the ''Commission'').

ACTION: Notice of application for an order under the Investment Company Act of 1940 (''1940 Act'').

APPLICANT: UST Master Variable Series, Inc. (''Applicant'').

RELEVANT 1940 ACT SECTIONS: Order requested under Section 8(f) of the 1940 Act.

SUMMARY OF THE APPLICATION: Applicant seeks an order declaring that it has ceased to be an investment company, as defined by the 1940 Act.

FILING DATES: The application was filed on July 30, 1996.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Secretary of the SEC and serving Applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on September 30, 1996, and should be accompanied by proof of service on Applicant in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the requestor's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the Secretary of the Commission.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicant, UST Master Variable Series, Inc., 114 West 47th Street, New York, New York 10036.

FOR FURTHER INFORMATION CONTACT: Veena K. Jain, Attorney, or Patrice M. Pitts, Special Counsel, Office of Insurance Products (Division of Investment Management), at (202) 942–0670.

SUPPLEMENTARY INFORMATION: Following is a summary of the application; the complete application is available for a fee from the Public Reference Branch of the SEC.

Applicant's Representations

1. Applicant, incorporated in Maryland, is an open-end management company designed as a funding vehicle for variable annuity contracts and variable life insurance policies offered by the separate accounts of certain life insurance companies. All portfolios of Applicant, except for the International Bond Portfolio, are diversified under the 1940 Act.

2. Applicant filed a notification of registration under Section 8(a) of the 1940 Act, and a registration statement pursuant to Section 8(b) of the 1940 Act and under the Securities Act of 1933, registering an indefinite number of shares on June 7, 1994. The registration statement became effective October 14, 1994, and Applicant commenced an initial public offering on January 17, 1995.

3. On February 9, 1996, Applicant's Board of Directors approved the liquidation and deregistration of Applicant.

4. On March 26, 1996, Applicant had 2,166,111 shares outstanding, having an aggregate net asset value of $12,040,561. On March 26, 1996, dividends were declared and capital gains and income distributions were made to the Applicant's security holders. The liquidation of Applicant was effected by April 26, 1996, when all security holders of Applicant had voluntarily redeemed their shares at net asset value. No brokerage commissions were paid in connection with the liquidation.

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

6. The expenses incurred by the Applicant in connection with the liquidation have been or will be paid by Applicant's investment adviser, U.S. Trust Company of New York.

7. At the time of the application, Applicant had no shareholders, assets or liabilities, and Applicant is not a party to any litigation or administrative proceeding.

8. Within the last 18 months, Applicant has not transferred its assets to a separate trust, the beneficiaries of which were or are the shareholders of Applicant.

9. Upon being granted an order to deregister as an investment company under the 1940 Act, Applicant will terminate its existence as a Maryland corporation.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96–23316 Filed 9–11–96; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–37642; File No. SR–CBOE–96–46]

Self-Regulatory Organizations; Order Approving Proposed Rule Change by Chicago Board Options Exchange, Incorporated Related to Tolling of the Time Period for Settlement of Disciplinary Cases Pursuant to Interpretation and Policy .01(d) Under Exchange Rule 17.8

September 5, 1996.

On July 23, 1996,[1] the Chicago Board Options Exchange, Incorporated (''CBOE'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') a proposed rule change pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[2] and Rule 19b–4 thereunder.[3] The proposed rule change would amend Interpretation and Policy .01(d) under CBOE Rule 17.8 (''Interpretation .01(d)'') to allow the Exchange staff thirty days to respond to a Respondent's document request before tolling the Respondent's settlement period. The proposed rule change also would amend Interpretation .01(d) to provide that in no event will a Respondent have less than seven days after the receipt of requested documents within which to submit an offer of settlement.

Notice of the proposed rule change, together with the substance of the proposal, was issued by Commission release (Securities Exchange Act Release

[1] The proposed rule change was originally filed with the Commission on July 10, 1996. The CBOE subsequently submitted Amendment No. 1 to the filing. Amendment No. 1 was a minor technical amendment. *See* Letter from Arthur B. Reinstein, Senior Attorney, CBOE, to Karl Varner, Staff Attorney, Division of Market Regulation, SEC, dated July 23, 1996.

[2] 15 U.S.C. 78s(b)(1) (1988).

[3] 17 CFR 240.19b–4 (1993).

No. 37496, July 30, 1996) and by publication in the Federal Register (61 FR 40689, August 5, 1996). No comment letters were received. This order approves the proposed rule change.

One purpose of the change to Interpretation .01(d) is to allow the Exchange staff thirty days to respond to a Respondent's document request before tolling the Respondent's settlement period. Pursuant to CBOE Rule 17.8, after a Respondent is served with a statement of charges for an alleged rule violation, that Respondent has 120 days to attempt to resolve the charges by submitting a written offer of settlement. Pursuant to CBOE Rule 17.4(c), within 60 days after a statement of charges has been served, a Respondent may make a written request for access to all documents concerning the case that are in the investigative file of the Exchange except for staff investigation and examination reports and materials prepared by the staff in connection with such reports or in anticipation of a disciplinary hearing or other privileged materials. If a Respondent requests access to the investigative file, Interpretation .01(d) currently provides that the 120-day time period for submitting a written offer of settlement shall be tolled during the number of days in excess of seven calendar days that it takes staff to provide access to documents in response to the Respondent's request.

The Exchange staff has found that, in most cases, it needs longer than seven days to respond to a request. Before providing access to documents, Exchange staff must review and organize the investigative file to remove privileged documents or information that is not discoverable and to remove information that may identify the complainant. There have been occasions where Exchange staff has spent more than 7 days preparing the investigative file for access, but after gaining the benefit of tolling, the Respondent submits an offer of settlement without ever reviewing the file. The rule change approved today reduces this potential for delay in concluding a disciplinary case by limiting a Respondent's ability to toll the 120-day settlement period.

The rule change also amends Interpretation .01(d) to deal with the situation where a Respondent has elected to proceed in an expedited manner pursuant to Rule 17.3 in an effort to resolve a matter by entering into a letter of consent prior to the issuance of charges, but is unsuccessful in negotiating a letter of consent.

Interpretation and Policy .01(b) under Rule 17.8 provides that if a Respondent is unsuccessful in an effort to reach agreement with Exchange staff upon a letter of consent and charges are issued, any time in excess of 30 days spent in attempting to negotiate a letter of consent is deducted from the 120-day settlement period, but that in any event a Respondent will always have at least 14 days after service of charges within which to submit an offer of settlement. The existing provision of Interpretation .01(d) tolls the settlement period after seven days when a document request has been made. Therefore, if a Respondent makes a document request on the first day of the 14-day settlement period, that Respondent currently has at least seven days remaining of the 14-day settlement period after the documents are provided within which to submit an offer of settlement.

However, Interpretation .01(d) as amended would not toll the settlement period until 30 days elapsed from the time that the respondent makes a document request. Thus, the settlement period could expire even though the Exchange has not yet responded to the document request. To assure that the settlement period does not expire before the Exchange has responded to the document request, and to further assure that a Respondent has a meaningful opportunity to review the requested documents, the rule change approved today also amends Interpretation .01(d) to provide that in no event will a Respondent have less than seven days after the receipt of requested documents within which to submit an offer of settlement.

The Commission believes that the proposed rule change is consistent with and furthers the objectives of Section 6(b)(7) of the Act in that it improves the Exchange's procedures for the discipline of members and persons associated with members. The Commission believes the proposed change will make the review process more fair and efficient by reducing the potential for delay in concluding a disciplinary case resulting from Respondents, or their attorneys, requesting access to documents solely to gain an extension of the 120-day settlement period through tolling.

As noted above, the 120 day settlement period is frequently tolled under Interpretation .01(d) while Exchange staff responds to the Respondent's request for documents. The Commission believes that, by tolling the 120 day settlement period only if exchange staff takes more than 30 days to respond to a Respondent's request, the proposed change provides a Respondent with access to a documents in accordance with Rule 17.4(c) while discouraging access requests made for the purpose of extending the 120 days settlement period.[4]

The Commission also believes that it is consistent with the objectives of Section 6(b)(7) of the Act to amend Interpretation .01(d) to provide that in no event will a Respondent have less than seven days after the receipt of requested documents within which to submit an offer of settlement. The Commission believes that the proposed amendment to Interpretation .01(d) will make the review process more fair and efficient by continuing to provide a Respondent with a minimum of seven days after Respondent's receipt of requested documents within which to submit an offer of settlement.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change, SR–CBOE–96–46 be, and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority, 17 CFR 200.30–3(a)(12).

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96–23311 Filed 9–11–96; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–37646; File No. SR–CBOE–96–47]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Board Options Exchange, Incorporated Relating To Permitting a Subject of an Exchange Investigation To Submit a Videotaped Response in Lieu of or in Addition to a Written Response

September 5, 1996.

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 July 10, 1996, the Chicago Board Options Exchange, Incorporated (''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. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

[4] The CBOE believes that, under the proposed rule change, access requests by Respondents typically should not extend the 120-day settlement period because the Exchange staff generally will be able to respond within 30 days to an access request.