

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 22294; 811-5462]

The Classic Trust; Notice of Application

October 22, 1996.

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

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

APPLICANT: The Classic Trust.

RELEVANT ACT SECTION: Section 8(f).

SUMMARY OF APPLICATION: Applicant requests an order declaring that it has ceased to be an investment company.

FILING DATE: The application was filed on July 26, 1996.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary 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 November 18, 1996, and should be accompanied by proof of service on the applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicant, Gruntal & Co., Incorporated, 14 Wall Street, New York, NY 0005-2176.

FOR FURTHER INFORMATION CONTACT: Diane L. Titus, Paralegal Specialist, at (202) 942-0584, or Mary Kay Frech, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch.

Applicant's Representations

1. Applicant is a unit investment trust registered under the Act. On January 28, 1988, applicant filed a notification of registration on Form N-8A pursuant to section 8(a) of the Act and a registration statement on Form N-8B-2 pursuant to section 8(b) of the Act. On the same

date, applicant filed a registration statement on Form S-6 under the Securities Act of 1933 to register its shares.

2. Applicant's registration statement was never declared effective. No initial deposit of assets was ever made and no initial public offering ever commenced.

3. Applicant has no securityholders, debts, liabilities, or assets. Applicant is not a party to any litigation or administrative proceeding. 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. 96-27609 Filed 10-25-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37851; File Nos. SR-MCC-96-04; SR-MSTC-96-04]

Self-Regulatory Organizations; Midwest Clearing Corporation; Midwest Securities Trust Company; Order Approving Proposed Rule Changes Relating to Nominations for Board Membership, the Risk Assessment Committees, Appeals Process, Audits and Financial Reports, and Temporary Sponsored Participants and Accounts

October 22, 1996.

I. Introduction

On June 26, 1996, the Midwest Clearing Corporation ("MCC") and Midwest Securities Trust Company ("MSTC") submitted to the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ proposed rule changes (SR-MCC-96-04 and SR-MSTC-96-04) to amend certain rules in response to MSTC's withdrawal from the securities dispository business and MCC's withdrawal from the securities clearance and settlement business.

The proposed rule changes were published for comment in the Federal Register on August 20, 1996, to solicit comments from interested persons.² No comments were received on the proposed rule changes. For the reasons discussed below, the Commission is approving the proposed rule changes.

¹ 15 U.S.C. 78s(b)(1) (1988).

² Securities Exchange Act Release No. 37555 (August 9, 1996), 61 FR 43105.

II. Description of the Proposals

On December 26, 1995, MSTC and MCC filed proposed rule changes relating to MSTC's withdrawal from the securities depository business and MCC's withdrawal from the securities clearance and settlement business.³ Subsequent to the Commission's approval of the filings, MSTC commenced and orderly wind-down of its operations and a transition of all of its participants to other service providers, and MCC ceased operations for all of its participants except its Sponsored Participants.

In connection with the withdrawal from the clearance, settlement, and depository businesses, MSTC and MCC are amending their By-Laws to eliminate the requirement that they provide participants with information relating to the nomination and election of board members.⁴ Additionally, MSTC and MCC are deleting the provisions in their rules relating to their respective Risk Assessment Committee.⁵ Because of the elimination of the Risk Assessment Committees, MSTC and MCC are amending their respective rules to eliminate the requirement that MSTC and MCC consult with the Risk Assessment Committee before ceasing to act for a participant and to replace subsequent references to the Risk Assessment Committee with references to a panel of board members.

MSTC and MCC are amending their respective appeal processes to conform their appeal procedure to similar procedures currently used by the Chicago Stock Exchange ("CHX") for emergency suspensions. Specifically, the amendments eliminate a second level of internal appeals and adjust some of the time periods set forth in the rules.⁶

MSTC and MCC are deleting their respective rules relating to audits and financial reports, such as the production of independent financial statements or internal accounting controls.⁷

³ For a complete discussion of MCC's and MSTC's withdrawal from the clearing and depository businesses, refer to Securities Exchange Act Release No. 36684 (January 5, 1996), 61 FR 1195 (File Nos. SR-CHX-95-27, SR-DTC-95-22, SR-MCC-95-4, SR-MSTC-95-10, and NSCC-95-15), (order approving MCC's and MSTC's withdrawal from the clearance and settlement and securities depository businesses).

⁴ MSTC is amending Article III, Section 2 of its By-Laws, and MCC is amending Article 3, Section 3.2 of its By-Laws.

⁵ MSTC is deleting Article I, Rule 4 and amending Article V, Rule 2. MCC is deleting Article I, Rule 4 and amending Article VIII, Rule 2.

⁶ MSTC is amending Article VII, Rule 8, Section 3 and deleting Section 5, and MCC is amending Article X, Rule 8, Section 3 and deleting Section 5.

⁷ MSTC is deleting Article VII, Rule 5, and MCC is deleting Article X, Rule 5.