FOR FURTHER INFORMATION CONTACT: Michael E. Kowalok, Presidential Advisory Committee on Gulf War Veterans' Illnesses, 1411 K Street, NW., suite 1000, Washington, DC 20005, Telephone: (202) 761–0066, Fax: (202) 761–0310.

Dated: February 13, 1997.

C.A. Bock,

Federal Register Liaison Officer, Presidential Advisory Committee on Gulf War Veterans' Illnesses.

[FR Doc. 97–4043 Filed 2–18–97; 8:45 am]

BILLING CODE 3610–76–M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Rel. No. 22507; 812–10334]

WEBS Index Fund, Inc., et al; Notice of Application

February 12, 1997.

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

ACTION: Notice of application for exemption Under the Investment Company Act of 1940 (''Act'').

APPLICANTS: WEBS Index Fund, Inc. (the ''Fund'')[1] and Barclays Global Fund Advisors (the ''Adviser'')[2].

RELEVANT ACT SECTIONS: Order requested under section 17(d) of the Act and rule 17d–1 thereunder.

SUMMARY OF APPLICATION: Applicants seek an order that would permit the series of the fund to pool some or all of their uninvested cash balances and the cash collateral they receive in connection with securities lending activities (''Cash Collateral'') in one or more joint accounts (''Joint Accounts'') that invest in certain short-term high quality debt securities (''Short-Term Investments'')

FILING DATES: The application was filed on September 13, 1996, and amended on December 27, 1996. Applicants have agreed to file an additional amendment during the notice period, the substance of which is incorporated herein.

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 applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on March 10, 1997 and should be accompanied by proof of service on applicants, 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 who wish to be notified of a hearing may request such notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants: WEBS Index Fund, Inc., c/o PFPC, Inc., 400 Bellevue Parkway, Wilmington, Delaware 19809; BZW Barclays Global Fund Advisors, 45 Fremont Street, San Francisco, California 94105.

FOR FURTHER INFORMATION CONTACT: Courtney S. Thornton, Senior Counsel, at (202) 942–0583, or Mary Kay Ferch, 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.

Applicants' Representatives

1. The Fund, a Maryland corporation, is an open-end management investment company that currently offers seventeen series (the ''Series'').[3] The Adviser provides investment advisory services for all of the Series.

2. The investment objective of each of the Series is to provide investment results that correspond generally to the aggregate price and yield performance of publicly traded securities in particular markets, as represented by foreign equity securities indexes compiled by Morgan Stanley Capital International (each, an ''MSCI Index''). Each Series seeks to remain fully invested in a pool of equity securities the performance of which approximates that of the relevant MSCI Index. In addition, each Series may lend its portfolio securities to approved brokers, dealers, and other financial institutions. The Custodian serves as the lending agent of the Fund and, in that capacity, will share with the respective Series any net income earned on invested Cash Collateral in the proportion agreed between the Custodian and the Series from time to time.[4]

3. Subject to guidelines adopted by the board of directors of the Fund (the ''Board'') and such additional limits as may be established by the Adviser, each Series may invest uncommitted cash balances and Cash Collateral temporarily in the following Short-Term Investments: (a) Obligations of the U.S. Government and its agencies and instrumentalities; (b) commercial paper rated Prime-1 by Moody's Investors Services, Inc. or A–1 by Standard & Poor's Corporation (''Commercial Paper''); (c) bank certificates of deposit and bankers' acceptances; (d) repurchase agreements collateralized by the foregoing securities;[5] (e) participation interests in such securities; and (f) shares of unaffiliated money market funds (subject to applicable limits under the Act). The maximum possible maturity of each type of Short-Term Investment (other than shares of money market funds) will be 397 calendar days.

4. Applicants believe that the separate purchase of Short-Term Investments by each Series could result in certain inefficiencies, a limitation on the return that the Series could otherwise achieve, and increased costs. Accordingly, applicants propose to deposit the Series' available cash balances in Joint Accounts and to invest the daily balance of the Joint Accounts in Short-Term Investments. Applicants also propose to deposit the Series' Cash Collateral in a separate Joint Account for investment in Short-Term Investments selected by the Adviser. The sole purpose of these Joint Accounts would be to provide a convenient means of aggregating what otherwise would be daily transactions for some or all of the Series to manage their daily account balances.

5. The Adviser will not participate monetarily in the Joint Accounts, nor will it receive an additional fee for the administration of the Accounts. The Adviser will be responsible for directing the investment of funds held by the Joint Accounts, establishing accounting and control procedures, operating the Joint Accounts in accordance with established procedures, and ensuring the fair treatment of each Series. The

[1] The Fund changed its name from foreign Fund, Inc. on January 2, 1997.

[2] The Adviser changed its name from BZW Barclays Global Fund Advisors on October 15, 1996.

[3] Shares of the Series (''World Equity Benchmark Shares'' or ''WEBS'') are issued only in large aggregations of WEBS known as ''Creation Units.'' WEBS are neither offered nor redeemed by the Series in less than Creation Unit aggregations, but WEBS may be bought or sold in smaller aggregations in the secondary market on the American Stock Exchange, were WEBS are listed and traded. Additional Series are expected to be added from time to time, and would be subject to the requested order.

[4] The Custodian is not an affiliated person of either the Fund or the Adviser.

[5] The Series will engage in hold-in-custody repurchase agreements (*i.e.*, repurchase agreements where the counterpart or one of its affiliated persons may have possession of, or control over, the collateral subject to the agreement) only when cash is received very late in the business day and otherwise would be unavailable for investment.

Adviser will manage investments made with the proceeds of the Joint Accounts in essentially the same manner as if it had made such investments on an individual basis for each Series.

6. All purchases through the Joint Accounts will be subject to the same systems and standards for acquiring investments as are applicable to the individual Series. In addition, all purchases through the Joint Accounts will comply with all present and future SEC staff positions relating to the investment of cash collateral received in connection with securities lending activities.

Applicants' Legal Analysis

1. Section 17(d) of the Act and rule 17d-1 thereunder prohibit an affiliated person of a registered investment company, or an affiliated person of such a person, from participating as a principal in any joint enterprise or arrangement in which such investment company is a participant. Each Series may be deemed an affiliated person of each other Series under the definition set forth in section 2(a)(3) of the Act. Each Series, by participating in the proposed Joint Accounts, and the Adviser, by managing the proposed Joint Accounts, could be deemed to be joint participants in a transaction within the meaning of section 17(d) of the Act. In addition, the proposed Joint Accounts could be deemed to be joint arrangements within the meaning of rule 17d-1.

2. Applicants assert that the proposed method of operating the Joint Accounts would not result in any conflicts of interest among any of the Series, or between a Series and the Adviser. Each Series would participate in the Joint Accounts on the same basis as every other Series that participates therein and in conformity with its investment objective and fundamental policies and restrictions. Applicants also have determined that the operation of the Joint Accounts would be free of any inherent bias favoring one Series over another and should eliminate bias due to size or lack thereof in any Short-Term Investment transaction, and that the anticipated benefits flowing to each Series would fall within an acceptable range of fairness.

3. Applicants argue that, although the Adviser and the Custodian would gain some benefit through administrative convenience and some possible reduction in clerical costs, the primary beneficiaries would be the Series and their shareholders, because the Joint Accounts would provide a more efficient and productive way of administering their daily investment transactions. Specifically, applicants believe that the proposed Joint Accounts would have the following benefits for the Series: (a) The Series collectively would save fees and expenses by reducing the number of transactions relative to the number of transactions in which they would engage individually; (b) the Series may earn a higher rate of return on Short-Term Investments through the Joint Accounts relative to the returns they could earn individually; (c) the Series may realize certain administrative efficiencies and a reduction of the potential for errors by reducing the number of trade tickets and cash wires that must be processed by the sellers of Short-Term Investments, the Custodian, and the Adviser's trading departments; (d) by participating in larger repurchase agreements, the Series may benefit from an institution's willingness to increase the amount covered by such agreement near the end of the day; and (e) the Series may be able to investment in a greater variety of instruments and thereby obtain more favorable yield as market conditions change.

4. For the reasons set forth above, applicants believe that granting the requested order would be consistent with the provisions, policies, and purposes of the Act, and that the Series' participation in the proposed Joint Accounts would not be on a basis different from or less advantageous than that of any other participant therein. Accordingly, applicants submit that the proposed transactions meet the criteria for issuance of an order under section 17(d) and rule 17d–1 thereunder.

Applicants' Conditions

Applicants agree that any order issued by the SEC will be subject to the following conditions:

1. The Joint Accounts will be established on behalf of the Series with the Custodian as one or more separate cash accounts into which the Series may deposit daily all or a portion of their uninvested cash balances and Cash Collateral. The Joint Accounts will not be distinguishable from any other accounts maintained by a Series with the Custodian except that monies from the various Series will be deposited in the Joint Accounts on a commingled basis. The Joint Accounts will not have any separate existence with indicia of a separate legal entity. The sole function of the Joint Accounts will be to provide a convenient and productive way of aggregating individual transactions that would otherwise require daily management and investment by each Series of its uninvested cash balances and Cash Collateral.

2. Cash and Cash Collateral in the Joint Accounts will be invested in one or more of the following Short-Term Investments, as determined by the Adviser: (a) Obligations of the U.S. Government and its agencies and instrumentalities; (b) Commercial Paper; (c) bank certificates of deposit and bankers' acceptances; (d) repurchase agreements ''collateralized fully'' (as that tern is defined in rule 2a–7 under the Act) by the foregoing securities; (e) participation interests in such securities; and (f) shares of money market funds that are not affiliated persons of applicants (subject to applicable limits under the Act).

3. All assets held in the Joint Accounts will be valued on an amortized cost basis to the extent permitted by applicable SEC releases, rules, or orders.

4. In order to ensure that there will be no opportunity for one Series to use any part of the balance of the Joint Accounts credited to another Series, no Series will be allowed to create a negative balance in any of the Joint Accounts for any reason, although each Series will be permitted to draw down its *pro rata* share of the entire balance at any time. Each Series' decision to invest through the Joint Accounts will be solely at the option of the Series and the Adviser, and no Series will be obligated to invest through, or to maintain any minimum balance in, any of the Joint Accounts. In addition, each Series will retain the sole rights of ownership over any of its assets invested in the Joint Accounts, including interest payable on such assets.

5. Each Series will participate in the income earned or accrued in each Joint Account in which it is invested, including all investments held by such Joint Account, on the basis of the percentage of the total amount in such Joint Account on any day represented by its share of such Joint Account.

6. The Adviser will (a) administer, manage and invest, or cause any investment of, the uninvested cash balances, and (b) direct, supervise, and monitor the investment of Cash Collateral, in the Joint Accounts in accordance with and as part of its duties under the existing or any future investment advisory contracts with the Fund, and will not collect any additional or separate fee for the administration of the Joint Accounts.

7. The administration of the Joint Accounts will be within the fidelity bond coverage required by section 17(g) of the Act and rule 17g–1 thereunder.

8. The Board will adopt procedures pursuant to which the Joint Accounts will operate, which will be reasonable

designed to provide that the requirements of the application will be met. In addition, the Board will evaluate each Joint Account arrangement annually and will authorize continued participation in such Joint Account only if it determines that there is a reasonable likelihood that such continued participation will benefit each Series and its shareholders.

9. Each Series' investment in a Joint Account will be documented daily on the books of the Series and the books of the Custodian.

10. Short-Term Investments held in a Joint Account generally will not be sold prior to maturity unless: (a) The Adviser believes that the investment no longer presents minimal credit risks; (b) the investment no longer satisfies the investment criteria of the Series because of a credit downgrading or otherwise; or (c) in the case of a repurchase agreement, the counterparty defaults. The Adviser may, however, sell any Short-Term Investment (or any fractional portion thereof) on behalf of some or all Series prior to maturity of the investment if the cost of such transactions will be borne soley by the selling Series, and the transaction will not adversely affect the other Series. Each Series will be deemed to have consented to such sale and partition of the investments in the Joint Account.

11. Short-Term Investments held through a Joint Account with a remaining maturity of more than seven days will be considered illiquid and subject to the restriction that the Series may not invest more than 15% (or such other percentage as set forth by the SEC from time to time) of its assets in illiquid securities, if the Series cannot sell its fractional interest in the investment in such Joint Account pursuant to the requirements described in the preceding condition.

12. All joint repurchase transactions will be effected in accordance with Investment Company Act Release No. 13005 (February 2, 1983) and with other existing and future positions taken by the SEC or its staff by rule, interpretive release, no-action letter, any release adopting any new rule, or any release adopting any amendments to any existing rule.

13. Any investment made through a Joint Account will satisfy the investment policies or criteria of all Series participating in that investment.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–4047 Filed 2–18–97; 8:45 am]

BILLING CODE 8010–01–M

Sunshine Act; Meeting

''FEDERAL REGISTER'' CITATION OF PREVIOUS ANNOUNCEMENT: [62 FR 6288, February 11, 1997].

STATUS: Closed Meeting.

PLACE: 450 Fifth Street, N.W., Washington, D.C.

DATE PREVIOUSLY ANNOUNCED: February 11, 1997.

CHANGE IN THE MEETING: Deletion/Rescheduling.

The following item, scheduled for consideration on Friday, February 14, 1997, has been rescheduled for consideration on Tuesday, February 18, 1997, following the open meeting, at 10:00 a.m.:

Regulatory matter bearing enforcement implications.

Commissioner Wallman, as duty officer, determined that Commission business required the above change and that no earlier notice thereof was possible.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary (202) 942–7070.

Dated: February 14, 1997.

Jonathan G. Katz,

Secretary.

[FR Doc. 97–4242 Filed 2–14–97; 3:46 pm]

BILLING CODE 8010–01–M

[Release No. 34–38266; File No. SR–Amex–97–08]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the American Stock Exchange, Inc. Relating to a Pilot Program for Execution of Odd-Lot Orders

February 11, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] notice is hereby given that on February 10, 1997, 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 and II below, which Items have been prepared by the self-regulatory organization. The Commission publishing this notice to solicit comments on the proposed rule change from interested persons and to grant accelerated approval to the proposed rule change.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to extend for three months its existing pilot program under Amex Rule 205 requiring execution of odd-lot market orders at the prevailing Amex quote with no differential charge.[2]

The text of the proposed rule change is available for the Office of the Secretary, the Amex, 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 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 III 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

The Commission previously approved, on a pilot basis extending to February 10, 1997, amendments to Amex Rule 205 to require execution of odd-lot market orders at the Amex quote with no odd-lot differential charged.[3] The procedures were not initially approved by the Commission in 1989[4] and were most recently extended in December 1996.[5]

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

[2] The Exchange seeks accelerated approval of the proposed rule change in order to allow the pilot program, which expires on February 10, 1997, to continue with interruption.

[3] Securities Exchange Act Release No. 38024 (Dec. 6, 1996), 61 FR 65623 (approving File No. SR–Amex–96–47).

[4] Securities Exchange Act Release No. 26445 (Jan. 10, 1989), 54 FR 2248 (approving File No. SR–Amex–88–23).

[5] Securities Exchange Act Release No. 38024 (Dec. 6, 1996), 61 FR 65623 (approving File No. SR–Amex–96–47). Prior to that release, the Commission had extended this pilot program thirteen times. *See* Securities Exchange Act Release Nos. 37462 (July 19, 1996), 61 FR 39170 (approving File No. SR–Amex–96–25); 36821 (Feb. 8, 1996), 61 FR 6050 (approving File No. SR–Amex–96–06); 35344 (Feb. 8, 1995), 60 FR 8430 (approving File No. SR–Amex–95–03); 34949 (Nov. 8, 1994), 59 FR 58863 (approving File No. SR–Amex–94–47); 34496 (Aug.

Continued