NUCLEAR REGULATORY COMMISSION

Twenty-Fifth Water Reactor Safety Information Meeting

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of meeting.

SUMMARY: The Twenty-Fifth Water Reactor Safety Information Meeting will be held on October 20–22, 1997, 8:30 a.m. to 5:00 p.m., in the Bethesda Marriott Hotel, 5151 Pooks Hill Road, Bethesda, Maryland 20814.

The Water Reactor Safety Information Meeting will be opened by NRC Chairman Shirley Ann Jackson as the keynote speaker for the plenary session on October 20, 1997, at 9:00 a.m. A panel discussion on Risk Informed Regulation will be held on Tuesday morning, October 21, 1997, at 8:30 a.m. There will be speakers after lunch on Monday, October 20, 1997, and Tuesday, October 21, 1997, and Dr. Herbert J.C. Kouts, a member of the Defense Nuclear Facilities Safety Board, will speak after lunch on Wednesday, October 22, 1997.

The meeting is international in scope and includes presentations by personnel from the NRC, U.S. Government laboratories, private contractors, universities, the Electric Power Research Institute, reactor vendors, and a number of foreign agencies. This meeting is sponsored by the NRC and conducted by the Brookhaven National Laboratory.

The preliminary agenda for this year's meeting includes 12 sessions, along with the panel discussions, on the following topics: Pressure Vessel Research, BWR Strainer Blockage & Other Generic Safety Issues, Environmentally Assisted Degradation of LWR Components, Update on Severe Accident Code Improvements and Applications, Human Reliability Analysis & Human Performance Evaluation, Technical Issues Related to Rulemakings, Risk Informed Performance Based Initiatives (including Risk Informed Regulation Activities, IPEEE Insights, Performance Based Regulation Initiatives), High Burnup Fuel, Thermal-Hydraulic Research and Codes (two sessions), Digital Instrumentation and Control, and Structural Performance.

Those who wish to attend may register at the meeting or in advance by contacting Susan Monteleone, Brookhaven National Laboratory, Department of Nuclear Energy, Building 130, Upton, NY 11973, telephone (516) 282–7235; or Christine Bonsby, Office of Nuclear Regulatory Research, U.S. Nuclear Regulatory Commission, Washington, DC 20555, telephone (301) 415–5838.

Dated at Rockville, Maryland, this 15th day of August, 1997.

For the Nuclear Regulatory Commission.

Alois J. Burda,

Deputy Director, Financial Management, Procurement and Administration Staff, Office of Nuclear Regulatory Research.

[FR Doc. 97–22181 Filed 8–20–97; 8:45 am]

BILLING CODE 7590–01–M

PRESIDENT'S COMMISSION ON CRITICAL INFRASTRUCTURE PROTECTION

Advisory Committee for the President's Commission on Critical Infrastructure Protection; Advisory Committee Meeting Notice

TIME AND DATE: 9:00 a.m.–6:00 p.m., Friday, September 5, 1997.

ACTION: Notice of open meeting.

SUMMARY: Pursuant to the provisions of the Federal Advisory Committee Act (Pub. L. 92–463, 86 Stat. 770), notice is hereby given for the first meeting of the Advisory Committee on the President's Commission on Critical Infrastructure Protection.

ADDRESSES: The Hyatt Arlington @ Key Bridge, 1325 Wilson Blvd., Arlington VA 22209, (703) 525–1234. This facility is accessible to persons with disabilities.

FOR FURTHER INFORMATION CONTACT: Carla Sims, Public Affairs Officer, (703) 696–9395, comments@pccip.gov. Hearing-impaired individuals are advised to contact the Virginia Relay Center [Text Telephone (800) 828–1120 or Voice (800) 828–1140], or their local relay system.

SUPPLEMENTARY INFORMATION: The Advisory Committee was established by the President to provide expert advice to the Commission as it develops a comprehensive national policy and implementation strategy for protecting the nation's critical infrastructures. The Committee is co-chaired by the Honorable Jamie Gorelick, Vice Chair of Fannie Mae, and the Honorable Sam Nunn, Partner with the Law Firm of King & Spaulding. The Committee currently consists of eight members representing various industry sectors.

PURPOSE OF THE MEETING: This is the first advisory meeting of the Committee. The Committee will receive information from the Commission and focus on Committee operations.

TENTATIVE AGENDA: The Advisory Committee meeting will focus on the findings of the Commission. Commissioners will present results of studies of the critical infrastructures to include the legal landscape and research and development.

PUBLIC PARTICIPATION: On September 5, 1997, from 9:00 a.m. to 12:00 p.m., the meeting will be open to the public. Written comments may be filed with the Committee after the meeting. Written comments may be given to the Designated Federal Officer, after the conclusion of the open meeting; sent to PCCIP, P.O. Box 46258, Washington, D.C., 20050–6258; or e-mailed to comments@pccip.gov.

CLOSED MEETING DELIBERATIONS: On September 5, 1997, from 1:00 p.m. to 6:00 p.m., the meeting will be closed to permit discussion of national security matters. (5 U.S.C. 552b(c)(1)(1982)).

Notice of this meeting is given under the Federal Advisory Committee Act (5 U.S.C. app. 2).

James H. Kurtz,

Executive Secretary, President's Commission on Critical Infrastructure Protection.

[FR Doc. 97–22176 Filed 8–20–97; 8:45 am]

BILLING CODE 3110–$$–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–22788; 812–10540]

Aetna Variable Fund, et al.; Notice of Application

August 15, 1997.

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

ACTION: Notice of application for an order under (i) section 6(c) of the Investment Company Act of 1940 (the ''Act'') granting relief from sections 13(a)(2), 18(f)(1), 22(f), and 22(g) of the Act and rule 2a–7; (ii) sections 6(c) and 17(b) of the Act granting relief from section 17(a) of the Act; and (iii) section 17(d) of the Act and rule 17d–1 to permit certain joint transactions.

SUMMARY OF APPLICATION: Applicants request an order to permit certain investment companies to enter into deferred compensation arrangements with certain of their directors, and the companies and participating directors to effect transactions incident to the deferred compensation arrangements.

APPLICANTS: Aetna Variable Fund; Aetna Income Shares; Aetna Variable Encore Fund; Aetna Investment Advisers Fund, Inc.; Aetna GET Fund; Aetna Variable Portfolios, Inc.; Aetna Generation Portfolios, Inc.; and Aetna Series Fund, Inc. (collectively, the ''Investment

Companies''); and Aetna Life Insurance and Annuity Company (the ''Adviser'').

FILING DATES: The application was filed on March 3, 1997, and an amendment was filed on July 11, 1997. Applicants have agreed to file an additional amendment, the substance of which is included in this notice, during the notice period.

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 September 9, 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 notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, 151 Farmington Avenue, Hartford, Connecticut 06156, Attn: Amy R. Doberman, Esq.

FOR FURTHER INFORMATION CONTACT: Brian T. Hourihan, Senior Counsel, at (202) 942–0526, or Mercer E. Bullard, 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, 450 Fifth Street, N.W., Washington D.C. 20549 (tel. (202) 942–8090).

Applicants' Representations

1. Each Investment Company is a registered open-end management investment company. Four of the Investment Companies are Maryland corporations, and four are Massachusetts business trusts. Shares of the Investment Companies, other than the Aetna Series Fund, Inc., are sold solely to insurance company separate accounts to fund variable annuity contracts and variable life insurance policies. The Adviser, an investment adviser registered under the Investment Advisers Act of 1940, serves as the investment adviser and principal underwriter for each Investment Company.[1] Applicants request that the requested relief apply to the Investment Companies and any registered open-end management investment companies or their series (including ''successors in interest''), currently or in the future advised by the Adviser or its successors in interest, or any entity controlling, controlled by, or under common control with the Adviser (collectively with the Investment Companies, the ''Funds'').[2]

2. Aetna Money Market Fund, a series of Aetna Series Fund, Inc., and Aetna Variable Encore Fund are money market funds that compute current price per share using the amortized cost method in reliance on rule 2a–7 (together, and collectively with any future money market Funds, the ''Money Market Funds'').

3. Each director of a Fund who is not an employee of that Fund, of the Fund's distributor or administrator, of the Adviser, or of any affiliate of the Adviser, and who is not eligible to participate in the Retirement Plan for Employees of Aetna, Inc. will be eligible (''Eligible Director'') to participate in the Deferred Compensation Plan for Eligible Directors (the ''Plan''). Eligible Directors currently receive compensation paid proportionately by each Fund based on the net assets of the Fund as of the date the compensation is earned. The purpose of the Plan is to permit Eligible Directors to defer receipt of all or a portion of their compensation (the ''Deferred Fees'') to enable them to defer payment of income taxes or to accomplish other financial goals.

4. Each Fund will determine whether or not to adopt the Plan. With respect to each Fund, the Plan will become effective upon adoption of a written resolution by the Fund's board of directors or trustees, as applicable, after the issuance of the requested exemptive order. The Plan may be amended from time to time. The amendments will be limited to immaterial amendments, amendments made to conform to applicable laws, amendments approved by the SEC pursuant to an application, or amendments caused by an amendment of an exemptive order.

5. Each Fund will establish a bookkeeping account in the name of each Eligible Director (a ''Deferral Account'') and credit it with an amount equal to that Eligible Director's compensation at the time that compensation would otherwise have been paid. Eligible Directors may elect to participate in the Plan with each or any combination of Funds that adopt the Plan. An Eligible Director's election to participate will be made by execution of a deferral agreement that continues in effect for each subsequent calendar year (each such calendar year, including the fiscal year in which the election is first made effective, the ''Deferral Year''). Under the Plan, an Eligible Director will be able to elect to defer receipt of Deferred Fees with respect to any Deferral Year until the Director's retirement, death, or termination of services by reason other than retirement or death. Payments will be made in a lump sum or in installments over a period of twenty-five years as selected by the Eligible Director. In the event of death, amounts payable to the Eligible Director under the Plan will become payable in a lump sum (i) to a beneficiary designated by the Director, (ii) in the event no beneficiary was selected by the Director, to the Director's estate, (iii) in the event the beneficiary does not survive the period during which such payments are to be made, to the beneficiary's estate, or, (iv) in the event there is more than one beneficiary who does not survive the period during which such payments are to be made, proportionately to the surviving beneficiaries until the death of the last beneficiary, then to the estate of the last beneficiary to die. In all other events, the Eligible Director's right to receive Deferred Fees will be nontransferable.

6. Under the Plan, Deferred Fees credited to a Deferral Account will be deemed invested as soon as practicable in one or more of the Funds that the Plan administrator makes available under the Plan (collectively, the ''Investment Options'') that are selected by the Eligible Director. The Investment Options will be used to measure the notional investment performance of an Eligible Director's Deferral Account. The value of a Deferral Account, as of any date, will be equal to the value that Account would have had if the amount credited to it had been invested and reinvested in shares of the Investment Option(s) designated by the Eligible Director (the ''Designated Shares''). Each Deferral Account will be credited or charged with book adjustments

[1] On the effective date of the post-effective amendment to the Aetna Series Fund, Inc.'s registration statement that was filed with the SEC on July 9, 1997, Aetna Investment Services, Inc., an affiliate of the Adviser, will commence service as principal underwriter to the Aetna Series Fund, Inc.

[2] For purposes of this application, ''successors in interest'' are limited to entities that result from a reorganization into another jurisdiction or a change in the type of business organization. All existing Funds that currently intend to rely on the requested relief have been named as parties to the application. Any existing Funds that currently do not intend to rely on the relief but which may in the future, and any future Funds that subsequently rely on the relief, will do so only in accordance with the terms and conditions set forth in the application.

representing all interest, dividends and other earnings and all gains and losses that would have been realized had the amounts credited to such Account actually been invested in the Designated Shares from the date of original designation or subsequent change of the Investment Option. Each Fund intends generally to purchase and maintain Designated Shares in an amount equal to the deemed investments of the Deferral Accounts of its Eligible Directors. However, when Deferred Fees are owed by a Fund that serves as an Eligible Director's Investment Option, it is not anticipated that the Fund would purchase its own shares. Rather, monies equal to the amount credited to the Deferral Account will be invested as part of the general investment operations of that Fund.

7. A participating Fund's obligation to make payments with respect to a Deferral Account will be a general obligation of the Fund and each Eligible Director will be a general unsecured creditor. The Plan will not create an obligation of any fund to any Eligible Director to purchase, hold or dispose of any investments. If a Fund should choose to purchase investments in order to ''match'' exactly its obligations to credit or charge the Deferral Account with the earnings and gains or losses attributable to the Designated Shares, all such investments will continue to be part of the general assets and property of such Fund. The Plan will not obligate any Fund to retain the services of an Eligible Director, nor obligate any Fund to pay any (or any particular level of) compensation to any Eligible Director. The amount of compensation owed to Eligible Directors is expected to be insignificant in comparison to the total net assets of each Fund.

Applicants' Legal Analysis

1. Applicants request an order under (i) section 6(c) of the Act granting relief from sections 13(a)(2), 18(f)(1), 22(f) and 22(g) of the Act and rule 2a–7; (ii) sections 6(c) and 17(b) of the Act granting relief from section 17(a) of the Act; and (iii) section 17(d) of the Act and rule 17d–1 to the extent necessary to permit the Funds to enter into deferred compensation arrangements with Eligible Directors, and the Funds and Eligible Directors to effect transactions incident to the deferred compensation arrangements.

2. Section 6(c) provides that the SEC may exempt any person, security, or transaction from any provision of the Act, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants submit that, for the reasons discussed below, the requested relief satisfies this standard.

3. Section 18(f)(1) generally prohibits a registered open-end investment company from issuing any class of senior security or selling any senior security of which it is the issuer. In addition, section 13(a)(2) requires that a registered investment company obtain authorization by the vote of a majority of its outstanding voting securities before issuing any senior securities not contemplated by the recitals of policy contained in its registration statement. Applicants state that the Plan will not give rise to the concerns underlying these provisions such as excessive borrowing by investment companies, confusing capital structures, and inappropriately speculative investments.

4. Section 22(f) prohibits restrictions on the transferability or negotiability of redeemable securities issued by an open-end investment company unless the restriction is disclosed in its registration statement and does not contravene SEC rules and regulations. Applicants state that the concerns underlying this provision are met because the restrictions on transferability of an Eligible Director's Deferred Fees under the Plan will be clearly set forth in the Plan and will not adversely affect the interests of the Eligible Directors, the Funds, or any shareholder of any Fund.

5. Section 22(g) generally prohibits registered open-end investment companies from using any of their securities for services or for property other than cash or securities.

Applicants assert that the legislative history of the Act suggests that Congress was primarily concerned with the dilutive effect on the equity and voting power of common stock of, or units of beneficial interest in, an investment company if the company's securities were issued for consideration not readily valued. Applicants contend that the Plan does not raise these concerns because it will provide solely for deferral of the payment of compensation and thus any rights issued under the Plan to the Eligible Directors should be viewed as issued not for services but in consideration of the Fund's not being required to pay the compensation on a current basis.

6. Rule 2a–7 provides that, notwithstanding the requirements of section 2(a)(41) of the Act and rules 2a–4 and 22c–1, the current price per share of any money market fund may be computed by use of the amortized cost method or the penny-rounding method, provided that the fund meets certain conditions. These conditions include, among others, that the money market fund will (i) limit its investments to securities that have remaining maturity of 397 days or less and that meet certain credit quality standards, and (ii) not maintain a dollar-weighted average portfolio maturity that exceeds 90 days. Applicants request relief from the rule to the extent required to permit the Money Market Funds to invest in Designated Shares (and to exclude Designated Shares from the calculation of such Funds' dollar-weighted average maturities). Applicants believe that the requested relief will permit the Money Market Funds to achieve an exact matching of Designated Shares with the deemed investments of the Deferral Account, thereby ensuring that the deferred compensation arrangements will not affect the Money Market Funds' net asset value. Applicants state that the Deferred Fees involved will in all cases be *de minimis* in relation to the total net assets of each Money Market Fund, and will have no effect on such Fund's per share net asset value.

7. Section 17(a) generally prohibits an affiliated person of a registered investment company, or any affiliated person of such person, from selling any security to or purchasing any security from the company. Section 2(a)(3)(C) defines the term ''affiliated person'' of another person to include any person controlling, controlled by, or under common control with such person. Because the Funds have the same investment adviser and the same directors and officers, each Fund could be deemed to be under common control with the other Funds and, therefore, might be deemed to be an affiliated person of the other Funds. Applicants assert that section 17(a) was designed to prevent sponsors of investment companies from using investment company assets as capital for enterprises with which they are associated or to acquire controlling interests in such enterprises and other types of ''overreaching.'' Applicants state that the purchase and sale of securities issued by the Funds pursuant to the Plan will not implicate the concerns underlying section 17(a), but merely will facilitate the matching of the liabilities for compensation deferrals with Designated Shares, the value of which determines the amount of such liabilities.

8. Section 17(b) authorizes the SEC to exempt a proposed transaction from section 17(a) if evidence establishes that the terms of the proposed transaction, including the consideration to be paid

or received, are reasonable and fair and do not involve overreaching on the part of any person concerned, the proposed transaction is consistent with the policies of the registered investment company and the general purposes of the Act. Applicants believe that the relief requested satisfies the standards of sections 6(c) and 17(b).

9. Section 17(d) and rule 17d–1 prohibit affiliated persons from participating in joint arrangements with a registered investment company unless authorized by the SEC. In passing on applications for such orders, rule 17d–1 provides that the SEC will consider whether the participation of such investment company is consistent with the provisions, policies, and purposes of the Act and the extent to which such participation is on a basis different from or less advantageous than that of other participants. Applicants acknowledge that the Plan may be deemed to constitute a joint arrangement within the meaning of rule 17d–1. Applicants state that an Eligible Director will neither directly nor indirectly receive a benefit that would otherwise inure to the Funds or any of their shareholders. Moreover, applicants note that the changes in value made to the Deferral Accounts to reflect the income, gain or loss with respect to the Designated Shares will be identical to the changes in share value experienced by the shareholders of the Funds during the same period.

Applicants' Condition

Applicants agree that any order of the SEC granting the requested relief will be subject to the following conditions that, with respect to the requested relief from rule 2a–7, any Money Market Fund that values its assets by the amortized cost method or penny-rounding method will buy and hold Designated Shares that determine the performance of Deferred Accounts to achieve an exact match between the liability of any such Fund to pay compensation deferrals and the assets that offset that liability.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–22185 Filed 8–20–97; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–38937; File No. SR–CBOE–97–35]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by Chicago Board Options Exchange, Inc. Relating to Trading Halts and Suspensions

August 14, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 25, 1997, the Chicago Board Options Exchange, Inc. (''CBOE'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II and III below, which Items have been prepared by the CBOE. The Commission is publishing this notice to solicit comments on the proposed rule change from interested parties.

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

The CBOE proposes to amend Rule 6.3 to remove the requirement that a halt declared by Floor Officials may continue for only two consecutive business days and to delete Rule 6.4 regarding the suspension of trading by the Board of Directors (''Board''). The CBOE also proposes to make certain conforming amendments to Rules 21.12 and 23.8 and to Interpretation .02 of Rule 21.19.

The text of the proposed rule change is available at the Office of the Secretary, the CBOE 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 CBOE 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 CBOE has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

[2] 17 CFR 240.19b–4.

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

The purpose of the proposed rule change is to amend Rule 6.3 to remove the requirement that a halt declared by Floor Officials may continue for only two consecutive business days, to delete Rule 6.4 regarding the suspension of trading by the Board, and to make certain conforming amendments to Rules 21.12 and 23.8 and to Interpretation .02 of Rule 21.19

Pursuant to existing Rule 6.3, any two Floor Officials may halt trading in any security in the interests of a fair and orderly market for a period not in excess of two consecutive business days. Pursuant to existing Rule 6.4, the CBOE's Board may suspend trading in any security in the interests of a fair and orderly market. The Exchange believes that there is no practical difference between a halt in trading and a suspension in trading, except for the present two-day limit for a halt and the fact that a halt is declared by two Floor Officials and a suspension is declared by the Board. The same factors are considered by the Board in deciding whether to ''suspend'' trading as are considered by Floor Officials in deciding whether to ''halt'' trading. Rules 6.3 and 6.4 require, however, that trading may be stopped for more than two consecutive business days only if the Board acts to ''suspend'' trading.

The CBOE believes it is not necessary to require the Board to decide whether trading in an options class may be stopped for more than two days. The Exchange believes that in practice, senior exchange officials would be aware of and would participate in any decision concerning a halt that continued in excess of two days. The Exchange believes this input from senior exchange officials is sufficient and that Board participation is not necessary. The Exchange also believes that it is unduly cumbersome and often, impractical, to convene the Board on short notice just to decide whether trading in an options class may be stopped for more than two days.

Pursuant to the proposed rule change, the duration of a halt declared by two Floor Officials pursuant to Rule 6.3 would not be limited to a particular number of days. The proposed rule change correspondingly would delete Rule 6.4, so that Board action no longer would be required before trading in an options class could be stopped for more than two consecutive business days. Instead, Floor Officials would determine whether to halt trading based upon the