

and quality of services previously provided. During the Interim Period, the Advisers would operate under the New Agreements, which would have the same terms and conditions as the respective Existing Agreements, except for the effective dates, termination dates and escrow provisions. Applicants believe that the level of service provided by the Advisers will remain the same under the New Agreements as under the existing ones.

7. Applicants believe that the best interests of shareholders of the Funds would be served by allowing for the implementation of the New Agreements during the Interim Period. Applicants state that allowing the implementation of the New Agreements will ensure that there will be no disruption to the investment program and the delivery of related services to the Funds because the personnel that provide such services to the Funds will remain substantially the same as before the Transaction.

Applicants' Conditions

Applicants agree as conditions to the issuance of the exemptive order requested by the application that:

1. The New Agreements to be implemented following the commencement of the Interim Period will have the same terms and conditions as the respective Existing Agreements, except for the effective dates, termination dates, and escrow provisions.

2. Fees payable to the Advisers by the Funds for the period covered by the order will be maintained during the Interim Period in an interest-bearing escrow account, and will be paid (1) to the Advisers after the requisite approval by shareholders is obtained, or (b) in the absence of such approval, to the relevant Fund.

3. Each Fund will promptly schedule a meeting of shareholders to vote on approval of the New Agreements to be held within 150 days after the commencement of the Interim Period, but in no event later than July 15, 1998.

4. Merrill Lynch and/or Mercury will pay the costs of preparing and filing the application and the costs relating to the solicitation of approval of the Funds' shareholders of the New Agreements.

5. The Advisers will take all appropriate steps to ensure that the scope and quality of advisory and other services provided to the Funds during the Interim Period will be at least equivalent, in the judgment of the respective Boards, including a majority of the directors who are not "interested persons" of the Funds, as defined in section 2(a)(19) of the Act (the "Disinterested Directors"), to the scope

and quality of services previously provided. In the event of any material change in the personnel providing services pursuant to the advisory agreements, the Advisers will apprise and consult with the Boards of the affected Funds in order to assure that the Boards, including a majority of the Disinterested Directors, are satisfied that the services provided will not be diminished in scope or quality.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97-33595 Filed 12-23-97; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-39402A; File No. SR-Amex-97-46]

Self-Regulatory Organizations; Notice of Filing and Order Granting Immediate Effectiveness of Proposed Rule Change by American Stock Exchange, Incorporated Relating to the Listing of Commodity Indexed Preferred or Debt Securities

December 17, 1997.

Notice of Corrections

On December 4, 1997 the Securities and Exchange Commission ("SEC" or "Commission") issued a notice of filing and order granting immediate effectiveness of proposed rule change by the American Stock Exchange, Incorporated ("Amex") relating to the listing of commodity indexed preferred or debt securities¹ pursuant to section 19(b)(1) of the Securities Exchange Act of 1934, as amended ("Act"),² and paragraph (e)(6) of Rule 19b-4 under the Act.³ The following sentence should be deleted from the first paragraph of *Section A—Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*: "[T]he Exchange also will require that the issuer have a minimum tangible net worth of \$150 million."

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁴

¹ Securities Exchange Act Release No. 34-39402 (December 4, 1997) 62 FR 65459 (December 12, 1997).

² 15 U.S.C. 78s(b)(1).

³ 17 CFR 240.19b-4(e)(6).

⁴ 17 CFR 200.30-3(a)(12).

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97-33525 Filed 12-23-97; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-39449; File No. SR-MBSCC-97-08]

Self-Regulatory Organizations; MBS Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to the Electronic Pool Notification Service's Fee Schedule

December 15, 1997.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 ("Act"), notice is hereby given that on October 22, 1997, the MBS Clearing Corporation ("MBSCC") 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 primarily by MBSCC. The Commission is publishing this notice to solicit comments from interested persons on the proposed rule change.

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

The text of the proposed rule change consists of modifications to the Electronic Pool Notification ("EPN") schedule of charges, which is attached as Exhibit A to the filing.

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

In its filing with the Commission, MBSCC 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. MBSCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.²

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

MBSCC currently assesses message processing fees as reflected in the EPN Schedule of Charges. MBSCC assesses

¹ 15 U.S.C. 78s(b)(1).

² The Commission has modified the text of the summaries prepared by MBSCC.