

including overall supervisory responsibility for the general management and investment of each Fund's portfolio, and subject to review and approval by the Board, will: (i) set the Fund's overall investment strategies; (ii) select managers, (iii) when appropriate, recommend to the Board the allocation and reallocation of a Fund's assets among multiple Managers; (iv) monitor and evaluate the performance of Manager; and (v) ensure that the Managers comply with the Fund's investment objectives, policies, and restrictions.

8. No director or officer of the Company or director or officer of the Adviser will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by that director or officer) any interest in a Manager except for (i) ownership of interests in the Adviser or any entity that controls, is controlled by, or is under common control with the Adviser; or (ii) ownership of less than 1% of the outstanding securities of any class of debt or equity of a publicly-traded company that is either a Manager or an entity that controls, is controlled by, or is under common control with a Manager.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 98-15826 Filed 6-12-98; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40075; File No. SR-CBOE-98-07]

### Self-Regulatory Organizations; Order Approving Proposed Rule Change by the Chicago Board Options Exchange, Incorporated Relating to the Committee Responsible for Governing RAES Participation in SPX

June 4, 1998.

On February 20, 1998, the Chicago Board Options Exchange, Incorporated ("CBOE" of the "Exchange") filed with Securities and Exchange Commission ("Commission") the proposed rule change pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> to change the Committee responsible for governing RAES eligibility in options on the Standard & Poor's 500 Index ("SPX") from the appropriate Floor

Procedure Committee to the appropriate Market Performance Committee. CBOE filed an amendment on April 15, 1998, requesting that the filing be handled as a regular way filing under Section 19(b)(2) of the Act.<sup>3</sup> The Commission published notice of the proposed rule change in the **Federal Register** on April 30, 1998.<sup>4</sup> No comment letters were received. This order approves the proposed rule change.

### I. Description of the Proposal

The Exchange proposes to change the Committee responsible for governing RAES eligibility in options on the SPX from the appropriate Floor Procedure Committee to the appropriate Market Performance Committee. Currently, SPX is the only options class in which the issues concerning the eligibility of market-makers to participate in RAES is governed by a Floor Procedure Committee instead of by a Market Performance Committee. Rule 8.16 (in the case of option classes other than OEX<sup>5</sup>, SPX, and DJC<sup>6</sup>) and Rule 24.17 (in the case of OEX and DJX option classes) provide that the appropriate Market Performance Committee will govern the RAES market-maker eligibility issues. This change, therefore, will make the regulation of SPX RAES eligibility consistent with that of the other option classes traded on the Exchange. The governance of eligibility issues for SPX RAES will initially be delegated to the newly formed Index Market Performance Committee.

As with the other options classes, the Index Market Performance Committee will have authority to exempt market-makers the requirement that the market-maker be present in the crowd to log onto or remain on RAES (Rule 24.16(a)(iii)), the requirement that the market-maker must log onto RAES at any time during an expiration month when he is present in the crowd and when he has logged on previously during that expiration month (Rule 24.16(d)), certain requirements concerning the participation of joint accounts (Rule 24.16(c)), and certain requirements concerning the participation of member organizations with multiple nominees (Rule 24.16(d)). The Index Market Performance Committee will also take over the

<sup>3</sup> See, letter from Timothy H. Thompson, Director, Regulatory Affairs, Legal Department, CBOE to Victoria Berberi-Doumar, Special Counsel, Division of Market Regulation, SEC, dated April 15, 1998.

<sup>4</sup> Securities Exchange Act Release No. 39911 (April 24, 1998), 63 FR 23820 (April 30, 1998).

<sup>5</sup> OEX stands for options on the Standard & Poor's 100 Index.

<sup>6</sup> DJX stands for options on the Dow Jones Industrial Average.

broader authority of the SPX Floor Procedure Committee to set the maximum number of RAES participants in RAES groups, to disallow the participation of certain RAES groups (Rule 24.16(e)), to require market-makers of the trading crowd to log onto RAES if there is inadequate participation (Rule 24.16(f)), and to take other remedial action as appropriate (Rule 24.16(g)).

### II. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and in particular, the requirements of Sections 6(b)(5)<sup>7</sup> of the Act in that it is designed to prevent fraudulent and manipulative acts and practices and to promote just and equitable principles of trade, and to remove impediments to and protect the mechanism of a free and open market.<sup>8</sup>

Specifically, the Commission believes that changing the Committee that oversees the eligibility of market makers to participate in RAES for the trading of SPX will ensure that the regulation of SPX RAES eligibility will be consistent with that of the other options classes traded on the Exchange.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act<sup>9</sup> that the proposed rule change SR-CBOE-98-07 is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>10</sup>

[FR Doc. 98-15780 Filed 6-12-98; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40071; File No. SR-DTC-98-10]

### Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Fees and Charges

June 4, 1998.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 ("Act"), notice is hereby given that on

<sup>7</sup> 15 U.S.C. 78f(b)(5).

<sup>8</sup> In approving this rule, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation, 15 U.S.C. 78c(f).

<sup>9</sup> 15 U.S.C. 78s(b)(2).

<sup>10</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4