

SUMMARY: A Commission visit to tour operations and discuss postal issues with several organizations in the Minneapolis, Minnesota area has been cancelled.

DATES: The visit had been scheduled for September 14–16, 1998.

FOR FURTHER INFORMATION CONTACT:

Stephen L. Sharfman, General Counsel, Postal Rate Commission, Suite 300, 1333 H Street, NW, Washington, DC 20268–0001, (202) 789–6820.

Margaret P. Crenshaw,
Secretary.

[FR Doc. 98–24831 Filed 9–15–98; 8:45 am]

BILLING CODE 7710–FW–M

POSTAL SERVICE

Notice of Meeting

AGENCY: Postal Service.

ACTION: Notice of meeting.

SUMMARY: The U.S. Postal Service and U.S. Department of State will hold a briefing meeting on preparations for the Universal Postal Union (UPU) Council of Administration in October 1998 and the UPU Congress in Beijing in 1999. The purpose of this meeting will be to brief participants on recent developments concerning some of the key issues being examined by the UPU and to gather input on possible proposals and U.S. positions. The agenda of this meeting will include: (1) Status of terminal dues proposals for the Beijing Congress; (2) UPU regulatory issues; (3) questions, exchange of views and discussion.

MEETING DATE AND TIME: Friday, September 25, 2:00–5:00 p.m.

MEETING PLACE: Room 1107, U.S. Department of State, 2201 “C” Street NW, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Cynthia Proctor, (202) 314–7150.

SUPPLEMENTARY INFORMATION:

Individuals or organizations with a substantive interest in these issues may request to attend the meeting and join in the discussions. In this regard, entry into the building is controlled. Individuals wishing to attend must send a fax to (202) 314–7160 no later than September 21, 1998, and include the name of the meeting, individual’s name, affiliation, social security number and date of birth. One of the following valid photo ID’s will be required for admittance. U.S. driver’s license with picture, U.S. passport or U.S. government ID (company ID’s are no longer accepted by Diplomatic

Security). Enter from the “C” Street Main Lobby.

Stanley F. Mires,
Chief Counsel, Legislative.

[FR Doc. 98–24768 Filed 9–15–98; 8:45 am]

BILLING CODE 7710–12–P

RAILROAD RETIREMENT BOARD

Sunshine Act Meeting

Notice is hereby given that the Railroad Retirement Board will hold a meeting on September 22, 1998, 9:00 a.m., at the Board’s meeting room on the 8th floor of its headquarters building, 844 North Rush Street, Chicago, Illinois, 60611. The agenda for this meeting follows:

Portion Open to the Public

- (1) Organizational Placement of the Bureau of Quality Assurance
- (2) Restructuring Plan for Office of Programs—Assessment and Training Component
- (3) Fiscal Year 2000 Budget and Future Budgets
- (4) Employer Status Determination—Railroad Ventures, Inc.
- (5) Draft Letter to the Office of Management and Budget Regarding Potential Expanded Investment Instruments
- (6) Year 2000 Issues

Portion Closed to the Public

- (A) Fiscal Year 1999 Performance Appraisal Plans

The person to contact for more information is Beatrice Ezerski, Secretary to the Board, Phone No. 312–751–4920.

Dated: September 11, 1998.

Beatrice Ezerski,
Secretary to the Board.

[FR Doc. 98–24893 Filed 9–14–98; 11:40 am]

BILLING CODE 7905–01–M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23431; 812–11054]

Equity Managers Trust, et al.; Notice of Application

September 10, 1998.

AGENCY: Securities and Exchange Commission (“SEC”).

ACTION: Notice of an application under sections 6(c) and 17(b) of the Investment Company Act of 1940 (the “Act”) for an exemption from section 17(a) of the Act.

SUMMARY OF THE APPLICATION: The order would permit a registered investment

company advised by Neuberger&Berman Management Incorporated (“N&B Management”) to purchase certain securities of an investment account managed by N&B Management.

APPLICANTS: Equity Managers Trust, Retirement Benefit Accumulation Plan for Employees of PricewaterhouseCoopers, Savings Plan for Employees and Partners of PricewaterhouseCoopers, Savings Plan for Employees of PricewaterhouseCoopers, and Profit Sharing Plan for Partners of PricewaterhouseCoopers (“Plans”).

FILING DATES: The application was filed on March 3, 1998, and amended on September 8, 1998.

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 the 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 October 5, 1998 and should be accompanied by proof of service on the 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 may request notification by writing to the SEC’s Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants: Equity Managers Trust, 605 Third Avenue, New York, New York 10158; Plans, 3109 Martin Luther King, Jr. Blvd., Tampa, FL, 33607.

FOR FURTHER INFORMATION CONTACT: Mary Kay Frech, Branch Chief, (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 (telephone (202) 942–8090).

Applicants’ Representations

1. Neuberger&Berman Genesis Portfolio (“Portfolio”) is a series of Equity Managers Trust. Equity Managers Trust is an open-end management investment company organized as a New York common law trust and registered under the Act. Neuberger&Berman Genesis Trust (“Fund”) is a series of Neuberger&Berman Equity Trust (“N&B Equity Trust”), an open-end management investment company

organized as a Delaware business trust and registered under the Act.

2. The Portfolio is a "master fund" in a master/feeder fund structure. The Fund is a feeder fund that invests all of its assets in the Portfolio. Beneficial interests in the Portfolio are issued solely in private placement transactions to investment companies and other institutional investors. The Fund's shares are publicly offered.

3. The Plans are employee benefit plans subject to the Employee Retirement Income Security Act of 1974 for the employees and/or partners of PricewaterhouseCoopers. Each Plan offers participants the option to invest in a managed account with investment objectives, policies and limitations substantially similar to those of the Portfolio ("Account").¹ The Plans invest jointly in the Account, which currently holds cash, shares of the Fund, and other securities. As of June 30, 1998, the Plans, through the Account, own 13.8% of the outstanding shares of the Fund, which amounts to 5.1% of the interests in the Portfolio.

4. N&B Management serves as investment adviser of the Portfolio, administrator of the Fund and distributor of the Fund's shares. Neuberger & Berman, LLC ("N&B") serves as the Portfolio's sub-adviser. The Portfolio's investment managers ("Portfolio Managers") also manage the Account on behalf of the Plans.

5. The Plans' trustees believe it would be in each Plan's best interests to liquidate the securities held in the Account. Applicants propose that the Portfolio be permitted to purchase the securities in the Account that the Portfolio Managers deem desirable for investment by the Portfolio, in exchange for cash ("Proposed Transaction").² The purchase price will be the securities' "independent current market price" on the date of the transaction, determined in accordance with rule 17a-7(b) under the Act. No brokerage commission, fee or other remuneration will be paid by any party in connection with the Proposed Transaction. Applicants state that the Proposed Transaction is consistent with the investment objectives, policies and limitations of the Portfolio, as recited in its registration statement and reports filed under the Act. All of the securities in the Account that the Portfolio proposes to purchase are listed on a national securities exchange or are traded on the

Nasdaq stock market, and the Portfolio currently has positions in each of those securities.

6. The Plans presently intend to invest the cash proceeds from the Proposed Transaction in shares of the Fund. If the investment takes place as proposed, the Account will be dissolved and units in the Account will be exchanged for shares in the Fund most likely on a same-day basis. Each Plan will have its own account on the books of the Fund's transfer agent and the Plans will no longer retain a custodian to hold their assets.

7. On October 23, 1997, the board of trustees of Equity Manager Trust ("Board") including all of the independent trustees, voted to approved the terms of the Proposed Transaction. The Board reviewed, among other factors, the securities to be purchased, the method by which they would be valued, the size of the Portfolio's current position in each stock under consideration, the size of the Portfolio's position in the stock (if the transaction were consummated), and information on the total market capitalization and average weekly trading volume of each stock. The Board concluded that the Proposed Transaction is in the best interests of the Portfolio and its interest holders.

8. The Proposed Transaction also has been authorized by each Plan's trustees, who are independent of N&B and its affiliates, and the trustees have agreed in principal to invest the cash proceeds in shares of the Fund. N&B provided the Plans' trustees with a current prospectus of the Fund and a written statement disclosing the fees to be received by N&B Management, the terms of the Proposed Transaction, and other relevant factors.

9. Applicants intend to structure the Proposed Transaction as an exchange of securities for cash, rather than having the Plan exchange the assets in the Account for shares of the Fund, because of the master-feeder structure of the Portfolio and the Fund. In addition, the Plans intend to rely on a Department of Labor exemption, which has been interpreted as providing exemptive relief only with respect to cash transactions.

10. Applicants believe that the Proposed Transaction will benefit the Portfolio's interest holders and the Plans' participants. Applicants submit that an increase in the Portfolio's assets from the Proposed Transaction will enable the Portfolio to realize economies of scale that should reduce its operating expenses. The Proposed Transaction will also allow applicants to avoid the brokerage commissions that applicants

otherwise would incur if the Plans sold the stocks in the Account on the open market and the Portfolio, as it received cash from the Plans' investment in the Fund, bought investment securities on the open market.

Applicants' Legal Analysis

1. Section 17(a) of the Act generally prohibits an affiliated person of a registered investment company, or an affiliated person of such a person, acting as principal, from selling any security to, or purchasing any security from the company. Section 2(a)(3) of the Act defines an "affiliated person" of another person to include (a) any person that owns 5% or more of the outstanding voting securities of such other person, (b) any person 5% or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote by such other person, (c) any person directly or indirectly controlling, controlled by or under common control with, such other person, and (d) if such other person is an investment company, any investment adviser of the company.

2. Applicants believe that the Portfolio and the Plans may be deemed to be affiliated persons because they share a common investment adviser. Applicants also believe that the Portfolio and the Plans may be deemed to be affiliated persons because the Plans (through the Account) own 13.8% of the outstanding shares of the Fund, which amounts to 5.1% of the interests in the Portfolio. As a result, applicants believe that the Portfolio's purchase of securities from the Plans is prohibited by section 17(a) of the Act.

3. Rule 17a-7 exempts certain purchase and sale transactions otherwise prohibited by section 17(a) if an affiliation exists solely by reason of having a common investment adviser, common directors, and/or common officers, provided that certain requirements are met. The relief provided by rule 17a-7 is not available for the Proposed Transaction because the Plans' ownership (through the Account and the Fund) of 5.1% of the Portfolio may create an affiliation "not solely by reason of" having a common investment adviser, common directors, and/or common officers.

4. Section 17(b) of the Act provides that the SEC may exempt a transaction from the provisions of section 17(a) if the terms of the Proposed Transaction, including the consideration to be paid, are reasonable and fair and do not involve overreaching on the part of any person concerned, and the proposed transaction is consistent with the policy of each registered investment company

¹ The Account is an entry on the books of the Plans' custodian and has no separate legal existence.

² The term "Proposed Transaction" refers to either a single purchase or a series of purchases.

concerned and with the general purposes of the Act. Section 6(c) authorizes the Commission to exempt persons or transactions from the provisions of the Act to the extent that such exemptions are appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policies and provisions of the Act.

5. Applicants submit, for the reasons discussed below, that their request satisfies these standards. Applicants believe that compliance with rule 17a-7(a)-(f) will ensure that the Proposed Transaction is effected on terms that are fair and reasonable and do not involve overreaching. Applicants believe that because the Proposed Transaction involves a purchase of readily marketable securities for cash and because the Proposed Transaction has been reviewed and approved by the Board, there is no danger that any affiliated person will benefit at the expense of the Portfolio and its interest holders.

Applicants' Condition

Applicants agree that the order granting the requested relief will be subject to the following condition:

The proposed Transaction will comply with the terms of rule 17a-7(a) through (f).

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-24814 Filed 9-15-98; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following open meeting during the week of September 21, 1998.

An open meeting will be held on Wednesday, September 23, 1998, at 10:00 a.m.

The subject matter of the open meeting scheduled for Wednesday, September 23, 1998, at 10:00 a.m., will be:

Consideration of whether to adopt an amendment to Rule 102(e) of the Commission Rules of Practice clarifying the Commission's standard for determining when accountants engage in "improper professional conduct." FOR FURTHER INFORMATION CONTACT, Michael J. Kingin, Associate Chief Accountant, Office of the Chief Accountant at (202) 942-0890.

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 at (202) 942-7070.

Dated: September 14, 1998.

Jonathan G. Katz,

Secretary.

[FR Doc. 98-24916 Filed 9-14-98; 12:45 pm]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40419; File No. SR-CBOE-98-35]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Board Options Exchange, Inc. Relating to Floor Brokerage Subsidies

September 9, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4² thereunder, notice is hereby given that on July 27, 1998, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") 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 by the CBOE. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to adopt a new rule that would allow market-makers in a trading crowd to subsidize the activity of floor brokers who represent orders in that crowd. The proposed rule would also allow market-makers to determine to subsidize the execution of orders from the Exchange's public customer limit order book. Set forth below is the text of the proposed rule.

* * * * *

(The entire rule is new.)

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Chicago Board Options Exchange, Inc. Rules

Chapter II—Organization and Administration

Part C—Dues, Fees, and Other Charges; Market-Maker Surcharge for Brokerage

Rule 2.40

(a) Definitions.

(i) Stationary Floor Broker. A Stationary Floor Broker ("SFB") in a particular option class is a floor broker (A) who has established a business in the trading crowd for that class of accepting and executing orders for members or registered broker-dealers and (B) who transacted at least 80% of his orders for the previous month in the trading crowd at which that option class is traded.

(ii) Resident Market-Maker. A Resident Market-Maker in a particular class of options is a market-maker who transacted at least 80% of his market-maker contracts in option classes traded in the trading crowd where the particular option class is traded in the prior calendar month.

(iii) ORS Orders. For purposes of this Rule, an ORS order is an order that is (A) sent over the Exchange's Order Routing System, (B) given an ORS identification number and (C) not an order of the firm for which the SFB acts as a nominee or for whom the SFB has registered his membership.

(iv) Standard OBO Rate. The Standard OBO Rate is any rate for OBO floor brokerage established by the Exchange for the particular equity option class traded on the Exchange floor.

(b) Generally.

The Resident Market-Makers for a particular option class may vote, as set forth in paragraph (d) of this Rule, to impose a fee on a per contract basis for every contract traded by every market-maker, whether in-person or by order, in that option class during the period for which the fee is instituted. This fee will be collected by the Exchange and used to reimburse the Exchange to the extent the market-makers vote to reduce the Exchange's book rate pursuant to paragraph (g) of this Rule. Any amount remaining after the Exchange has been reimbursed will be paid to every SFB who executed an ORS Order in that option class during the relevant period of time. To the extent more than one SFB executed ORS Orders during the relevant period, this amount remaining shall be paid to the SFBs on a pro rata basis based on the number of ORS contracts executed by the respective SFBs during the period. The fee likely will be assessed after the end of the