participation in the conversion process was not made mandatory.

The conversion service permits GSCC to compare, convert, and net, prior to the U.S. Treasury auction, trades between members in Treasury note and bond issues that have been executed on the basis of the current market yield. GSCC members submit to GSCC trade data for yield trades with the price field blank. GSCC compares the trade on the basis of the yield. At the time of conversion, GSCC calculates the assumed coupon rate based on the par weighted average yield of trades compared by GSCC in each CUSIP adjusted down to the nearest ⅛%. GSCC then uses the assumed coupon rate to convert yield trades to priced trades based on the U.S. Treasury standard conversion formula.

Each day until the coupon rate is set and publicly available, GSCC recalculates the assumed coupon rate for the issue, converts new yield trades to priced trades, and adjusts the prices of previously converted, compared, and netted yield trades. During the pre-auction period, GSCC calucates the clearing fund contribution and the forward mark allocation for participating and nonparticipating members. On the day of the auction, final price data is submitted to GSCC. At that time, the trades are compared and netted on a final price basis.

GSC believes that participation in the yield-to-price conversion process is important for a netting member and for the settlement process in general because otherwise a netting member's when-issued trades do not have GSCC's guarantee of settlement until auction date. Because of this, since October 1992, GSCC has not admitted an entity into netting system membership unless the applicant has agreed to participate in the yield-to-price process at the time of commencement of participation in the netting system. Currently, only one netting member still is not participating in the conversion process, and it is anticipated that it will commence participation in the yield-to-price process by the end of this year.

As a result, participation in the yield-to-price conversion process by netting members will now be mandatory. However, there may be temporary situations, for example when an entity commences its participation in the netting system, in which there are operational or other considerations that render participation in the yield-to-price conversion process difficult for a member. In such circumstances, GSCC will retain the ability to temporarily exempt such member from the requirement to participate in the yield-to-price conversion process. For GSCC's protection, however, GSCC will calculate such member's clearing fund deposit and forward mark allocation payment obligations as if it were participating in the yield-to-price conversion process.

II. Discussion

Section 17A(b)(3)(F) of the Act[4] provides that the rules of a clearing agency must promote the prompt and accurate clearance and settlement of securities transactions and to assure the safeguarding of securities and funds in GSCC's custody or under GSCC's control. In the first order temporarily approving GSCC's yield-to-price conversion service, the Commission found that such service was consistent with Section 17A(b)(3)(F) in that it extended the benefits of GSCC's centralized automated netting system to netting members that execute yield trades. The Commission further stated that the service reduces netting members' exposure to the risk arising from contraparty default prior to the settlement of the transaction by allowing GSCC to interpose itself between the parties to a trade and guarantee performance of each netting member's obligation sooner.

In the order permanently approving GSCC's yield-to-price conversion service, the Commission noted its potential concern about the interplay between voluntary submission of compared trades for GSCC netting and the potential financial exposure to GSCC and its members resulting from the exclusion of those trades from GSCC's netting operation. The Commission further encouraged GSCC to reconsider the appropriateness for netting members to withhold from the netting operation yield trades that were compared. GSCC delayed making the netting of such trades mandatory because some GSCC members needed to make further operational changes to accommodate mandatory netting of trades compared through the yield-to-price conversion system. Currently, only one member is not participating in the conversion process, and GSCC anticipates that such member will commence participation in the yield-to-price process by the end of this year.

Accordingly, the Commission believes that it is appropriate to make participation in the yield-to-price conversion process mandatory. By including more trades in GSCC's netting system, the proposal furthers Section 17A's goals of prompt and accurate clearance of securities transactions. Inclusion of more member trades within GSCC's guarantee and margin requirements is consistent with Section 17A's goals of assurance of the safeguarding of securities and funds in GSCC's custody or under GSCC's control. Thus, the Commission believes that the proposed rule change is consistent with Section 17A(b)(3)(F).

Conclusion

For the reasons stated above, the Commission finds that the proposed rule change is consistent with Section 17A of the Act.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (SR–GSCC–94–08) be and hereby is approved.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–8924 Filed 4–11–95; 8:45 am]

BILLING CODE 8010–01–M

[4] 15 U.S.C. 78q–1(b)(3)(F) (1988).

[Release No. 34–35571; File No. SR–NYSE–95–01]

Self-Regulatory Organizations; New York Stock Exchange, Inc.; Order Approving Proposed Rule Change Relating to Domestic Listing Standards

April 5, 1995.

I. Introduction

On January 18, 1995, the New York Stock Exchange, Inc. (''NYSE'' or ''Exchange'') submitted to the Securities and Exchange Commission (SEC'' or ''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change to amend its domestic listing standards.

The proposed rule change was published for comment in Securities Exchange Act Release No. 35301 (January 31, 1995), 60 FR 7245 (February 7, 1995). On February 2, and April 5, 1995, the Exchange submitted to the Commission Amendment Nos. 1 and 2 to the proposed rule change. Each of these amendments made a single, non-substantive change to clarify the language of the original filing and are incorporated into the discussion below.[3]

[1] 15 U.S.C. 78s(b)(1) (1988).

[2] 17 CFR 240.19b–4 (1994).

[3] Letter from Robert G. Britz, Senior Vice President, New Listings & Client Service, NYSE, to Sharon Lawson, Assistant Director, Division of Market Regulation, SEC, dated January 27, 1995 (''Amendment No. 1''). Amendment No. 1 is further described at note 11, *infra*. Letter from J. Paul Wyciskala, Managing Director, Financial

Continued

The Commission received one comment letter from the National Association of Securities Dealers, Inc. (''NASD'')[4] and one letter from the NYSE responding to the NASD's comments.[5] This order approves the proposed rule change, including Amendment Nos. 1 and 2.

II. Overview of Proposal

A. Background

Paragraph 102.01 of the NYSE's *Listed Company Manual* sets forth the standards for domestic companies that want to list their equity securities on the Exchange. These standards require applicants to satisfy the following minimum numerical criteria.[6] First, the company must have at least 2,200 total stockholders, together with an average monthly trading volume of 100,000 shares for the most recent six months, or 2,000 round-lot holders.[7] Second, at least 1.1 million shares of the company's stock must be publicly held.[8] Third, the aggregate market value of the publicly held shares must be at least $18 million. In this regard, Paragraph 102.01 of the Exchange's Listed Company Manual states that, while the NYSE places greater emphasis on market value, an additional measure of size is $18 million in net tangible assets. Fourth, the company must have demonstrated earning power such that its income before federal income taxes and under competitive conditions must equal or exceed (a) $2.5 million in the latest fiscal year and $2 million in each of the preceding two fiscal years or (b) $4.5 million in the most recent fiscal year and an aggregate of $6.5 million for the last three fiscal years, with all three years being profitable.

b. Proposed Amendments

The Exchange proposes to amend Paragraph 102.01 to make four changes to its existing numerical criteria. The first two amendments would increase the existing numerical criteria for the aggregate market value of both publicly held shares and net tangible assets from $18 million to $40 million.[9] The third amendment would adopt an alternate shareholder distribution standard for companies whose shares are very actively traded. Specifically, a company with an average monthly trading volume of one million shares for the most recent 12 months could qualify for listing with 500 total stockholders.[10]

Finally, the proposed amendments would adopt an alternate demonstrated earnings power standard for companies that have a market capitalization of at least $500 million and revenues of at least $200 million in their most recent fiscal year.[11] Under this alternative, such companies could qualify for listing if their adjusted net income, as defined below, is positive for each of the last three fiscal years and not less than $25 million in the aggregate for such period.

For purposes of the proposed amendment to Paragraph 102.01, ''adjusted net income'' would be calculated by removing from reported net income (before preferred dividends) the effects of all items whose cash effects are investing or financing cash flows as determined pursuant to Paragraph 28(b) of the Financial Accounting Standards Board's Statement of Financial Accounting Standards No. 95, ''Statement of Cash Flows'' (''FASB Statement No. 95''), subject to the limitations noted below. Examples of such items include depreciation, amortization of goodwill and gains or losses on sales of property, plant and equipment. In contrast to FASB Statement No. 95, however, the proposed rule change would limit the adjustment for the following items to reversing the amount charged or credited in determining net income for that period: (a) Discontinued operations; (b) the cumulative effect of an accounting change; (c) an extraordinary item; and (d) the gain or loss on extinguishment of debt.

III. Comments Received by the Commission

The Commission received one comment letter from NASD[12] and one letter from the NYSE supporting its proposal and addressing the NASD's comments.[13]

The NASD stated that it had no comment on the substance of the NYSE's listing amendments, but that the proposed rule change would pose ''substantial anti-competitive concerns for The Nasdaq Stock Market'' (''Nasdaq'') if NYSE Rule 500 were left in place. NYSE Rule 500 contains the shareholder approval requirements that an issuer needs to satisfy before it can voluntarily withdraw its securities from listing on the NYSE.[14] In this context, the NASD noted that approval of the NYSE's proposed rule change would allow the NYSE to solicit a broader range of companies listed on Nasdaq notwithstanding that Rule 500 would ''make it difficult, if not impossible, for Nasdaq to seek listings from among a potentially enlarged universe of NYSE-listed companies.'' Finally, the NASD stated its belief that ''expanding the NYSE listing standards without eliminating the anti-competitive effect of NYSE Rule 500 is contrary to a free and open market and the national market system, and imposes a burden on competition that is not otherwise justified or in furtherance of the purposes of the Exchange Act'' in violation of Sections 6(b)(5) and (8) and 11A(a)(1)(C)(ii) of the Act.[15] Accordingly, the NASD requested that the Commission require the elimination of the NYSE shareholder approval requirements under Rule 500 before approving the NYSE's alternative listing standards.

Compliance, to Sharon Lawson, Assistant Director, Division of Market Regulation, SEC, dated April 5, 1995 (''Amendment No. 2''). Amendment No. 2 is further described at note 10, *infra.*

[4] Letter from Joseph R. Hardiman, President, NASD, to Jonathan G. Katz, Secretary, SEC, dated March 3, 1995 (''NASD Letter'').

[5] Letter from James E. Buck, Senior Vice President and Secretary, NASD, to Jonathan G. Katz, Secretary, SEC, dated March 17, 1995 (''NYSE Letter'').

[6] In deciding whether to approve the listing of an equity security, the NYSE also takes qualitative factors into consideration. These factors include whether the company is a going concern or a successor thereto, the degree of national interest in the company, the character of the market for its products, its relative stability and position in its industry.

[7] In determining the number of holders for the above distribution standards, the NYSE considers both beneficial and record owners.

[8] Shares held by directors, officers or their immediate families and other concentrated holdings of 10% or more are excluded from the public float. Additionally, if the unit of trading is less than 100 shares, the requirement relating to the number of publicly-held shares will be reduced proportionately.

[9] Paragraph 102.01 of the Listed Company Manual provides for an adjustment to the aggregate market value standard whenever the NYSE's Composite Index is below 55.06. Because the value of the Composite Index has remained substantially higher than 55.06 in recent years, no adjustment has been necessary. The Exchange proposal would make a conforming change in Paragraph 102.01 to provide that any such adjustment would be made to the new $40 million aggregate market value standard.

[10] Amendment No. 2 amended Exhibit A to the NYSE's original filing, which set forth the text of the proposed rule change, to make it clear that the NYSE would consider both beneficial and record owners for purposes of determining whether the alternative shareholder distribution standard has been satisfied.

[11] Amendment No. 1 corrected Exhibit A to the NYSE's original filing, which set forth the text of the proposed rule change, by deleting the word ''net'' in the phrase ''net revenues'' as used in the alternate demonstrated earnings power standard. This inaccuracy did not appear, however, in the text of Securities Exchange Act release No. 35301 (January 31, 1995), 60 FR 7245 (February 7, 1995), which published the proposal for comment.

[12] *See* NASD letter, *supra,* note 4.

[13] *See* NYSE letter, *supra,* note 5.

[14] NYSE Rule 500 generally requires that an issuers's proposed withdrawal from listing on the NYSE be approved by the holders of 66⅔% of the outstanding security without the objection of more than 10% of the individual holders thereof.

[15] 15 U.S.C. 78f(b) (5) and (8) and 78k–1(a)(1)(C)(ii) (1988).

In its comment letter, the NYSE asserted that Rule 500 is not related to its pending proposal and that Rule 500 would not affect issuers that list under the proposal any differently from issuers listing under existing requirements. The NYSE also claimed that, if the proposal were adopted, the proposal were adopted, the NYSE would continue to have the highest listing requirements among all domestic equities markets.

IV. Discussion

A. Introduction

After careful consideration of the comments received, the Commission finds that the proposed rule change is consistent with the requirements of Section 6(b).[16] In particular, the Commission believes the proposal is consistent with the Section 6(b)(5) requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, and, in general, to protect investors and the public interest; and are not designed to permit unfair discrimination between issuers. The Commission also finds that the proposal is consistent with the requirements of Section 6(b)(8) that the rules of an exchange not impose any burden on competition not necessary or appropriate in furtherance of the purpose of the Act.

B. Background

The development and enforcement of adequate standards governing the initial and continued listing of securities on an exchange is an activity of critical importance to financial markets and the investing public. Listing standards serve as a means for an exchange to screen issuers and to provide listed status only to *bona fide* companies with sufficient public float, investor base, and trading interest to ensure that the market for a company's stock has the depth and liquidity necessary to maintain fair and orderly markets. Adequate standards are especially important given the expectations of investors regarding exchange trading and the imprimatur of listing on a particular market. Once a security has been approved for initial listing, maintenance criteria allow an exchange to monitor the status and trading characteristics of that issue to ensure that it continues to meet the exchange's standards for market depth and liquidity so that fair and orderly markets can be maintained.

For the reasons set forth below, the Commission believes that the proposed rule change will provide the NYSE with greater flexibility in determining which equity securities warrant inclusion in its market, without compromising the effectiveness of the Exchange's listing standards, and that the standards do not pose a burden on competition among markets.

C. The Proposed Alternative Listing Standards

As discussed above, the NYSE currently requires a company to meet rigorous standards regarding, among other things, its investor base and its public float before qualifying for listing. The Commission agrees with the NYSE, however, that there are *bona fide* companies that do not meet these measures but that nonetheless have sufficient investor interest to ensure that the market for the company's stock has the depth and liquidity appropriate for auction market trading.

In particular, the Commission believes that it is reasonable for the NYSE to list companies with 500 stockholders given that such companies must have an average monthly trading volume of one million shares, which amount is ten times the normal monthly trading volume currently required by the Exchange under one of its stockholder distribution listing standards for domestic equities. This higher trading volume standard will ensure that listed companies with a smaller shareholder base should nevertheless have sufficient interest to support a liquid market.

Additionally, the Commission believes that the proposed alternative to the existing demonstrated earnings power standard, which is based on net income adjusted for the cash effects of investing or financing cash flows, is adequate to ensure that the NYSE lists only *bona fide* issuers. First, only companies that have a market capitalization of at least $500 million and revenues of at least $200 million in their most recent fiscal year are eligible to use the alternative net income standard to satisfy demonstrated earnings power. These threshold requirements, taken together with the actual alternative standard requiring adjusted net income to be positive for the last three fiscal years and not less than $25 million in the aggregate for such period, should ensure that such companies are of sufficient size and substance so as not to compromise the reasonable expectations of investors regarding the companies that are eligible to trade on the NYSE. Second, the other listing requirements including number of stockholders and publicly held shares as well as the increased aggregate market value and tangible net assets standard will apply to all listed companies including those utilizing the alternative demonstrated earning power criteria. As a result of these requirements, the Exchange's domestic listing standards will continue to provide only for the listing of securities with a sufficient investor base to maintain fair and orderly markets and the listing of companies that are viable, going concerns with substantial aggregate market value or tangible net assets.

Third, the alternative standard to demonstrated earning power using net income adjusted for the cash effects of investing or financing cash flows is based, with certain exceptions, on FAST Statement No. 95, which sets forth a uniform accounting standard for calculation of cash flows. Although the proposal limits certain adjustments to net income that are not included in FASB Statement No. 95, the specific limitations are set forth in the NYSE's listing criteria. Accordingly, the NYSE can apply the standard uniformly and companies will be able to know with certainly whether or not they can meet the alternative demonstrated earnings power test based on net income (as adjusted for the cash effects of investing or financing cash flows).

Finally, the Commission agrees with the NYSE's proposal to increase the aggregate market value and net tangible assets requirements from $18 million to $40 million. These requirements have not been updated since 1984.[17] This substantial increase significantly upgrades the NYSE's listing criteria and should offer further assurances that the current amendments do not weaken the high standards that a listing on the NYSE has traditionally represented.

D. Maintenance Criteria

The NYSE's proposal does not contain separate continued listing standards for the newly proposed initial listing standards. Instead, the NYSE has indicated that, in reviewing companies for continued listing under such standards, it would rely on its broad authority to duelist companies set forth in Exchange Rule 499, which states that securities admitted to the list may be suspended from dealings or removed from the list at any time.[18] Further, the

[16] 15 U.S.C. 78f(b) (1988 and Supp. V 1993).

[17] *See* Securities Exchange Act Release No. 20649 (February 13, 1984), 49 FR 6587 (February 22, 1984).

[18] The Supplementary Material to Rule 499 states that although the Exchange has adopted certain guidelines, ''. . .The Exchange is not limited by what is set forth under the heading 'Numerical and Other Criteria.' Rather, it may make an appraisal of,

Continued

NYSE has stated that, in monitoring companies listed under the proposed alternative standards, companies that subsequently fall substantially below those standards would be considered for relisting. In addition the NYSE also would consider factors for continued listing such as: trading volume; the number of publicly held shares; the aggregate market value of publicly-held shares; the inability to meet current debt obligations or adequately Finance operations; or an abnormally low selling price or volume of trading. The Commission believes that the authority in Rule 499, in addition to the NYSE's clarifications on continued listing under the new standards, gives the NYSE sufficient flexibility to adequately monitor companies listed under the alternative standards being adopted herein and delist such companies where appropriate.

Nevertheless, the NYSE has indicated its intention to develop specific continued listing criteria that correlate to the alternative initial listing standards.[19] The Commission believes this will be useful to the NYSE in monitoring such companies to ensure continued depth and liquidity. In addition, in light of the increase in the initial listing criteria for aggregate market value of shares outstanding and tangible net assets from $18 million to $40 million, the Commission believes that the Exchange should consider updating its continued listing standards for these criteria, which are currently set at $8 million.

E. Burden on Competition

The NASD believes the Commission should disapprove the NYSE's alternate listing standards unless the NYSE first rescinds its Rule 500 because, in the NASD's view, the proposal, when coupled with Rule 500, limits competition for listings. The direct effect of the NYSE's proposal, however, will be to increase the number of companies eligible for NYSE listing. Accordingly, the proposal actually will increase competition for new listings between the NYSE and other self-regulatory organizations. The Commission believes that such an increase in competition, on balance, would benefit the securities markets.[20]

In addition, the NYSE's changes are relatively modest in scope. The NASD has not presented any evidence to indicate that the new requirements will broaden significantly the pool of Nasdaq companies that will become eligible for an NYSE listing under the new standards. Indeed, the NASD comment letter states that already ''most of Nasdaq's largest companies choose to freely remain on Nasdaq rather than switch to the NYSE.'' The NASD has not indicated how the NYSE proposal would change this situation.

The NASD, in effect, is asking the Commission to disapprove a pro-competitive proposal because it believes that another rule of the NYSE creates an anticompetitive barrier to delisting from the NYSE.[21] While the Commission is mindful of the competitive consequences of NYSE Rule 500 and believes those issues should be explored further,[22] the Commission does not believe that the current NYSE listing standards should be frozen in place pending such examination. As a practical matter, the immediate effect of this proposal will be to increase competition for listing, which the Commission believes is in the best interest of the securities markets and consistent with the Act.[23] The broader question of whether delisting standards should be revised is a separate matter that should be considered independently. Moreover, such separate consideration is consistent with the Commission's commitment to expedite the processing of rule filings whenever possible.[24]

V. Conclusion

In summary, based upon the analysis set forth above, the Commission believes this rule change will not weaken the high standards for listing on the NYSE. Further, following this change, the Exchange's domestic listing standards will continue to provide only for the listing of securities with a sufficient investor base to maintain fair and orderly markets. Accordingly, the Commission believes that this rule change adequately protects investors and the public interest.

The Commission further believes that these new standards will provide the NYSE with greater flexibility in determining which equity securities warrant inclusion in its market. Such flexibility will increase competition for new listings between the NYSE and other self-regulatory organizations. The Commission believes that this increase in competition will benefit the securities markets. Accordingly, the Commission does not believe that the rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

Finally, the Commission declines to condition its approval on the NYSE's elimination of its Rule 500. While the Commission recognizes the potentially anti-competitive effect of Rule 500 and urges the NYSE to consider modifications thereto, the Commission believes that approval of the NYSE's proposal is in the best interest of, and will actually foster competition among, the securities markets. The Commission believes that the benefits of such competition should not be delayed pending the resolution of the Rule 500 issues.

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and determine on an individual basis, the suitability for continued listing of an issue in light of all pertinent facts whenever it deems such action appropriate, even though a security meets or fails to meet any enumerated criteria.''

[19] Letter from Robert G. Britz, Senior Vice President, New Listings & Client Service, to Sharon Lawson, Assistant Director, Division of Market Regulation, SEC, dated February 28, 1995 and letter from J. Paul Wyciskala, Managing Director, Financial Compliance, to Sharon Lawson, Assistant Director, Division of Market Regulation, SEC, dated March 21, 1995.

[20] In this regard, the Commission believes it is significant that, pursuant to Rule 19c–3 under the Act, 17 CFR 240.19c–3 (1994), NASD market makers still will be able to trade the NYSE's newly listed securities.

[21] In its comments, the NASD stated its belief ''that expanding the NYSE listing standards without eliminating the anticompetitive effect of Rule 500 is contrary to a free and open market and national market system, and imposes a burden on competition that is not otherwise justified or in furtherance of the purposes of the Exchange Act.'' As support for such statement, the NASD cited, among other sections of the Act, Section 11A(1)(C)(ii), which sets forth the finding by Congress that it is in the public interest and appropriate for the protection of investors and the maintenance of fair and orderly markets to assure fair competition between exchange markets and markets other than exchange markets. To the extent the alternate listing standards allow the NYSE to compete for listings of other market centers, it will assure fair competition between exchange markets and other markets consistent with Section 11A of the Act.

[22] *See* Division of Market Regulation, SEC, ''Market 2000, An Examination of Current Equity Market Developments'' (January 1994) at 30 and 31 (''The standards embodied in Rule 500 * * * represent a barrier to delisting that is too onerous, * * * Accordingly, the Division recommends that the NYSE submit a proposed rule change to modify the requirements of NYSE Rule 500. * * * The new standards should rely on a determination by an issuer's board of directors rather than shareholder approval. For example, the new standards could require approval by the board of directors and a majority of the independent directors, or it could require a review of the delisting decision by the board's audit committee.'').

[23] The Commission notes that the alternative listing standards increase the classes of companies that are eligible for listing on the NYSE based upon objective, numerical criteria that are reasonably related to the purposes underlying the NYSE's listing standards. As such, the Commission finds, in accordance with Section 6(b)(5) of the Act, that these standards do not discriminate unfairly between issuers.

[24] *See* Securities Exchange Act Release No. 35123 (December 20, 1994), 59 FR 66692 (December 28, 1994) (amending Rule 19b–4 to expedite the process by which proposed rule changes of self-regulatory organizations are filed and become effective).

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[25] that the proposed rule change (SR–NYSE–95–01), including Amendments Nos. 1 and 2, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[26]

[FR Doc. 95–8996 Filed 4–11–95; 8:45 am]

BILLING CODE 8010–01–M

[Rel. No. IC–20990; 811–0071]

Commonwealth Investment Trust; Notice of Application

April 6, 1995.

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

ACTION: Notice of Application for Deregistration under the Investment Company Act of 1940 (the ''Act'').

APPLICANT: Commonwealth Investment Trust.

RELEVANT ACT SECTION: Section 8(f).

SUMMARY OF APPLICATION: Applicant seeks an order declaring that it has ceased to be an investment company.

FILING DATE: The application was filed on March 24, 1995.

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 applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on May 1, 1995, and should be accompanied by proof of service on applicant, 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 of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 5th Street, N.W., Washington, D.C. 20549. Applicant, 101 Federal Street, Boston, Massachusetts 02110.

FOR FURTHER INFORMATION CONTACT: Elaine M. Boggs, Staff Attorney, at (202) 942–0572, or C. David Messman, 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 at the SEC's Public Reference Branch.

[25] 15 U.S.C. 78s(b)(2) (1988).

[26] 17 CFR 200.30-3(a)(12) (1994).

Applicant's Representations

1. Applicant is an open-end management investment company that was organized as a business trust under the laws of Massachusetts. On October 29, 1940, applicant registered under the Act as an investment company. To the best knowledge of applicant, a registration statement to register its shares under the Securities Act of 1933 was initially filed on or about October 19, 1938. Applicant's initial public offering commenced in 1938.

2. On October 27, 1993, applicant's board of trustees approved an agreement and plan of reorganization (the ''Plan'') between applicant and Eaton Vance Stock Fund, a registered open-end management investment company (the ''Acquiring Fund'').[1]

3. On December 8, 1993, applicant filed definitive proxy materials with the SEC and mailed such proxy materials to its shareholders. On December 15, 1993, applicant's shareholders approved the reorganization.

4. Pursuant to the Plan, on December 20, 1993, applicant transferred all, or substantially all, of its assets to the Acquiring Fund in exchange for shares of the Acquiring Fund. Immediately thereafter, applicant distributed *pro rata* to its shareholders the shares it received from the Acquiring Fund in the reorganization. On December 17, 1993, applicant had 439,017.095 shares outstanding, having an aggregate net asset value of $8,346,241.30 and a per share net asset value of $19.01.

5. Expenses incurred in connection with the reorganization were approximately $38,291 and were paid by applicant's investment adviser, Invesco Management & Research, Inc.

6. There are no securityholders to whom distributions in complete liquidation of their interests have not been made. Applicant has no debts or other liabilities that remain outstanding. Applicant is not a party to any litigation or administrative proceeding.

7. Applicant's legal existence under Massachusetts law has been terminated.

8. Applicant is not now engaged, nor does it propose to engage, in any business activities other than those necessary for the winding up of its affairs.

[1] According to the proxy statement filed with the Commission by applicant in connection with the reorganization, the board of trustees considered that combining applicant with the Acquiring Fund could produce economies of scale which may be reflected in reduced costs per share. In addition, the board of trustees concluded that the reorganization would allow applicant's shareholders to become affiliated with a fund with similar investment objectives and greater net assets.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–8926 Filed 4–11–95; 8:45 am]

BILLING CODE 8010–01–M

DEPARTMENT OF STATE

[Public Notice 2188]

Advisory Committee to the United States Section of the Inter-American Tropical Tuna Commission

The Advisory Committee to the United States Section of the Inter-American Tropical Tuna Commission (IATTC) will meet on April 26, 1995, from 9:30 a.m. to 12 noon in the Conference Room of the National Marine Fisheries Service Science Center, 8604 La Jolla Shores Drive, La Jolla, California. The meeting will discuss the 1994 fishing year, the status of the tuna and dolphin stocks of the eastern Pacific Ocean, and developments affecting the fishery since the last annual meeting of the Commission. The meeting will be open to the public.

The Advisory Committee will also meet in an afternoon session on April 26, 1995, beginning at 1:30 p.m. This session will not be open to the public inasmuch as the discussion will involve classified matters pertaining to the United States negotiating position to be taken at the Annual Meeting of the Inter-American Tropical Tuna Commission to be held in La Jolla, California, June 13–15, 1995. The members of the Advisory Committee will examine various options for the U.S. negotiating position at this meeting, and these considerations must necessarily involve review of classified matters. Accordingly, the determination has been made to close the afternoon session pursuant to section 10(d) of the Federal Advisory Committee Act, 5 U.S.C. App. 2, and 5 U.S.C. 552b(c)(1) and (c)(9).

Requests for further information on the meeting should be directed to Mr. Brian S. Hallman, Deputy Director, Office of Marine Conservation (OES/OMC), Room 7820, U.S. Department of State, Washington, DC 20520–7818. Mr. Hallman can be reached by telephone on (202) 647–2335 or by FAX (202) 736–7350.