members, allied members, member organizations, and associated persons against other members, allied members, member organizations, and associated persons, as well as for claims involving investors. Hence, this rule change should provide a sound procedure for the management of class action disputes, should promote the efficient resolution of these types of class action disputes, and should prevent wasteful litigation over the possible applicability of agreements to arbitrate between members, allied members, member organizations, and associated persons, notwithstanding the exclusion of class action claims from NYSE arbitration.

NYSE Rule 619(c) currently requires all parties to serve on each other copies of documents in their possession that they intend to present at the hearing and to identify witnesses they intend to present at the hearing not less than ten calendar days prior to the first scheduled hearing date. The Exchange is proposing to amend this rule to allow parties to: (1) Provide a list of documents that have been produced previously to the other side, instead of providing the actual documents; (2) require the list identifying witnesses to include the address and business affiliation of the witnesses listed; and (3) require prehearing exchanges of documents and the list of documents previously produced to occur twenty days in advance of the hearing, instead of ten days as is presently required.

The Commission finds that the proposed amendments to NYSE Rule 619(c) are consistent with Section 6(b)(5) because they are designed to promote just and equitable principles of trade, prevent unfair discrimination between customers, issuers, brokers, or dealers, and, in general, protect investors and the public,.[8] The proposed amendments should increase the efficiency of the arbitration process because they: (1) Eliminate duplicative prehearing document exchanges; (2) should assist parties in the process of preparing and organizing their cases by providing them with advance notice regarding the background of witnesses and the location of nonparty witnesses; (3) should reduce the number of instances of surprise; and (4) should provide the parties with a more reasonable time frame in which to address last minute discovery requests.

NYSE Rule 629(e) presently provides that the nonrefundable filing fee for a dispute that does not specify a money claim shall be $250, while NYSE Rule 629(i) charges industry parties a $500 nonrefundable filing fee when the dispute does state a money claim. The proposed amendment to NYSE Rule 629(e) would unify the nonrefundable filing fee for all industry claims at $500.

The commission finds that this proposed amendment is consistent with Section 6(b)(4)[9] because it provides for the equitable allocation of reasonable fees among its members and other persons using its facilities. A uniform filing fee would remove any temptation for an industry party to purposely omit the monetary amount of their claim in order to reduce the nonrefundable filing fee from $500 to $250.[10]

Currently, NYSE Rule 637 subjects any member, allied member, registered representative, or member organization who fails to honor an award of arbitrators appointed by the Exchange to disciplinary proceedings in accordance with the Exchange's constitution and rules. The proposed amendment to NYSE Rule 637 would expand the coverage of this rule to include arbitration awards issued at another self-regulatory organization or by the American Arbitration Association. As amended, the penalties authorized under this rule would include disciplinary proceedings at the Exchange or the imposition of a fine by way of a summary proceeding.

The Commission finds that this proposed amendment is consistent with the section 6(b)(6)[11] requirement that the rules of an exchange provide for appropriate disciplinary action for violating the provisions of the Act, the rules and regulations thereunder, or the rules of the Exchange. This proposal would establish the enforceability of arbitration awards issued by other self-regulatory organizations and by the American Arbitration Association and, in turn, should increase the effectiveness of the arbitration process.

It therefore is ordered, pursuant to Section 19(b)(2) of the Act,[12] that the proposed rule change (SR–NYSE–95–25) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[13]

Margaret H. McFarland,

Deputy Secretary.

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[8] 15 U.S.C. 78f(b)(5).

[9] 15 U.S.C. 78f(b)(4).

[10] See Securities Exchange Act Release No. 35167 (Dec. 28, 1994), 60 FR 1816 (approving File No. SR–NASD–94–75 and publishing the NASD's determination that there have been situations in which industry parties have purposely not disclosed the monetary amount of their claim in order to reduce the nonrefundable filing fee from $500 to $250).

[11] 15 U.S.C. 78f(b)(6).

[12] 15 U.S.C. 78s(b)(2).

[13] 17 CFR 200.30–3(a)(12).

[File No. 1–12212]

Issuer Delisting; Notice of Application to Withdraw From Listing and Registration; (CVD Financial Corporation, Common Stock, $.01 Par Value, Variable Rate Bonds Due 2008)

September 13, 1995.

CVD Financial Corporation (''Company'') has filed an application with the Securities and Exchange Commission (''Commission''), pursuant to Section 12(d) of the Securities Exchange Act of 1934 (''Act'') and Rule 12d2–2 (d) promulgated thereunder, to withdraw the above specified securities (''Securities'') from listing and registration on the American Stock Exchange, Inc. (''Amex'' or ''Exchange'').

The reasons alleged in the application for withdrawing the Securities from listing and registration include the following:

According to the Company, it received a letter dated May 26, 1995, from the Exchange stating that it was considering delisting the Securities. The Exchange believed the Company's financial condition was substantially impaired, and it had failed to comply with the Exchange's listing agreement by not holding an annual meeting of shareholders since being listed in August 1993. After the Company submitted its response to the Exchange by a letter dated June 28, 1995 and met with Amex officials on July 6, 1995, the Exchange sent a letter to the Company dated July 13, 1995, stating that the Exchange had decided to delist the Securities. Although the Company initially elected to appeal the Exchange's decision to delist the Securities to the Exchange's Board of Governors, the Company has decided to settle matters by voluntarily removing the Securities from listing on the Exchange. It is now the Company's position, in view of the impasse between the Exchange and the Company and the large expenditures of money and management time that would be required before a final resolution of the matters at issue could be obtained, that it is in the best interest of both the Company and its shareholders that matters be settled by voluntarily delisting the Securities from the Exchange.

The Exchange also has agreed that it would be in the best interest of the

Exchange and the investing public to resolve this issue between the Company and the Exchange in this manner.

Any interested person may, on or before October 4, 1995, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the Amex and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 95–23165 Filed 9–18–95; 8:45 am]

BILLING CODE 8010–01–M

[Rel. No. IC–21349; File No. 812–9388]

Integrity Life Insurance Company, et al.

September 12, 1995.

AGENCY: The Securities and Exchange Commission (the ''Commission'').

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

APPLICANTS: Integrity Life Insurance Company (''Integrity''), Separate Account I of Integrity Life Insurance Company (''Account I''), Separate Account II of Integrity Life Insurance Company (''Account II,'' and collectively with Account I, the ''Separate Accounts'') and Integrity Financial Services, Inc. (''Services'').

RELEVANT 1940 ACT SECTIONS: Exemptions requested under Section 6(c) from Sections 26(a)(2)(C) and 27(c)(2) of the 1940 Act.

SUMMARY OF THE APPLICATION: Applicants seek an order under Section 6(c) of the 1940 Act granting exemptions from Sections 26(a)(2)(C) and 27(c)(2) to the extent necessary to permit the deduction of a mortality and expense risk charge from the assets of the Separate Accounts or other Separate Accounts (''Other Accounts'') established by Integrity to support certain flexible premium variable annuity policies (''Contracts'') as well as other variable annuity contracts that are substantially similar in all material respects to the Contracts (''Future Contracts''). In addition, Applicants propose that Services replace Integrity as principal underwriter for the Contracts, and that the order extend the same exemptions granted to Services, and to any other broker-dealer that may in the future serve a principal underwriter for the Contracts or Future Contracts, the same exemptions currently granted to Integrity.

FILING DATES: The application was filed on December 22, 1994, and was amended on August 2, 1995 and September 8, 1995.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission 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 October 10, 1995, 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 requestor's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the Secretary of the SEC.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, Kevin L. Howard, Esq., Integrity Life Insurance Company, 239 S. Fifth Street, 12th Floor, Louisville, Kentucky, 40202.

FOR FURTHER INFORMATION CONTACT: Pamela K. Ellis, Senior Counsel, or Wendy Finck Friedlander, Deputy Chief, at (202) 942–0670, Office of Insurance Products, Division of Investment Management.

SUPPLEMENTARY INFORMATION: Following is a summary of the application; the complete application is available for a fee from the SEC's Public Reference Branch.

Applicant's Representations

1. Integrity, a stock life insurance company, is organized in Ohio and licensed to sell life insurance and annuities in forty-four states and the District of Columbia. In addition, Integrity is licensed to sell variable contracts in forty-three states and the District of Columbia. Integrity is an indirect wholly-owned subsidiary of ARM Financial Group, Inc. (''ARM Financial''). Integrity is currently the principal underwriter of the Contracts and is registered as a broker-dealer under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc. (''NASD'').

2. Account I and Account II are separate accounts established by Integrity to fund the Contracts. Both Separate Accounts are registered under the 1940 as unit investment trusts. Interests in the Contracts are registered as securities under the 1933 Act.

3. Account I has ten investment divisions (''Divisions''), each of which invests in one of the ten corresponding portfolios of the Variable Insurance Products Fund and the Variable Insurance Products Fund II, which are both part of the Fidelity Investments (R) group of companies (collectively, ''Trusts''). Account II has ten Divisions, each of which invests in a corresponding portfolio of The Legends Fund, Inc. (''Legends Fund,'' and collectively with the Trusts, ''Funds''). The Funds are diversified, open-end management investment companies registered under the 1940 Act.

4. Services, a wholly-owned subsidiary of ARM Financial, is registered with the Commission under the Securities Exchange Act of 1934 as a broker-dealer and is a member of the NASD. Applicants now seek to substitute Services for Integrity as the principal underwriter for the Contracts.[1]

5. Integrity, the Separate Accounts, and Services will enter into an agreement under which Services will become principal underwriter for the Contracts. Integrity and Services propose to enter into selling agreements with broker-dealers for the distribution of the Contracts.

6. The Contracts are flexible premiums variable annuity contracts. Contract owners (''Participants'') may allocate premium payments to one or more of the Separate Accounts' Divisions, or to one or more of Integrity's guaranteed periods, or both. Amounts allocated to guarantee periods accumulate on a fixed basis, except as adjusted for any applicable value adjustment.

7. A death benefit is available under the Contracts if a Participant dies prior to his or her retirement date. The amount of the death benefit is equal to the greatest of (1) the Participant's annuity value, (2) the minimum death benefit, which equals total contributions less the sum of the market value

[1] The Commission has previously granted relief permitting Integrity to deduct mortality and expense risk charges from the assets of the Separate Accounts in connection with the sales of the Contracts. See, Integrity Life Insurance Company, Investment Company Act Release No. 19120 (Nov. 24, 1992) and The Equitable Life Assurance Society of the United States, Investment Company Act Release No. 15406 (Nov. 7, 1986) (''Existing Orders''). Applicants are not requesting that the order sought herein amend or supersede the Existing Orders.