

Commission that such action is necessary or appropriate in the public interest; for the protection of investors and the maintenance of fair and orderly markets; to remove impediments to, and perfect the mechanisms of, a National Market System; or otherwise in furtherance of the purposes of the Exchange Act.

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, and all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of the filing also will be available at the principal offices of OPRA. All submissions should refer to file number SR-OPRA-95-4 and should be submitted by November 28, 1995.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 95-27588 Filed 11-7-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36449; File No. SR-Phlx-95-66]

**Self-Regulatory Organizations;
Philadelphia Stock Exchange, Inc.;
Notice of Extension of Public
Comment Period for Proposed Rule
Change**

November 1, 1995.

On September 15, 1995, the Philadelphia Stock Exchange, Inc. ("Phlx") filed with the Securities and Exchange Commission ("Commission") the proposed rule change pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1). The proposed rule change would amend: (i) Phlx Rule 1066¹ by adding new paragraph (h), P/A Orders (Principal Acting as Agent); and (ii)

Phlx Rule 1015² by adding new paragraph (c). The proposed rule change would create a new equity options order designator, the P/A order, to ensure that when a floor trader (i.e., Specialist, market maker, Registered Options Trader, Lead Market Maker or Designated Primary Market Maker) from another options exchange in possession of a public customer order sends a mirror-image order³ to the Phlx to obtain price improvement for that customer, the customer would receive the benefit of that better execution price, notwithstanding that the mirror-image order has been sent in the name of the floor trader. Similarly, the P/A order would ensure that when a Phlx floor trader sends such an order to another options exchange, the customer for whom the Phlx order is sent receives the benefit of the better price available on that exchange.

Notice of the proposed rule change was provided by the issuance of a Commission release (Securities Exchange Act Release No. 36271, September 22, 1995) and by publication in the Federal Register (60 FR 50225, September 28, 1995).

The Commission has been requested to extend the time period for public comment on the proposed rule change.⁴ The Commission hereby extends the period for public comment on the proposed rule change until December 31, 1995.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁵

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 95-27589 Filed 11-7-95; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-21469; File No. 812-9664]

**Glenbrook Life and Annuity Company,
et al.**

November 2, 1995.

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

ACTION: Notice of application for an order under the Investment Company Act of 1940 (the "1940 Act").

² *Philadelphia Stock Exchange Guide*, Options Rules, Rule 1015 (CCH) ¶3015.

³ A mirror-image order is an order sent by the floor trader for the exact number of contracts specified in the customer order.

⁴ By letter dated October 30, 1995, the Phlx has consented to an extension of the comment period. See letter from Gerald D. O'Connell, First Vice President, Market Regulation and Trading Operations, Phlx to Ethan D. Corey, Senior Counsel, Division of Market Regulation, Commission.

⁵ 17 CFR 200.30-3(a)(12).

APPLICANTS: Glenbrook Life and Annuity Company ("Glenbrook" or the "Company"), Glenbrook Life and Annuity Company Separate Account A (the "Variable Account"), and Allstate Life Financial Services, Inc. ("Allstate").

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

SUMMARY OF APPLICATION: Applicants seek an order permitting the deduction of a mortality and expensive risk charge from the assets of the Variable Account and other separate accounts established by Glenbrook in the future ("Other Separate Accounts") in connection with the issuance and sale of certain deferred variable annuity contracts ("Contracts") and/or any contracts that are similar in all material respects to the Contracts ("Other Contracts"). Applicants also respect that the exemptive relief extend to certain other broker-dealers which may serve in the future as a principal underwriter of the Contracts or Other Contracts ("Future Underwriters").

FILING DATE: The application was filed on July 13, 1995, and amended on October 16, 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 Secretary of the Commission and serving Applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on November 27, 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 requester'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 Commission.

ADDRESSES: Secretary, SEC, 450 5th Street, N.W., Washington, D.C. 20549. Applicants, David E. Stone, Esq., Glenbrook Life and Annuity Company, 3100 Sanders Road, Northbrook, Illinois 20062.

FOR FURTHER INFORMATION CONTACT: Mark C. Amorosi, Attorney, or Patrice M. Pitts, Special Counsel, Office of Insurance Products (Division of Investment Management), or (202) 942-0670.

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

⁴ 17 CFR 200.30-3(a)(29).

¹ *Philadelphia Stock Exchange Guide*, Options Rules, Rule 1066 (CCH) ¶3066.

Applicant's Representations

1. Glenbrook, incorporated as a stock life insurance company is 1992, is organized under the laws of Illinois. The Company is a wholly-owned subsidiary of Allstate Life Insurance Company, which is a wholly-owned subsidiary of Allstate Insurance Company. Glenbrook sells individual and group annuities and life insurance.

2. The Variable Account was established by Glenbrook as a segregated investment account pursuant to a resolution of the Board of Directors, and serves as a funding medium for variable annuity contracts issued through the Variable Account. The Variable Account is divided into sub-accounts, each of which invests solely in shares of a registered open-end management investment company (the "Fund").

3. Allstate, a wholly-owned subsidiary of Allstate Life Insurance Company, will serve as the principal underwriter for the Contracts. Allstate 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.

4. The Contracts are individual and group flexible premium deferred annuity contracts which may be sold on a non-tax qualified basis ("Non-Qualified Contracts") or offered in connection with retirement plans which qualify for favorable federal income tax treatment ("Qualified Contracts").¹ The Contracts provide for, among other things: (a) minimum initial purchase payments of \$5,000 (\$2,000 in the case of Qualified Contracts) and minimum subsequent purchase payments of \$500; (b) several annuity payment options beginning on the payout start date; and (c) if the annuitant dies during the accumulation phase, the payment of a death benefit equal to the greatest of (1) the Contract value on the date the Company receives a complete request for payment of the death benefit, (2) the amount that would have been payable in the event of a full withdrawal of the Contract value on the date the Company receives a complete request for payment of the death benefit, or (3) the Contract value on the death benefit anniversary immediately preceding the date the Company determines the death benefit adjusted by any purchase payments, withdrawals and charges made between such death benefit anniversary and the date the Company determines the death benefit. The death benefit anniversary is

every seventh Contract anniversary beginning with the issue date.

5. Applicants state that, upon purchase of the Contract, the Contract owner can also select one of the following death benefit options: (a) the greatest of the anniversary values as of the date Glenbrook determines that the death benefit (where the anniversary value, which is calculated each Contract anniversary prior to the deceased's attained age 75 or 5 years after the date the Contract was issued, if later, is equal to the Contract value on a Contract anniversary, increased by purchase payments made since that anniversary and reduced by the amount of any partial withdrawals since that anniversary); or (b) total purchase payments minus the sum of all partial withdrawals (where each purchase payment and each partial withdrawal accumulates daily at a rate equivalent to 5% per year until the first day of the month following the deceased's 75th birthday or 5 years after the date the Contract was issued, if later).

6. Various fees and charges are deducted under the Contracts. An annual contract maintenance fee of \$35 will be deducted from Contract value to reimburse Glenbrook for certain administrative expenses incurred in maintaining each Contract and the Variable Account. A daily asset-based administrative expense charge equal to an effective annual rate of 0.10% of the daily net assets in the Variable Account will be deducted to cover actual administrative expenses which exceed the revenues from the contract maintenance charge. These administrative fees are guaranteed not to increase for the duration of the Contract. Applicants state that the Company does not intend to profit from either of these charges.

7. Applicants state that the Company intends to deduct premium taxes either (a) at the payout start date, or (b) when a total withdrawal occurs. Glenbrook reserves the right to deduct such taxes when incurred. Premium taxes currently range from 0% to 3.5%.

8. Certain full or partial surrenders will be subject to a contingent deferred sales charge ("Withdrawal Charge") during the first six Contract years as follows:

No. of complete years since purchase payment being withdrawn was made	Applicable withdrawal charge percentage
0 years	6
1 years	6
2 years	5
3 years	5
4 years	4

No. of complete years since purchase payment being withdrawn was made	Applicable withdrawal charge percentage
5 years	4
6 years	3
7 years or more	0

For purposes of calculating the Withdrawal Charge, withdrawals are deemed to come from purchase payments first, beginning with the oldest purchase payment. Withdrawals made after all purchase payments have been withdrawn will not be subject to a Withdrawal Charge. In any Contract year, a Contract owner may withdraw 10% of the Contract value as of the date of the first withdrawal in the Contract year without incurring a Withdrawal Charge.

9. Proceeds from the Withdrawal Charge will be used to pay sales commissions and other promotional or distribution expenses associated with the marketing of the Contracts. Applicants state that the Withdrawal Charge may be insufficient to cover all costs relating to the distribution of the Contracts. To the extent that the Withdrawal Charge is insufficient to cover all distribution expenses, the deficiency will be met from Glenbrook's general account, which may include profits derived from the mortality and expense risk charge.

10. Applicants state that Glenbrook will assess a \$10 charge on each transfer or other reallocation of Contract value among the sub-accounts in excess of 12 per Contract year.

11. Applicants state that shares of the Fund are sold to the Variable Account at net asset value. The Fund will impose certain expenses, such as an investment advisory fee, which Contract owners will bear indirectly.

12. A daily charge equal to an effective annual rate of 1.35% of the assets in the Variable Account will be deducted to compensate Glenbrook for bearing certain mortality and expense risks under the Contracts. Of that amount, approximately 0.95% is for mortality risks (0.85% for the standard death benefit and 0.10% for the enhanced death benefit) and approximately 0.40% is for the expense risk. The mortality risk arises from Glenbrook's guarantee to cover all death benefits and to make income payments in accordance with the annuity tables contained in the Contracts, thereby relieving the annuitants of the risk of outliving funds accumulated for retirement. The expense risk assumed by Glenbrook is the risk that its actual administrative costs will exceed the amount recovered through the

¹ Applicants state that a registration statement on Form N-4 was filed with the Commission to register the investment interest in the Contracts with the SEC (File No. 33-62203).

administrative expense and contract maintenance charges. Applicants guarantee that the level of this charge will not increase for the duration of the Contract. If the mortality and expense risk charge is insufficient to cover the actual mortality costs and excess expenses, Glenbrook will bear the loss.

Applicant's Legal Analysis

1. Section 6(c) of the 1940 Act authorizes the Commission to grant an exemption from any provision, rule or regulation of the 1940 Act to the extent that it is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act. Sections 26(a)(2)(C) and 27(c)(2) of the 1940 Act, in relevant part, prohibit a registered unit investment trust, its depositor or principal underwriter, from selling periodic payment plan certificates unless the proceeds of all payments, other than sales loads, are deposited with a qualified bank and held under arrangements which prohibit any payment to the depositor or principal underwriter except a reasonable fee, as the Commission may prescribe, for performing bookkeeping and other administrative duties normally performed by the bank itself.

2. Applicants request exemptions from Sections 26(a)(2)(C) and 27(c)(2) of the 1940 Act to the extent necessary to permit the deduction of a 1.35% charge from the assets of the Variable Account to compensate Glenbrook for the assumption of mortality and expense risks under the Contracts. Applicants also request that such exemptive relief extend to any Other Contracts which may be issued in the future by the Variable Account or any Other Separate Account established by the Company. Applicants further request that the exemptive relief extend to Future Underwriters, certain other broker-dealers which may serve in the future as a principal underwriter of the Contracts or Other Contracts. Applicants assert that the requested exemptions are necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

3. Glenbrook represents that the 1.25% mortality and expense risk charge (excluding the 0.10% risk charge for the enhanced death benefit) is reasonable in relation to the risks assumed by the Company under the Contracts and reasonable in amount as determined by industry practice with respect to comparable annuity products. Applicants state that these

representations are based upon Glenbrook's analysis of publicly available information about comparable industry products, taking into consideration such factors as current charge levels and benefits provided, the existence of expense charge guarantees and guaranteed annuity rates. Glenbrook represents that it will maintain at its home office, a memorandum, available to the Commission, setting forth in detail the products analyzed in the course of, and the methodology and results of, its comparative review.

4. Applicants represent that the mortality risk charge of 0.10% for the enhanced death benefit is reasonable in relation to the risks assumed by the Company under the Contracts. Applicants state that in making this determination, Glenbrook conducted a large number of trials at various issue ages to determine the expected cost of the enhanced death benefit. Hypothetical asset returns were projected using generally accepted actuarial simulation methods. For each asset return pattern generated, hypothetical accumulated values were calculated by applying the projected asset returns to the initial value in a hypothetical account. Each accumulated value so calculated was then compared to the amount of the enhanced death benefit payable in the event of the hypothetical owner's death during the year in question. By analyzing the results of several such simulations, Applicants state that Glenbrook was able to determine actuarially the level cost of providing the enhanced death benefit. Based on this analysis, Glenbrook determined that a 0.10% mortality risk charge was reasonable for providing the enhanced death benefit. Glenbrook represents that the basis for this determination will be set forth in a memorandum which will be maintained at its home office and will be available to the Commission upon request.

5. Prior to issuing any Other Contracts, Applicants will determine that the aggregate mortality and expense risk charge under any Other Contracts is reasonable in relation to the risks assumed by Glenbrook and/or reasonable in amount as determined by industry practice with respect to comparable annuity products. Applicants represent that the basis for this conclusion will be set forth in a memorandum which will be maintained at Glenbrook's home office and will be available to the Commission upon request.

6. Applicants state that, if a profit is realized from the mortality and expense risk charge, all or a portion of such profit may be available to pay

distribution expenses not reimbursed by the Withdrawal Charge. The Company represents that there is a reasonable likelihood that the proposed distribution financing arrangements under the Contracts will benefit the Variable Account and Contract owners. Glenbrook represents that the basis for that conclusion is set forth in a memorandum which will be maintained at its home office and will be available to the Commission upon request.

7. Prior to issuing any Other Contracts, Applicants will determine that there is a reasonable likelihood that the proposed distribution financing arrangement under any Other Contracts will benefit the Variable Account or any Other Separate Account and Other Contract owners. Glenbrook represents that the basis for this conclusion will be set forth in a memorandum which will be maintained at its home office and will be available to the Commission upon request.

8. Applicants assert that the terms of the future relief request with respect to Other Separate Accounts, Other Contracts and Future Underwriters are consistent with the standards set forth in Section 6(c) of the 1940 Act. Applicants submit that, if Glenbrook were to seek exemptive relief repeatedly with respect to the issues addressed in this application, investors would not receive additional protection or benefit. Applicants assert that the requested relief will promote competitiveness in the variable annuity market by eliminating the need for the filing of redundant exemptive applications, thereby reducing administrative expenses and maximizing efficient use of resources. Applicants represent that both the delay and the expense of repeatedly seeking exemptive relief would impair the Company's ability to effectively take advantage of business opportunities as they arise.

9. Glenbrook also represents that the Variable Account or any Other Separate Accounts will invest only in management investment companies which undertake, in the event they should adopt a plan under Rule 12b-1 of the 1940 Act to finance distribution expenses, to have a board of directors or trustees, a majority of whom are not "interested persons" of the company within the meaning of Section 2(a)(19) of the 1940 Act, formulate and approve any such plan.

Conclusion

For the reasons set forth above, Applicants represent that the exemptions requested are necessary and appropriate in the public interest and consistent with the protection of

investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 95-27652 Filed 11-7-95; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[Public Notice No. 2274]

United States International Telecommunications Advisory Committee Telecommunications Development Sector (ITAC-D) Group; Meeting Notice

The Department of State announces that the United States International Telecommunications Advisory Committee Telecommunications Development Sector (ITAC-D) Group will meet on Friday, November 17, 1995, in Room 2533A from 10:00-12:00 noon at the U.S. Department of State, 2201 "C" Street, NW., Washington, DC 20520.

The agenda for the ITAC-D Group meeting will include preparations and review of U.S. contributions for the ITU-D Study Group 1 (Telecommunication Development Strategies and Policies) and Study Group 2 (Development, Harmonization, Management and Maintenance of Telecommunication Networks and Services, including Spectrum Management) meetings in Geneva. ITU-D Study Group 1 is scheduled for November 27-30. ITU-D Study Group 2 is scheduled for December 4-7.

Members of the General Public may attend the meetings and join in the discussions, subject to the instructions of the chair. Admittance of public members will be limited to the seating available. In this regard, entrance to the Department of State is controlled. If you wish to attend please call (202) 647-5233 no later than five (5) days before the scheduled meeting. Enter from the "C" Street Main Lobby. A picture ID will be required for admittance.

Dated: October 16, 1995.

Doreen F. McGirr,

Chair, U.S. ITAC for Telecommunication Development.

FR Doc. 95-27587 Filed 11-7-95; 8:45 am]

BILLING CODE 4710-45-M

Office of the Under Secretary for Economic and Agricultural Affairs

[Public Notice 2278]

Notice of Receipt of Application for a Permit for Pipeline Facilities To Be Constructed and Maintained on the Borders of the United States

AGENCY: Department of State.

The Department of State has received an application from Portal Pipeline Company for a permit, pursuant to Executive Order 11423 of August 16, 1968, as amended by Executive Order 12847 of May 17, 1993, to construct an extension of its existing pipeline at the U.S.-Canadian border near Burke County, North Dakota carrying crude oil. Portal Pipeline Company is incorporated in the State of Delaware, with its corporate offices located in Dallas, Texas. The proposed pipeline extension would be constructed to cross the United States-Canada border located in lot 1 Section 27, Township 154 North, Range 92 West, Burke County, North Dakota.

DATES: Interested parties are invited to submit, in duplicate, comments relative to this proposal on or before December 8, 1995.

FOR FURTHER INFORMATION CONTACT: Rosa Whitaker, Office of International Energy Policy, Department of State, Washington, DC 20520. (202) 647-2857. Glen R. Rase,

Director, Int'l Energy and Commodities.

[FR Doc. 95-27584 Filed 11-7-95; 8:45 am]

BILLING CODE 4710-07-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Noise Exposure Map Notice, McGhee-Tyson Airport, Knoxville, TN

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice.

SUMMARY: The Federal Aviation Administration (FAA) announces its determination that the noise exposure maps submitted by Metropolitan Knoxville Airport Authority for McGhee-Tyson Airport under the provisions of Title I of the Aviation Safety and Noise Abatement Act of 1979 (Pub. L. 96-193) and 14 CFR Part 150 are in compliance with applicable requirements.

EFFECTIVE DATE: The effective date of the FAA's determination on the noise exposure maps is October 12, 1995.

FOR FURTHER INFORMATION CONTACT: Jerry O. Bowers, Airports District Office, 2851

Directors Cove, Suite #3, Memphis, TN 38131-0301, 901-544-3495.

SUPPLEMENTARY INFORMATION: This notice announces that the FAA finds that the noise exposure maps submitted for McGhee-Tyson Airport are in compliance with applicable requirements of Part 150, effective October 12, 1995.

Under section 103 of Title I of the Aviation Safety and Noise Abatement Act of 1979 (hereinafter referred to as "the Act"), an airport operator may submit to the FAA noise exposure maps which meet applicable regulations and which depict noncompatible land uses as of the date of submission of such maps, a description of projected aircraft operations, and the ways in which such operations will affect the maps. The Act requires such maps to be developed in consultation with interested and affected parties in the local community, government agencies, and persons using the airport.

An airport operator who has submitted noise exposure maps that are found by FAA to be in compliance with the requirements of Federal Aviation Regulations (FAR) Part 150, promulgated pursuant to Title I of the Act, may submit a noise compatibility program for FAA approval which sets forth the measures the operator has taken or proposes for the reduction of existing noncompatible uses and for the prevention of the introduction of additional noncompatible uses.

The FAA has completed its review of the noise exposure maps and related descriptions submitted by Metropolitan Knoxville Airport Authority. The specific maps under consideration are McGhee-Tyson Airport Existing (1995) Noise Exposure Map and Future (2000) Noise Exposure Maps submission. The FAA has determined that these maps for McGhee-Tyson Airport are in compliance with applicable requirements. This determination is effective on October 12, 1995. FAA's determination on an airport operator's noise exposure maps is limited to a finding that the maps were developed in accordance with the procedures contained in Appendix A of FAR Part 150. Such determination does not constitute approval of the applicant's data, information or plans, or a commitment to approve a noise compatibility program or to fund the implementation of that program.

If questions arise concerning the precise relationship of specific properties to noise exposure contours depicted on a noise exposure map submitted under section 103 of the Act, it should be noted that the FAA is not