

The entire meeting will be open to the public. The person to contact for more information is Beatrice Ezerski, Secretary to the Board, Phone No. 312-751-4920.

Dated: March 8, 1996.

Beatrice Ezerski,  
Secretary to the Board.

[FR Doc. 96-6109 Filed 3-11-96; 2:33 pm]

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## SECURITIES AND EXCHANGE COMMISSION

### Proposed Collection; Comment Request; Extension: Rule 17a-13; SEC File No. 270-27; OMB Control No. 3235-0035

Upon written request, copies available from: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget a request for approval of extension on the following rule:

Rule 17a-13(b) requires that at least once each calendar quarter, brokers and dealers physically examine and count all securities held and account for all other securities not in their possession, but subject to the broker-dealer's control or direction. Any discrepancies between the broker-dealer's securities count and the firm's records must be noted and, within seven days, the unaccounted for difference must be recorded in the firm's records. Rule 17a-13(c) provides that under specified conditions, the securities count, examination and verification of the broker-dealer's entire list of securities may be conducted on a cyclical basis rather than on a certain date. Although Rule 17a-13 does not require filing a report with the Commission, the discrepancies must be reported on the form required by Rule 17a-5.

The information obtained from Rule 17a-13 is used as an inventory control device to monitor a broker-dealer's ability to account for all securities held, in transfer, in transit, pledged, loaned, borrowed, deposited or otherwise subject to the firm's control or direction. Discrepancies between the securities counts and the broker-dealer's records alert the Commission and the Self Regulatory Organizations ("SROs") to those firms having problems in their back offices.

Because of the many variations in the amount of securities that broker-dealers are accountable for, it is difficult to develop a meaningful figure for the cost of compliance with Rule 17a-13. About fifteen percent of all registered brokers and dealers are exempt from Rule 17a-13. Another significant amount of firms have minimal obligations under the rule because they hold, or are owed few securities. Approximately 5,000 broker-dealers have obligations under the rule and the average time it would take each broker-dealer to comply with the rule is 100 hours per year, for a total estimated annualized burden of 500,000 hours. It should be noted that most broker-dealers would engage in the activities required by Rule 17a-13 even if they were not required to do so.

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Direct your written comments to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 5th Street, N.W., Washington, DC 20549.

Dated: March 7, 1996.  
Margaret H. McFarland,  
Deputy Secretary.  
[FR Doc. 96-5962 Filed 3-12-96; 8:45 am]  
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### [Release No. 35-26485]

#### Filings Under the Public Utility Holding Company Act of 1935, as Amended ("Act")

March 7, 1996.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transactions(s) summarized below. The

application(s) and/or declaration(s) and any amendments thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by April 1, 1996, to the Secretary, Securities and Exchange Commission, Washington, DC 20549, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

*Cinergy Corporation* (70-8807)

Notice of Proposal for Employee Incentive Compensation Plan; Order Authorizing Solicitation of Proxies

Cinergy Corporation ("Cinergy"), 139 East Fourth Street, Cincinnati, Ohio, 45202, a registered holding company, has filed a declaration under sections 6(a), 7 and 12(e) of the Public Utility Holding Company Act of 1935, as amended ("Act"), and rules 54, 62 and 65.

On January 25, 1996, the Board of Directors of Cinergy ("Board"), adopted a new employee incentive compensation plan, the 1996 Long-Term Incentive Compensation Plan ("Plan"), subject to approval by Cinergy shareholders. Cinergy requests Commission authorization (i) to solicit proxies with respect to the Plan from shareholders of outstanding Cinergy common stock, \$0.01 par value per share ("Common Stock"), relative to the annual meeting of Cinergy shareholders scheduled for April 26, 1996 ("Annual Meeting"),<sup>1</sup> and (ii) to issue up to 7 million shares of Common Stock from time to time through December 31, 2000 in connection with the stock-based awards provided under the Plan.

The Plan would enable Cinergy to provide a variety of long-term stock-based and cash incentives to officers and other key employees of Cinergy and its direct and indirect subsidiaries

<sup>1</sup> Cinergy has engaged Corporate Investor Communications, Inc., a professional proxy solicitation firm, to assist in the solicitation of proxies.

("Cinergy System"). The Plan would involve performance-based compensation, which might be conditioned on attainment of specified performance measures, in the nature of (i) stock options ("Options"), (ii) rights to receive the appreciation in fair market value of Common Stock ("Stock Appreciation Rights"), (iii) grants of Common Stock, subject to transfer restrictions and risk of forfeiture ("Restricted Stock"), (iv) Common Stock or rights to receive the fair market value of Common Stock ("Performance Stock"), (v) cash or Common Stock with the same fair market value ("Performance Awards"), (vi) Common Stock or cash equal in value to dividends on Common Stock ("Dividend Equivalents"), (vii) other stock-based awards denominated or payable in, valued by reference to, or otherwise based on or related to, Common Stock ("Other Stock-Based Awards"), and (viii) cash awards.

Common Stock used for awards under the Plan may be authorized but unissued Common Stock or Common Stock purchased on the open market, in private transactions or otherwise. The maximum number of Common Stock that may be issued or transferred upon the exercise of Options or Stock Appreciation Rights, awarded as Restricted Stock and released from substantial risk of forfeiture, issued or transferred as Dividend Equivalents, and issued or transferred in payment of Performance Stock, Performance Awards or Other Stock-Based Awards which have been earned, shall not exceed 7 million shares through the year 2000.

The Plan will be administered by the Compensation Committee of the Board ("Committee"), all of whose members will be non-employee members of the Board who are disinterested persons within the meaning of rule 16b-3 of the Securities Exchange Act of 1934.

The group of Cinergy System employees who would be eligible to receive awards under the Plan consists of officers, employees who are employed in a significant executive, supervisory, administrative, operational or professional capacity, and employees who have the potential to contribute to the future success of the Cinergy System. The Committee would have the exclusive authority to determine, in its sole discretion, those eligible employees to whom awards would be granted at any time, as well as the type, size and other terms and conditions of each granted award, subject only to the parameters in the Plan. The Committee may make grants to employees under any or a combination of all of the

various categories of awards that are authorized under the Plan.

The Plan is intended to be of indefinite duration. However, the Board may amend or terminate the Plan in whole or in part, except that it will not, without the approval of Cinergy shareholders, increase the maximum amount of Common Stock that may be issued under the Plan, change the class of employees eligible to participate in the Plan, or cause the Plan to be in non-compliance with rule 16b-3 under the Securities Exchange Act of 1934.

It appears that the application-declaration, to the extent that it relates to the proposed solicitation of proxies, should be permitted to become effective forthwith pursuant to rule 62.

It is ordered, therefore, that the application-declaration, to the extent that it relates to the proposed solicitation of proxies be, and it hereby is, granted and permitted to become effective forthwith pursuant to rule 62 and subject to the terms and conditions prescribed in rule 24 under the Act.

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

Margaret H. McFarland,

*Deputy Secretary.*

[FR Doc. 96-5968 Filed 3-12-96; 8:45 am]

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[Release No. 34-36934; File No. S7-24-89]

**Joint Industry Plan; Solicitation of Comments and Order Approving Amendment No. 8 to Reporting Plan for Nasdaq/National Market Securities Traded on an Exchange on an Unlisted or Listed Basis, Submitted by the National Association of Securities Dealers, Inc., and the Boston, Chicago and Philadelphia Stock Exchange**

March 6, 1996.

On March 5, 1996, the National Association of Securities Dealers, Inc., and the Boston, Chicago, and Philadelphia Stock Exchanges (collectively, "Participants")<sup>1</sup> submitted to the Commission proposed Amendment No. 8 to a joint transaction

<sup>1</sup>The signatories to the Plan, i.e., the National Association of Securities Dealers, Inc. ("NASD"), and the Chicago Stock Exchange, Inc. ("Chx") (previously, the Midwest Stock Exchange, Inc.), Philadelphia Stock Exchange, Inc. ("Phlx"), and the Boston Stock Exchange, Inc. ("BSE"), are the "Participants." The BSE, however, joined the Plan as a "Limited Participant," and reports quotation information and transaction reports only in Nasdaq/National Market (previously referred to as "Nasdaq/NMS") securities listed on the BSE. Originally, the American Stock Exchange, Inc., was a Participant to the Plan, but did not trade securities pursuant to the Plan, and withdrew from participation in the Plan in August 1994.

reporting plan ("Plan") for Nasdaq/National Market securities traded on an exchange on an unlisted or listed basis.<sup>2</sup> Amendment No. 8 would extend the effectiveness of the Plan through March 15, 1996.<sup>3</sup> This order approves Amendment No. 8 to the Plan, thereby approving its operation through March 15, 1995.

**I. Background**

The Commission originally approved the Plan on June 26, 1990.<sup>4</sup> The Plan governs the collection, consolidation and dissemination of quotation and transaction information for Nasdaq/National Market securities listed on an exchange or traded on an exchange pursuant UTP. The Commission has extended the effectiveness of the Plan seven times since then to allow the Participants to trade pursuant to the Plan while they finalize their negotiations for revenue sharing under the Plan.<sup>5</sup>

As originally approved by the Commission, the Plan required the Participants to complete their negotiations regarding revenue sharing during the one-year pilot period. The January 1995 Extension Order approved the effectiveness of the Plan through August 12, 1995. Since January 1995, the Commission has expected the

<sup>2</sup>Section 12 of the Act generally requires an exchange to trade only those securities that the exchange lists, except that Section 12(f) of the Act permits unlisted trading privileges ("UTP") under certain circumstances. For example, Section 12(f), among other things, permits exchanges to trade certain securities that are traded over-the-counter ("OTC/UTP"), but only pursuant to a Commission order or rule. The present order fulfills this Section 12(f) requirement. For a more complete discussion of this Section 12(f) requirement, see November 1995 Extension Order, *infra* note 3, at n. 2.

<sup>3</sup>On December 28, 1995, the Commission extended the effectiveness of the Plan through March 5, 1996, by approving Amendment No. 7 to the Plan. See Securities Exchange Act Release No. 36650 (December 28, 1995), 60 FR 358 ("December 28 Extension Order").

<sup>4</sup>See Securities Exchange Act Release No. 28146 (June 26, 1990), 55 FR 27917 ("1990 Approval Order"). For a detailed discussion of the history of UTP in OTC securities, and the events that led to the present plan and pilot program, see 1994 Extension Order, *infra* note 5.

<sup>5</sup>See Securities Exchange Act Release No. 34371 (July 13, 1994), 59 FR 37103 ("1994 Extension Order"). See also Securities Exchange Act Release No. 35221, (January 11, 1995), 60 FR 3886 ("January 1995 Extension Order"), Securities Exchange Act Release No. 36102 (August 14, 1995), 60 FR 43626 ("August 1995 Extension Order"), Securities Exchange Act Release No. 36226 (September 13, 1995), 60 FR 49029 ("September 1995 Extension Order"), Securities Exchange Act Release No. 36368 (October 13, 1995), 60 FR 54091 ("October 1995 Extension Order"), Securities Exchange Act No. 36481 (November 13, 1995), 60 FR 58119 ("November 1995 Extension Order"), Securities Exchange Act Release No. 36589 (December 13, 1995), 60 FR 65696 ("December 13 Extension Order"), and the December 28 Extension Order, *supra* note 3.