

## Public Participation

The meeting is open to the public. Members of the public who wish to make oral statements should contact the Advisory Committee at the address or telephone number listed below at least five business days prior to the meeting. Reasonable provisions will be made to include on the agenda presentations from individuals who have not yet had an opportunity to address the Advisory Committee. Priority will be given to Gulf War veterans and their families. The Advisory Committee Chair is empowered to conduct the meeting in a fashion that will facilitate the orderly conduct of business. People who wish to file written statements with the Advisory Committee may do so at any time.

**FOR FURTHER INFORMATION CONTACT:** John D. Longbrake, Presidential Advisory Committee on Gulf War Veterans' Illnesses, 1411 K Street NW., suite 1000, Washington, DC 20005, Telephone: (202) 761-0066, Fax: (202) 761-0310.

Dated: April 2, 1996.

C.A. Bock,

*Federal Register Liaison Officer, Presidential Advisory Committee on Gulf War Veterans' Illnesses.*

[FR Doc. 96-8491 Filed 4-4-96; 8:45 am]

BILLING CODE 3610-76-M

## SECURITIES AND EXCHANGE COMMISSION

### Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following open meeting during the week of April 8, 1996.

An open meeting will be held on Wednesday, April 10, 1996, at 10:00 a.m., in Room 1C30.

The subject matter of the open meeting scheduled for Wednesday, April 10, 1996, at 10:00 a.m., will be:

Consideration of whether to propose a new regulation containing anti-manipulation rules governing securities offerings. The new regulation would simply, modify, and, in some cases, eliminate provisions that otherwise restrict the activities of issuers, underwriters, and others participating in a securities offering. The new regulation is proposed to be adopted under various provisions of the Securities Act of 1933 and Securities Exchange Act of 1934 ("Exchange Act") and, if adopted, would replace current Rules 10b-6, 10b-6A, 10b-7, 10b-8, and 10b-21 under the Exchange Act. Related amendments to Items 502(d) and 508 of both Regulations S-B and S-K, and to Rules 10b-18 and 17a-2 under the Exchange Act, also

will be considered. For further information, contact M. Blair Corkran or K. Susan Grafton at (202) 942-0772.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942-7070.

Dated: April 3, 1996.

Jonathan G. Katz,

*Secretary.*

[FR Doc. 96-8624 Filed 4-3-96; 2:17 pm]

BILLING CODE 8010-01-M

**[Release No. 34-37040; International Series Release No. 961; File No. SR-Amex-96-09]**

### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the American Stock Exchange, Inc. Relating to the Waiver of Transaction Fees

March 29, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> notice is hereby given that on March 18, 1996, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Amex proposes to waive the monthly equity transaction charge for executions in World Equity Benchmark Shares ("WEBS") for the first 90 days of trading.

#### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in

Sections (A), (B) and (C) below, of the most significant aspects of such statements.

#### (A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The Exchange proposes to waive, for the first 90 days of trading in WEBS, the monthly equity transaction charge for executions of on-floor and off-floor orders, including those for the accounts of floor members, Registered Options Traders, customers, and firm proprietary accounts. WEBS are issued by Foreign Fund, Inc., an open-end management investment company, and are listed on the Exchange pursuant to Exchange Rule 1000A.<sup>2</sup>

Each WEBS Index Series invests primarily in equity securities traded in foreign markets in an effort to track the performance of a specified foreign equity market index. Seventeen WEBS Index Series have been listed on the Exchange: Australia Index Series, Austria Index Series, Belgium Index Series, Canada Index Series, France Index Series, Germany Index Series, Hong Kong Index Series, Italy Index Series, Japan Index Series, Malaysia Index Series, Mexico (Free) Index Series, Netherlands Index Series, Singapore (Free) Index Series, Spain Index Series, Sweden Index Series, Switzerland Index Series, and United Kingdom Index Series.

The investment objective of each of the initial seventeen Index Series is to seek to provide investment results that correspond generally to the price and yield performance of publicly traded securities in the aggregate in particular foreign markets, as represented by a particular foreign equity securities index compiled by Morgan Stanley Capital International ("MSCI").

The Exchange believes it is appropriate to waive transaction charges for an initial 90-day period in order to promote additional investor and professional interest in WEBS with the aim of enhancing liquidity.

The Amex believes that its proposal is consistent with Section 6(b)(4) of the Act in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers, and other persons using the Exchange's facilities.

<sup>2</sup> See Securities Exchange Act Release No. 36947 (March 8, 1996), 61 FR 10606.

<sup>1</sup> 15 U.S.C. 78s(b)(1) (1988).

*(B) Self-Regulatory Organization's Statement on Burden on Competition*

The Amex believes that the proposed rule change will impose no burden on competition.

*(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

Written comments on the proposed rule change were neither solicited nor received.

### III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the proposed rule change establishes a due, fee, or other charge imposed by the Exchange, it has become effective pursuant to Section 19(b)(3)(A) of the Act and subparagraph (e) of Rule 19b-4 thereunder. At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

### IV. Solicitation of Comments

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, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, 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 that may be 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 Section, 450 Fifth Street, NW., Washington, DC. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to File No. SR-Amex-96-09 and should be submitted by April 26, 1996.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>3</sup>

<sup>3</sup> 17 CFR 200.30-3(a)(12) (1994).

Margaret H. McFarland,  
Deputy Secretary.

[FR Doc. 96-8395 Filed 4-4-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37045; File No. SR-BSE-95-02]

### Self-Regulatory Organizations; Boston Stock Exchange, Inc.; Order Granting Approval of Proposed Rule Change Permitting Competing Specialists on the Floor of the Exchange

March 29, 1996.

#### I. Introduction

On February 6, 1995, the Boston Stock Exchange, Inc. ("BSE" 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")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to adopt permanently rules permitting competing specialists on the floor of the Exchange and guidelines governing their registration and activity. The proposed rule change was published for comment in Securities Exchange Act Release No. 35404 (February 22, 1995), 60 FR 10882 (February 28, 1995).<sup>3</sup> Four comment letters were received on the proposed rule change.

#### II. Background

On May 18, 1994, the Commission approved a one-year pilot program, referred to as the Competing Specialist Initiative ("CSI"), that permits competing specialists on the floor of the BSE.<sup>4</sup> The pilot has been extended twice and will expire after March 29, 1996.<sup>5</sup>

Initially, the CSI pilot limited the number of specialists that could

<sup>1</sup> 15 U.S.C. § 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> On August 10, 1995, the BSE submitted Amendment No. 1 to the proposed rule change. Amendment No. 1 clarified that, under the BSE rules, limit orders will be executed in the order in which they are received by the BEACON System, *i.e.*, according to strict time priority, irrespective of firm order routing procedures. The rule change contained in Amendment No. 1 has been approved as part of the most recent extension of the competing specialist pilot. See Securities Exchange Act Release No. 36323 (September 29, 1995), 60 FR 52440 (October 6, 1995) (order extending pilot through March 29, 1996).

<sup>4</sup> See Securities Exchange Act Release No. 34078 (May 18, 1994), 59 FR 27082 (May 25, 1994) ("Pilot Approval Order"). Competition between multiple specialists on the Exchange did not begin, however, until July 1994, when two firms began acting as Competing Specialists in a total of seven issues.

<sup>5</sup> See Securities Exchange Act Release No. 35716 (May 15, 1995), 60 FR 26908 (May 19, 1995) (order extending pilot through October 2, 1995); and Securities Exchange Act Release No. 36323, *supra* note 3 (order extending pilot through March 29, 1996).

compete in a stock to three—one regular specialist and up to two Competing Specialists. Each Competing Specialist was limited to 10 stocks, unless the Exchange's Market Performance Committee approved an increase of up to 20 stocks per applicant firm. Competing Specialists were also prohibited from making cash payments for order flow. In its most recent extension of the program, the Commission approved an expansion of the program to allow a total of four specialists per stock. In addition, Competing Specialists were permitted to trade up to 100 stocks each. Presently, there are four member firms participating in the pilot program, cumulatively making markets in 44 stocks ("CSI stocks"). The Exchange proposes that the CSI be permanently approved without the above restrictions.

#### III. Description of the Program

As explained further below, the principal feature of the CSI is that it permits members to route order flow to a designated specialist for execution. Such order flow would only be executed by the designated specialist if there are then no limit orders on the BSE book at the execution price and one of the other specialists are quoting at the ITS/BBO with time priority.

##### A. Mechanics of the Competing Specialist Program

Under the BSE's competing specialist pilot, the Exchange's rules governing the auction market principles of priority, parity, and precedence remain unchanged for quotes at the Intermarket Trading System ("ITS") best bid or offer ("BBO").<sup>6</sup> Quotes representing customer orders have priority over specialists' quote at the same price,<sup>7</sup> and specialist quoting at the ITZ/BBO have priority over specialists not quoting at the ITS/BBO. If two or more specialists are quoting at the ITS/BBO, the earliest bid/offer at that price has time priority and will be filled first up to its specified size.<sup>8</sup> If the specialists are on both price

<sup>6</sup> See BSE Rules, Chapter II, Sec. 6.

<sup>7</sup> When acting as an agent, specialists are required to hold the interests of orders entrusted to them above their own interests. See BSE Rules Chapter XV, Sec. 2(b). Specialists may not trade for their own accounts at the same or better price as unexecuted limit orders that are being held for customers. See BSE Rules, Chapter II, Sec. 11. The Exchange recently clarified in its rules that because there is only one Exchange market in a security, specialists may not trade ahead of any limit order on the Exchange, irrespective of firm order routing designations. See Securities Exchange Act Release No. 36323, *supra* note 3.

<sup>8</sup> Regardless of the number of specialists competing in a stock, the BSE displays only one consolidated quotation (best quote among all the