

values of Index futures traded on the CME. This, in turn, should help to ensure that the Index options traded on the CBOE will serve as an effective mechanism for hedging investments in Nasdaq-100 futures and vice versa.

As described above, existing options series using the old settlement methodology will be phased-out over time. Accordingly, no new expiration months will be added to the Nasdaq-100 Index options class with the old exercise settlement value methodology and this class of options will cease to exist after September 1996 expiration. In addition, by issuing a regulatory circular to its membership concerning the change in settlement methodology for Nasdaq-100 options, which will include a schedule that details when the new series with the new settlement methodology will begin trading and when the outstanding series with the old settlement methodology will expire, investor confusion should be avoided. Lastly, the Commission believes that the VWP settlement methodology may reduce the susceptibility of the Index to manipulation by diminishing the impact of a single trade on the settlement price.

The Commission finds good cause to approve the proposal, including Amendment No. 1, prior to the thirtieth day after the date of publication of notice of filing thereof in the Federal Register. By accelerating the effectiveness of the CBOE's rule proposal, thereby matching the trading timetable of the Nasdaq-100 futures on the CME, the Commission will ensure that market participants will be able to utilize similar settlement methodologies for both futures and options. In addition, the Commission believes that the proposed settlement method does not present any new or novel regulatory issues as the Commission has previously approved a settlement method utilizing average weighted prices.⁷ Accordingly, the Commission believes that it is consistent with Sections 6(b)(5) and 19(b)(2) of the Act to approve the proposed rule change, including Amendment No. 1, on an accelerated basis.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2)⁸ of the Act, that the proposed rule change (File No. SR-CBOE-96-12), as amended, is hereby approved on an accelerated basis.

⁷ See Securities Exchange Act Release No. 32120 (April 9, 1993), 58 FR 19864 (April 16, 1993) (approval order for the Financial Times-Stock Exchange 100 Index) (File No. SR-CBOE-92-34).

⁸ 15 U.S.C. § 78s(b)(2) (1988).

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-9302 Filed 4-15-96; 8:45 am]

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[Release No. 34-37088; File No. SR-NASD-96-06]

Self-Regulatory Organizations; Order Approving Proposed Rule Change by National Association of Securities Dealers, Inc., Relating to Issuer Hearing Fees

April 9, 1996.

On February 22, 1996, the National Association of Securities Dealers, Inc. ("NASD" or "Association") filed a proposed rule change with 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 The proposed rule change increases the hearing fees for issuers seeking continued or initial inclusion on The Nasdaq Stock Market.

Notice of the proposed rule change, together with the substance of the proposal as initially filed, was provided by issuance of a Commission release (Securities Exchange Act Release No. 36900, February 28, 1996) and by publication in the Federal Register (61 FR 8996, March 6, 1996). No comment letters were received. This order approves the proposed rule change.

Parts II and III of Schedule D to the NASD By-Laws set forth the requirements applicable to issuers for initial and continued inclusion in The Nasdaq Stock Market. Pursuant to Article IX of the NASD Code of Procedure, issuers may apply for an exception to these requirements, which shall be considered by a hearing panel designated by the Board of Governors. Part IV of Schedule D to the NASD By-Laws sets forth the applicable fees for an issuer's application for an exception.³ These fees are being increased from \$500 to \$1,400 for written applications and from \$1,000 to \$2,300 for oral applications.

The costs associated with the hearing process include fixed costs for all

⁹ 17 CFR 200.30-3(a)(12) (1994).

¹ 15 U.S.C. § 78s(b)(1).

² CFR 240.19b-4.

³ Pursuant to a new rule numbering system for the NASD Manual that the NASD anticipates to put into effect no later than May 1, 1996, this rule will become Rule 4530. See Exchange Act Release No. 36698 (January 11, 1996), 61 FR 1419 (January 19, 1996), order approving the new rule numbering system.

applications and additional variable costs for oral hearing applications. The NASD states that the increased fees relate directly to these costs and reflect the recovery of the fixed costs evenly across all hearing applicants and the recovery of the additional variable costs only from oral hearing applicants.

The Commission finds that the proposed rule change is consistent with the provisions of Section 15A(b)(5) of the Act⁴ because the fees are an equitable allocation of the costs of providing a forum for issuers seeking to maintain or establish inclusion in The Nasdaq Stock Market. The fees are designed to be revenue neutral and directly offset the costs associated with providing an issuer with the type of hearing requested.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that File No. SR-NASD-96-06 be, and hereby is, approved.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-9303 Filed 4-15-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37090; File No. SR-CBOE-96-05]

Self-Regulatory Organizations; Order Granting Approval to Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to Limitation of Liability of Index Reporting Authorities

April 9, 1996.

I. Introduction

On February 7, 1996, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") submitted to the Securities and Exchange Commission ("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 Exchange Rule 24.14, which provides for disclaimers of liability on behalf of designated index reporting authorities.

The proposed rule change appeared in the Federal Register on March 5, 1996.³ No comments were received on the

⁴ 15 U.S.C. § 78o-3.

⁵ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1) (1988).

² 17 CFR 240.19b-4 (1994).

³ See Securities Exchange Act Release No. 36896 (February 27, 1996), 61 FR 8698 (March 5, 1996).

proposed rule change. This order approves the CBOE's proposal.

II. Background and Description

The purpose of the proposed rule change is to amend Exchange Rule 24.14, which in its present form contains four separate disclaimers of liability on behalf of four different index reporting authorities.⁴ Index reporting authorities provide index values to the Exchange that serve as the basis for the various classes of index options listed and traded on the Exchange. Pursuant to the terms of the Exchange's contracts with certain index reporting authorities, the Exchange has agreed to include these specific liability disclaimers in its rules. Although the substance of each of these disclaimers is the same, they differ somewhat in their language, as reflected in the four paragraphs of existing Exchange Rule 24.14. The proposed rule change would combine the four existing disclaimers in a single paragraph in order to eliminate editorial differences among them, and add the CBOE and any other designated index reporting authorities as persons entitled to the benefit of the disclaimer.

III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b)(5),⁵ in that by retaining and clarifying existing disclaimers of liability that have been found to satisfy statutory standards, the proposed rule change will improve the basis on which index options are listed and traded on the CBOE. This improvement, in turn, will serve to promote just and equitable principles of trade as well as to protect investors and the public interest. In addition, the Commission believes that it is reasonable for the Exchange to define the domain of persons who are entitled to the benefits associated with the disclaimer.

IV. Conclusion

For the foregoing reasons, the Commission finds that the CBOE's proposal to amend Exchange Rule 24.14 is consistent with the requirements of

the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁶ that the proposed rule change (SR-CBOE-96-05) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-9304 Filed 4-15-96; 8:45 am]

BILLING CODE 8010-01-M

Issuer Delisting; Notice of Application to Withdraw From Listing and Registration; (Stepan Company, Common Stock, \$1.00 Par Value) File No. 1-4436

April 10, 1996.

Stepan Company ("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 security ("Security") from listing and registration on the American Stock Exchange, Inc. ("Amex").

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

According to the Company, in addition to being listed on the Amex, the Security is listed on the New York Stock Exchange, Inc. ("NYSE"). The Security commenced trading on the NYSE at the opening of business on March 14, 1996 and concurrently therewith the Securities were suspended from trading on the Amex.

In making the decision to withdraw the Security from listing on the Amex, the Company considered the direct and indirect costs and expenses attendant with maintaining the dual listing of the Security on the NYSE and on the Amex. The Company does not see any particular advantage in the dual trading of the Security and believes that dual listing would fragment the market for the Security.

Any interested person may, on or before April 30, 1996, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549, facts bearing upon whether the application has been made in accordance with the rules of the exchanges 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. 96-9305 Filed 4-15-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 21880; 811-5204]

Delaware Group Foreign Investors Government Fund, L.P.; Notice of Application

April 10, 1996.

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

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

APPLICANT: Delaware Group Foreign Investors Government Fund, L.P.

RELEVANT ACT SECTION: Section 8(f).

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

FILING DATE: The application was filed on March 14, 1996.

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 6, 1996, and should be accompanied by proof of service on the 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 Fifth Street NW., Washington, DC 20549. Applicant, 2005 Market Street, Philadelphia, Pennsylvania 19103.

FOR FURTHER INFORMATION CONTACT: Diane L. Titus, Paralegal Specialist, at (202) 942-0584, or David M. Goldenberg, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

⁴ In Exchange Rule 24.1(h), the CBOE defines the term "reporting authority" in respect of a particular index as the institution or reporting service designated by the Exchange as the official source for calculating the level of the index from the reported prices of the underlying securities that are the basis of the index and reporting such level.

⁵ 15 U.S.C. 78f(b)(5) (1988).

⁶ 15 U.S.C. 78s(b)(2) (1988).

⁷ 17 CFR 200.30-3(a)(12) (1994).