earnings, in accordance with rule 53 under the Act.

AEP now proposes to extend the time period during which it may issue and sell the Remaining Shares, and issue and sell an additional ten million shares of Common Stock, pursuant to the Plan, through December 31, 2000. As a result thereof, AEP will have total authorization under the Plan to issue and sell up to 54 million shares of Common Stock.

The proceeds of the issuance and sale of the additional shares of Common Stock will be used: (1) To pay, at maturity, unsecured debt of AEP; (2) to make additional investments in the common stock equities of AEP's subsidiaries; and (3) for other general corporate purposes, including the acquisition of interests in EWGs and FUCOs.

Entergy Corporation, et al. (70–8861).

Entergy Corporation (''Entergy''), 639 Loyola Avenue, New Orleans, Louisiana 70113, a registered holding company, and two of its wholly-owned subsidiaries, Entergy Operations, Inc. (''Entergy Operations''), Echelon One, 1340 Echelon Parkway, Jackson, Mississippi 29213 and Entergy Services, Inc. (''Entergy Services'' and together with Entergy and Entergy Operations, ''Applicants''), 639 Loyola Avenue, New Orleans, Louisiana 70113, have filed an application-declaration under sections 6(a), 7, 9(a), 10 and 13 of the Act and rules 45, 86, 87, 90 and 91.

Appicants requests authority for Entergy to establish a new subsidiary named Entergy Nuclear, Inc. (''Entergy Nuclear''), to serve as a holding company for one or more wholly-owned special purpose companies (''Subsidairies''). Entergy Nuclear will, directly or through the subsidiaries, provide nuclear plant operations, management and other nuclear-related services and products to domestic and foreign nonassociate companies. All such nuclear-related services and any related products would be provided to nonassociates at market prices.

Entergy Services provides certain administrative, financial, and support services to associates in the Entergy system. To support the sale by Entergy Nuclear of services to nonassociates, Applicants propose that Entergy Services enter into a service agreement with Entergy Nuclear. Under this agreement, Entergy Services may provide to Entergy Nuclear certain administrative and support services that will enable Entergy Nuclear to provide such services to nonassociates. Entergy Nuclear will reimburse Entergy Services for these services at cost, in accordance with rules 90 and 91 under the Act. Additionally, each of Entergy Nuclear and Entergy Services may provide to the other intellectual property it has developed or otherwise acquired.

Entergy Operations currently operates and manages the five nuclear power generating plants in the Entergy system, which are owned by certain Entergy subsidiaries (''System Nuclear Owners''). To support the sale by Entergy Nuclear of services to nonassociates, Applicants propose that Entergy Operations enter into an agreement with Entergy Nuclear. Under this agreement, Entergy Operations will provide to Entergy Nuclear certain services and products related to nuclear business operations, including the sharing and/or loaning of personnel, that will enable Entergy Nuclear to provide such services to nonassociates.

Under the agreement between Entergy Operations and Entergy Nuclear, Entergy Nuclear may also provide certain services and products related to nuclear business operations, including the sharing and/or loaning of personnel, to Entergy Operations. Each of Entergy Operations and Entergy Nuclear will reimburse the other for services rendered under the agreement at cost, in accordance with rules 90 and 91.

The agreement between Entergy Nuclear and Entergy Operations will also provide that each may provide to the other intellectual property it has developed or otherwise acquired. Under the agreement, Entergy Nuclear may sell to nonassociates rights to intellectual property obtained under the agreement from Entergy Operations, provided that no such sale would prohibit or restrict the continued use of such property by Entergy Operations or the System Nuclear Owners.

Applicants additionally propose that Entergy Nuclear provide certain nuclear-related services and products and administrative and support services to each of the Subsidiaries pursuant to a separate agreement with each such Subsidiary. Each such agreement will also provide for the provision of services related to nuclear business operations by the Subsidiary to Entergy Nuclear.

Services provided by either Entergy Nuclear or the Subsidiary under such an agreement may involve the sharing and/or loaning of personnel from time to time. These services will be provided in accordance with rules 90 and 91. Additionally, each of Entergy Nuclear and a Subsidiary may, under a service agreement between the two, provide to the other certain intellectual property it has developed or otherwise acquired.

Entergy requests authority to make investments in Entergy Nuclear, at one time or from time to time, up to an aggregate amount of $10 million outstanding at any one time through December 31, 2001. Such investments may take the form of (1) purchase of common stock, (2) capital contributions and open accounts, (3) loans, (4) guarantees of securities or other obligations, or (5) any combination thereof. Further, Entergy Nuclear proposes, through December 31, 2001, to lend to, or act as co-surety or indemnitor with respect to the securities or other obligations of, the Subsidiaries for amounts aggregating up to $10 million.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 96–17663 Filed 7–10–96; 8:45 am]

BILLING CODE 8010–01–M

[Investment Company Act Rel. No. 22053; 812–8418]

Samuel Evans Wyly, et al.; Notice of Application

July 5, 1996.

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

ACTION: Notice of application for temporary and permanent orders under the Investment Company Act of 1940 (''Act'').

APPLICANTS: Samuel Evans Wyly (''Wyly''); Maverick Capital, Ltd. (''Maverick'').

RELEVANT ACT SECTIONS: Temporary and Permanent orders requested under section 9(c) for an exemption from the provisions of section 9(a).

SUMMARY OF APPLICATION: Applicants have requested temporary and permanent orders under section 9(c) exempting Wyly and Maverick from the disqualification provisions of section 9(a) with respect to a securities-related injunction entered against Wyly. The orders would permit Maverick to serve as investment subadviser to one portfolio of The Palladian Trust (the ''Trust'')

FILING DATES: The application was filed on May 28, 1993, and amended on October 1, 1993, December 6, 1994, November 15, 1995, March 1, 1996, and May 15, 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 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 July 30, 1996, 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 writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request such notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, 8080 N. Central Expressway, Suite 1300, Dallas, Texas 75206.

FOR FURTHER INFORMATION CONTACT: Courtney S. Thornton, Senior Counsel, at (202) 942–0583, or Alison E. Baur, Branch Chief, at (202) 942–0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch.

Applicants' Representations

1. Maverick, a Texas limited partnership, is registered as an investment adviser under the Investment Advisers Act of 1940 (''Advisers Act''). All of the partners of Maverick are members of the Wyly family or trusts established for the benefit of family members. Maverick provides investment advice to clients, including a number of private investment companies.

2. Wyly is a general partner and president of Maverick. As president, he oversees the operations of the firm. Wyly's involvement in Maverick's investment advisory business is limited to assisting in formulating its overall investment philosophy and investment objectives. He does not oversee the execution of trades or participate in daily investment management decisions, nor does he perform any financial analysis used to make investment decisions affecting client assets managed by Maverick.

3. In 1979, Wyly was named as a defendant in an injunctive action filed by the Commission (the ''Complaint'').[1] The Complaint alleged that Wyly had violated section 17(a) of the Securities Act of 1933 and various provisions of the Securities Exchange Act of 1934 in connection with an exchange offer accompanying a plan of recapitalization of Wyly Corporation. Specifically, the Complaint alleged that, as chairman of the board of directors of the corporation, Wyly had arranged for certain individuals to be compensated beyond the terms of the exchange offer as an inducement to participate in the offer. On December 6, 1979, without admitting or denying any wrongdoing, Wyly consented to the entry of a permanent injunction enjoining him from further conduct in violation of those provisions.

4. The Trust is a registered open-end management investment company. Palladian Advisors, Inc. (''PAI'') acts as overall manager of the Trust. In this capacity, PAI evaluates and recommends to the Trust registered investment advisers to be retained as portfolio managers by the Trust, monitors their performance, and makes periodic reports to the Trust. Tremont Partners (''Tremont''), an investment adviser registered under the Investment Advisers Act of 1940 (''Advisers Act''), will assist PAI in the management of the Trust, and will provide investment consulting services relating to the development, implementation, and management of the Trust's multiple portfolio manager program. Tremont also will assist PAI with the periodic reevaluation of these portfolio managers.

5. Maverick has been asked by PAI to act as subadviser for one of the protfolios of the Trust. If the requested relief is granted, Wyly will not have any role in the management of the assets of the Trust portfolio. Lee A. Ainslie, III (''Ainslie''), a managing director of Maverick, will be responsible for the investment decisions made on behalf of the Trust portfolio and will have final decision-making responsibility. Ainslie will work with Maverick's chief compliance officer, Michael French, whose decisions on compliance matters are final and are not subject to review by Wyly or any other partner, officer, or employee of Maverick.

Applicants' Legal Analysis

1. Section 9(a)(2), in relevant part, prohibits any person who has been enjoined from engaging in or continuing any conduct or practice in connection with the purchase or sale of a security from acting as an employee, officer, director, member of an advisory board, investment adviser, or depositor of any registered investment company. In addition, a company whose employee or other affiliated person is ineligible to serve in any such capacity under section 9(a)(2) is similarly disqualified under section 9(a)(3). Accordingly, Wyly is subject to the disqualification provisions of section 9(a)(2) because of the injunction, and Maverick is disqualified under section 9(a)(3) because Wyly is an affiliated person of Maverick.[2]

2. Section 9(c) provides that the Commission shall grant an application for an exemption from the disqualification provisions of section 9(a), either unconditionally or on an appropriate temporary or other conditional basis, if it is established that these provisions, as applied to the applicant, are unduly or disproportionately severe, or that the conduct of the applicant has been such as not to make it against the public interest or protection of investors to grant such application.

3. Applicants state that the injunction was entered over sixteen years ago, and note that Wyly has complied fully with the terms of the injunction since then. In addition, applicants assert that neither Wyly nor Maverick has been subject to any other enforcement or disciplinary proceeding brought by the Commission, any other federal or state law enforcement or regulatory agency, or any self-regulatory organization. Moreover, the actions that gave rise to the injunction did not relate to any investment advisory or investment company activity.

4. Applicants state that they have retained two independent consultants to perform on-site inspections of Maverick's existing advisory business and preparedness to take on investment company management. The consultant on Advisers Act issues certified that, to the best of its knowledge, Maverick (1) is currently in compliance with the Advisers Act and state adviser laws, (2) has developed new written procedures relating to its investment advisory activities, and (3) has adequate procedures in place to provide reasonable assurance that it will remain in compliance with those laws. Another consultant reviewed Maverick's existing capabilities and procedures to determine if Maverick was in a position to take on the responsibility of managing an entity subject to the Act. Although this consultant has recommended general procedures for Maverick to follow in connection with its proposed investment company activities, it has been unable to recommend precise procedures for Maverick to follow because Maverick

[1] *SEC* v. *Samuel E. Wyly*, Civil Action No. 79–3275 (D.D.C. 1979).

[2] Section 2(a)(3)(D) defines an ''affiliated person'' of another as any officer, director, partner, copartner, or employee of such other person.

has not yet been told which portfolio of the Trust it will be asked to manage. Once this has been decided, PAI will provide Maverick with a compliance manual, which the consultant or outside counsel will review to ensure that it meets applicable requirements under the Act. Maverick's compliance procedures then will be updated to reflect this review of the compliance manual provided by PAI.

5. Maverick will continue to utilize the services of both consultants if temporary and permanent relief is granted. Before the expiration of the one year temporary order, applicants will have each consultant perform another thorough inspection of Maverick's operations and certify to the Commission that applicants are in compliance with the securities laws before the Division acts on the request for permanent relief. Further, as a condition to the permanent exemption, applicants will agree to have the consultants perform on-site periodic audits of Maverick to make sure that Maverick is following the compliance procedures. Neither Wyly nor Maverick will be able to dismiss either of the consultants without appointing another consultant that is not unacceptable to the Commission.

6. Applicants argue that, in light of the foregoing procedures, barring Maverick from serving as a subadviser to one portfolio of a registered investment company because of events that occurred more than 16 years ago would be unduly and disproportionately severe. Applicants also state that Wyly will not be involved in advisory activities for the Trust and assert that his conduct during the 16 years since the entry of the injunction has been such as not to make it against the public interest or protection of investors to grant the relief requested.

Applicants' Conditions

1. Applicants agree that any temporary order granted pursuant to the application will be subject to the following conditions:

a. With respect to registered investment companies, Maverick will provide investment advice only as subadviser to one portfolio of the Trust.

b. Wyly will not have a direct, personal role in providing investment advice to the Trust.

c. Wyly will not attend any partnership meeting at which the operations of, or provision of investment advice to, the Trust portfolio are proposed to be discussed, and will excuse himself from any meeting at which such subjects arise. Further, Wyly will not discuss the provision of investment advice to such portfolio with any person responsible for providing such advice.

d. When Maverick is appointed subadviser to a specific portfolio of the Trust, applicants will provide Maverick's updated compliance manual and the updated consultant's report on Maverick's compliance procedures to the Division.

2. Applicants agree that any permanent relief granted pursuant to the application will be subject to the conditions to the temporary relief and the following additional conditions:

a. Prior to the expiration of the temporary order, an independent consultant(s) not unacceptable to the SEC will confirm in writing to the SEC that Maverick is operating in compliance with the Act and the Advisers Act.

b. Maverick's chief compliance officer will certify annually that Maverick has complied with the procedures and practices referred to in the consultants' reports, and that those procedures and practices continue to be sufficient to ensure Maverick's compliance with the state and federal securities laws. One copy of that certification will be maintained as part of the permanent records of Maverick, and one copy will be delivered to the board of directors of the Trust.

c. An independent consultant(s) not unacceptable to the SEC will conduct periodic on-site inspections of Maverick to ensure that Maverick is following all compliance procedures.

By the Commission.

Jonathan G. Katz,

Secretary.

[FR Doc. 96–17629 Filed 7–10–96; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–37393; File No. SR–CBOE–96–35]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Board Options Exchange, Inc., To Amend the Firm Facilitation Exemption

July 2, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on June 12, 1996, the Chicago Board Options Exchange, Inc. (''CBOE'' 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 CBOE, pursuant to Rule 19b–4 of the Act, proposes to amend the firm facilitation exemption provisions of its common or basic position limit rule.

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

Earlier in 1996, the CBOE obtained Commission approval to expand the firm facilitation exemption[3] from position and exercise limits to all non-multiply-listed Exchange option classes.[4] Interpretation .06 to Exchange Rule 4.11, the common or basic position limit rule, contains the new firm facilitation exemption provisions. Currently, only a member firm who facilitates and executes an order for its own customer[5] may qualify for a firm facilitation exemption.

The CBOE is proposing to amend the firm facilitation exemption so that both: (a) A member firm who facilitates its own customer whose account it carries, whether the firm executes the order itself or gives the order to an independent broker for execution; and (b) a member firm who receives a customer order for execution only (and thus will not have the resulting position carried by the firm, may qualify for this

[1] 15 U.S.C. § 78s(b)(1) (1988).

[2] 17 CFR 240.19b–4.

[3] The CBOE notes that a facilitation trade is a transaction that involves crossing an order of a member firm's public customer with an order from the member firm's proprietary account.

[4] *See* Securities Exchange Act Release No. 36964 (March 13, 1996), 61 FR 11453 (March 20, 1996) (File No. SR–CBOE–95–68).

[5] The CBOE defines a customer order as one that is entered, cleared, and in which the resulting position is carried with the firm.