the Company has informed the Commission that it considered the direct and indirect costs and expenses associated with maintaining the listing of the Securities on the Amex and complying with the reporting requirements of the Act. The Company also considered the limited number of recordholders of the Security, the availability of a market maker [1] for the Security and the fact that the Company no longer has other publicly traded equity securities. In addition, the Company considered that holders of the Security will benefit to the extent that any cost savings realized by delisting improves the credit worthiness of the Company.

The Company has complied with Rule 18 of the Amex by filing with the Amex a certified copy of preambles and resolutions adopted by the Company's Board of Directors authorizing the withdrawal of the Security from listing on the Amex, and by setting forth in detail to the Amex the reasons for such proposed withdrawal and the facts in support thereof. The Amex has informed the Company that it has no objection to the withdrawal of the Security from listing on the Amex. Pursuant to Amex's request and Amex Rule 18(2)(b), the Company mailed notice of its intention to file this application to the registered holders of the Security on or about March 5, 1996.

In response, the Company received three comment letters written by two holders of the Security concerning the Company's application to delist the Security.[2]

The first commentor objected to the proposed delisting of the Security on the basis that it destroys an open market for the Security, thereby allowing the Company to set the value of the Security. In a second letter, this commentor also requested information regarding the nature of the cost savings due to the delisting of the Security, the name of the news service that will publish the quotation for the Security and asked why Sierra would not be liable to the holders of the Security. In response to the commentor's first letter, the Company stated that Bear, Stearns & Co., Inc. has confirmed that it intends to act as a market-maker for the Security and, moreover, the value of the Security will be set by the market place and not by the Company. In response to the commentor's second letter, the Company stated that delisting the Security would alleviate accounting fees, legal fees, listing fees, and filing fees associated with the maintenance of a listing on the Amex. The Company also stated that brokers should be able to ascertain the quotation for the Security by contacting Bear, Stearns & Co., Inc. Lastly, the Company stated that the Securities are a debt obligation of the Company and are not automatically assumed or guaranteed by anyone, in this case Sierra, who becomes a shareholder of the Company after the issuance of the Security.

The second commentor objected to the proposed delisting of the Security on the basis that there are more than 50 holders of the Security. The Company responded that the indenture trustee has confirmed that there are fewer than 50 record holders of the Security.

Any interested person may, on or before May 13, 1996, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, NW., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the exchange 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. 96–10316 Filed 4–25–96; 8:45 am]

BILLING CODE 8010–01–M

[1] Bear, Stearns & Co. Inc. has indicated that it will act as a market maker for the Security upon the delisting of such Security from the Amex. *See* letter from Stephen M. Parish, Managing Director, Bear, Stearns & Co. Inc. to James L. Starr, Chief Financial Officer, Sierra Health Services, Inc. dated Feb. 15, 1995. Bear, Stearns & Co. Inc. also indicated, however, that it reserves the right to cease acting as a market maker for the Security at any time and for any reason. *Id.*

[2] The Company provided the Commission with copies of the three comment letters as well as the Company's responses thereto.

[Investment Company Act Release No. 21908; 811–3702]

Prudential Strategist Fund, Inc.; Notice of Application for Deregistration

April 22, 1996.

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

ACTION: Notice of Application for Deregistration under the Investment Company Act of 1940 (the ''Act'').

APPLICANT: Prudential Strategist Fund, Inc.

RELEVANT ACT SECTION: Section 8(f).

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

FILING DATES: The application was filed on January 26, 1996 and amended on April 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 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 17, 1996, and should be accompanied by proof of service on 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, N.W., Washington, D.C. 20549. Applicant, One Seaport Plaza, New York, New York 10292, Attention: S. Jane Rose, Esq.

FOR FURTHER INFORMATION CONTACT: Mercer E. Bullard, Staff Attorney, (202) 942–0565, or Alison E. Baur, Branch Chief, (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 at the SEC's Public Reference Branch.

Applicant's Representations

1. Applicant is an open-end, diversified management investment company incorporated under Maryland law. On March 31, 1983, applicant registered under the Act and filed a registration statement pursaunt to Section 8(b) of the Act and the Securities Act of 1933. The registration statement was declared effective on June 6, 1983. Applicant commenced an initial public offering of its shares on June 13, 1983. Applicant initially registered under the name Prudential-Bache Research Fund, Inc., changed its name to Prudential Growth Fund, Inc. on October 24, 1991, and again changed its name to Prudential Strategist Fund, Inc. on June 23, 1994. Applicant offers three classes of shares: Class A, Class B and Class C.

2. On March 7, 1995, applicant's Board of Directors (the ''Board'') authorized the execution of an Agreement and Plan of Rorganization and Liquidation (the ''Agreement'')

between the applicant and the Prudential Multi-Sector Fund, Inc. (the ''Multi-Sector Fund''). The Multi-Sector Fund was incorporated under Maryland law and SEC records indicate that it is registered as an open-end, non-diversified management investment company.

3. The Board approved the reorganization because declining assets had resulted in increased expense ratios and the reorganization was expected to achieve economies of scale by eliminating duplicative expenses.

4. The Multi-Sector Fund and applicant have the same investment adviser, Prudential Mutual Fund Management, Inc., and applicant and the Multi-Sector Fund accordingly may be deemed to be affiliated persons. Applicant therefore relied on the exemption provided by rule 17a–8 under the Act to effect the merger.[1] In accordance with the rule, the directors of applicant determined that the sale of applicant's assets to the Multi-Sector Fund was in the best interest of applicant and that the interests of the shareholders of applicant would not be diluted by the exchange of Class A shares, Class B shares and Class C shares of applicant for Class A shares, Class B shares and Class C shares of the Multi-Sector Fund, respectively.

5. Proxy materials were filed with the SEC on April 27, 1995 and distributed to applicant's shareholders on or about that date. On June 9, 1995, applicant's shareholders approved the Agreement.

6. On June 23, 1995, the effective date of the merger, applicant had total net assets of $180,586,169, comprising 8,583,943 Class A shares at a rounded net asset value of $16.31 per share, 2,524,094 Class B shares at a rounded net asset value of $16.06 per share and 4,337 Class C shares at a rounded net asset value of $16.05 per share.

7. Pursuant to the Agreement, on June 23, 1995 the applicant transferred all of its assets to the Multi-Sector Fund, and the Multi-Sector Fund assumed all of applicant's liabilities, in exchange for 10,248,304.170 Class A shares, 3,001,830.667 Class B shares and 5,157.037 Class C shares of the Multi-Sector Fund. Such Class A shares, Class B shares and Class C shares of the Multi-Sector Fund were distributed *pro rata* to the Class A, Class B and Class C shareholders of applicant. The number of shares of the Multi-Sector Fund distributed to shareholders of the Strategist Fund was determined by dividing the net asset value of each share of each class of the Strategist Fund by the net asset value of each share of each class of the Multi-Sector Fund.

8. Total expenses of the merger were $110,550 for printing expenses, $48,000 for solicitation expenses, $99,500 for legal fees and expenses, and $74,100 for mailing expenses. The expenses will be paid by applicant and the Multi-Sector Fund in proportion to their respective asset levels. Because applicant has no assets and the Multi-Sector Fund has assumed all applicant's liabilities, these expenses will be satisfied from the assets of the Multi-Sector Fund.

9. As of the date of the application, applicant had no shareholders, assets, or liabilities. There are no shareholders to whom distributions in complete liquidation of their interests have not been made. Applicant is not a party to any litigation or administrative proceeding. Applicant is not now engaged, nor does it propose to engage, in any business activities other than those necessary for the winding up of its affairs.

10. Applicant intends to file Articles of Dissolution with the Department of Assessments and Taxation of the State of Maryland as soon as practicable.

For the SEC, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96–10355 Filed 4–26–96; 8:45 am]

BILLING CODE 8010–01–M

[1] Rule 17a–8 provides relief from the affiliated transaction prohibition of section 17(a) of the Act for a merger of investment companies that may be affiliated person of each other solely by reason of having a common investment adviser, common directors, and/or common officers.

[Release No. 34–37134; File No. SR–BSE–96–03]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the Boston Stock Exchange, Incorporated Relating to Stopping Stock in Minimum Variation Markets

April 22, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''), 15 U.S.C. § 78s(b)(1), notice is hereby given that on April 19, 1996, the Boston Stock Exchange, Incorporated (''BSE'' 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 and grant accelerated approval.

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

The Exchange seeks permanent approval of its rule, as proposed be to amended, regarding stopping stock in minimum variation markets.[1]

II. Self-Regulatory Organization's Statement of the Propose 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 III 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

1. Purpose

The purpose of the proposed rule change is to eliminate those provisions of the current pilot program regarding the execution of stopped orders in minimum variation markets that provide for the execution of stopped orders ahead of same priced limits with priority through the execution of 500 shares on the book. The Exchange seeks permanent approval of all other aspects of the rule regarding stopping stock in minimum variation markets.

The proposed rule will require the execution of stopped orders in minimum variation markets (a) after a transaction takes place on the primary market at the stopped price or higher in the case of a buy order (lower in the case of a sell order) or (b) at an improved price after the applicable Exchange share volume at that improved price has been exhausted. In no event will a stopped order be

[1] The Commission initially approved the BSE's proposal to codify procedures for stopping stock and to establish a separate pilot program for stopping stock in minimum variation markets in Securities Exchange Act Release No. 35068 (Dec. 8, 1994), 59 FR 64717 (Dec. 15, 1994) (File No. SR–BSE–94–09) (''1994 Pilot Approval Order''). The Commission subsequently extended the pilot program in Securities Exchange Act Release Nos. 35474 (Mar. 10, 1995), 60 FR 14471 (Mar. 17, 1995) (File No. SR–BSE–95–03) (''March 1995 Pilot Approval Order''); 36004 (July 21, 1995), 60 FR 38872 (July 28, 1995) (''July 1995 Pilot Approval Order''). This pilot program expires after April 21, 1996. In this filing, the Exchange proposes a modified version of its pilot program for stopping stock in minimum variation markets.