within the financial community, resulting in increased awareness of the Company's activities among investors;

(b) Nasdaq system will enable the Company to attract its own market makers and to expand the capital base available for purchases of its Security;

(c) Nasdaq system will, in the Company's opinion, stimulate increased demand for its Security and result in greater liquidity for the Company's shareholders;

(d) The firms making a market in the Security on Nasdaq will be more likely to issue research reports with respect to the Company, which will increase the availability of information about the Company and increase its visibility to investors; and

(e) A significant number of the Company's competitors which are publicly owned have one or more classes of common equity securities which are quoted on Nasdaq, providing the Company's shareholders with a comparable peer group against which to assess the trading performance of the Security.

Any interested person may, on or before July 30, 1996 submit by letter to the Secretary of the securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 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. 96–17932 Filed 7–12–96; 8:45 am]

**BILLING CODE 8010–01–M**

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**[Rel. No. IC–22056; 812–10040]**

## Norwest Bank Minnesota, N.A., et al.; Notice of Application

July 9, 1996.

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

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

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**APPLICANTS:** Norwest Bank Minnesota, N.A. (the ''Bank''), Norwest Advantage Funds, Forum Financial Services, Inc. (''Forum''), Core Trust (Delaware) (''Core Trust''), and Schroder Capital Management International, Inc. (''Schroder'').

**RELEVANT ACT SECTIONS:** Exemption requested under section 6(c) of the Act from section 12(d)(1) of the Act, and under sections 6(c) and 17(b) of the Act from section 17(a) of the Act.

**SUMMARY OF APPLICATION:** Applicants request an order that would supersede a prior order (the ''Existing Order'') [1] and would permit Norwest Advantage Funds to invest any percentage of their assets in an underlying Core Trust portfolio or in direct investments. It also would remove certain restrictions currently imposed on the Core Trust portfolios to permit them to accept investments from persons other than Norwest Advantage Funds.

**FILING DATE:** The application was filed on March 8, 1996 and amended on May 17, 1996, and June 27, 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 August 5, 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 may request notification of a hearing by writing to the SEC's Secretary.

**ADDRESSES:** Secretary, SEC, 450 5th Street, N.W., Washington, D.C. 20549. Applicants, c/o Forum Financial Group, Two Portland Square, Portland, Maine 04101, Attention: David I. Goldstein, Esq.

**FOR FURTHER INFORMATION CONTACT:** Deepak T. Pai, Staff Attorney, at (202) 942–0574 or Robert A. Robertson, 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 at the SEC's Public Reference Branch.

### Applicants' Representations

1. Norwest Advantage Funds is a registered open-end series investment company organized as a Delaware business trust.[2] Norwest Advantage Funds currently consists of 30 series. Five of the Norwest Advantage Funds (the ''Blended Funds'') allocate their assets among a combination of different investment strategies or styles (*e.g.*, small company stock, international stock, short-term corporate bonds). The Blended Funds currently are offered without a sales load or redemption fee and do not bear distribution expenses pursuant to a plan adopted under rule 12b–1 under the Act, although applicants anticipate revising these arrangements in the future. Other Norwest Advantage Funds offer multiple classes of shares in reliance on rule 18f–3, including classes subject to sales loads and distribution expenses pursuant to rule 12b–1 plans.

2. Core Trust is a registered open-end series investment company organized as a Delaware business trust. Core Trust does not offer its securities to the public; its securities are offered only in private placement transactions to registered investment companies and other institutional investors. Core Trust, however, reserves the right to offer its shares to the public in the future. Presently, there are seven series of Core Trust (the ''Core Trust Portfolios''). Three series of Core Trust, Small Company Portfolio, International Portfolio II, and Index Portfolio, operate in a manner similar to master funds in a master-feeder arrangement, and currently offer their securities only to the Blended Funds pursuant to the Existing Order (the ''Core Advantage Portfolios''). Four series of Core Trust operate as master funds in master feeder arrangements: Treasury Cash Portfolio, Government Cash Portfolio, Cash Portfolio (collectively, the ''Money Fund Portfolios''), and International Portfolio. The Money Fund Portfolios (which currently are unrelated in any way to the Bank and/or Norwest Advantage Funds) invest in money market instruments. International Portfolio currently offers its securities only to International fund, a series of Norwest Advantage Funds, in reliance on section 12(d)(1)(E) of the Act. The Core Trust Portfolios may, in the future, be offered to Funds (as defined below) relying on any order granting this application, or to any other investor legally entitled to purchase securities issued by the Core Trust Portfolios. Shares of the Core Trust Portfolios that intend to rely on the requested order presently are offered

[1] *Norwest Bank Minnesota, N.A., et al.*, Investment Company Act Release Nos. 20640 (Oct. 19, 1994) (notice) and 20697 (Nov. 10, 1994) (order).

[2] At the time of the Existing Order, Norwest Advantage Funds was known as ''Norwest Funds'' Effective October 1, 1995, Norwest Funds changed its name to Norwest Advantage Funds.

without a sales load or redemption fee and do not bear distribution expenses pursuant to a rule 12b–1 plan.

3. The Bank is a wholly-owned subsidiary of Norwest Corporation. The Bank is the investment adviser to each Norwest Advantage Fund and two Core Advantage Portfolios. Schroder, a registered investment adviser, serves as subadviser to International fund and, with respect to investments in international securities, to each Blended Fund. Schroder also serves as investment adviser to International Portfolio and International Portfolio II of Core Trust. Forum, a registered broker-dealer and investment adviser, provides distribution, management, and related services to the Norwest Advantage Funds and Core Trust. Applicants request that any relief granted pursuant to this application also apply to (a) any registered open-end investment company or series thereof for which the Bank, Schroder, Forum, or any entity that controls, is controlled by, or is under common control with the Bank, Schroder, or Forum serves as investment adviser, administrator (as that term is defined in item 5 of Form N–1A), principal underwriter, or placement agent (together with Norwest Advantage Funds, the ''Funds'') that in the future determines to invest its assets in another registered open-end investment company that is part of the same ''group of investment companies,'' (together with Core Trust, the ''Portfolios'')[3] and (b) to any such Portfolio.[4]

4. The Existing Order allows each Blended Fund to invest a portion of its assets, within a specified range, in the outstanding voting shares of the three Core Advantage Portfolios, and imposes several restrictions on the operation of the Blended Funds and Core Advantage Portfolios. For example, the Existing Order applies only to investments in the three Core Advantage Portfolios. A Blended Fund that allocates part of its assets to a different investment style must invest in portfolio securities directly, without the benefits of pooled investment. Each Core Advantage Portfolio is barred from offering securities to persons other than Blended Funds relying on the Existing Order, including feeder funds relying on section 12(d)(1)(E) of the Act. Moreover, each Blended Fund must allocate a ''base percentage'' of its assets to each of the three Core Advantage Portfolios in which it invests, and may deviate from these base allocations only within specified ranges. Applicants contend that the Existing Order is outdated and that the proposed revisions constitute a cost-effective response to investor demand for diversification of fund portfolios.

5. Applicants request an exemption under section 6(c) of the Act from section 12(d)(1) of the Act, and under sections 6(c) and 17(b) of the Act from section 17(a) of the Act. The requested order would supersede the Existing Order and would permit the Funds to invest any percentage of their assets in underlying Portfolios or in direct investments to the extent consistent with their investment policies and registration statements. It also would remove certain restrictions currently imposed on the Core Trust portfolios to permit the Portfolios to accept investments from persons other than the Norwest Advantage Funds.

6. The funds will not invest in any Portfolio unless the Portfolio may not acquire securities of any other investment company in excess of the limits contained in section 12(d)(1)(A), except for securities received as a dividend or as a result of a plan of reorganization of any company. The exception for securities received as a dividend or as a result of a plan of reorganization is based on section 12(d)(1)(D).[5] No Portfolio will participate in any plan or reorganization devised for the purpose of evading the provisions of section 12(d)(1)(A). Applicants assert that the legislative history of section 12(d)(1)(D) indicates that the enumerated exceptions are warranted because they do not involve any new commitment on the part of the acquiring investment company, and consequently do not present the abuses section 12(d)(1)(A) was intended to address.

Applicants' Legal Analysis

1. Section 12(d)(1)(A) of the Act provides that no registered investment company may acquire securities of another investment company representing more than 3% of the acquired company's outstanding voting stock, more than 5% of the acquiring company's total assets, or, together with the securities of other investment companies, more than 10% of the acquiring company's total assets. Section 12(d)(1)(B) provides that no registered open-end investment company may sell its securities to another investment company if the sale will cause the acquiring company to own more than 3% of the acquired company's voting stock, or if the sale will cause more than 10% of the acquired company's voting stock to be owned by investment companies.

2. Section 6(c) provides that the SEC may exempt persons or transactions if, and to the extent that, such exemption is necessary or appropriate in the pubic interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants request an order under section 6(c) exempting them from sections 12(d)(1)(A) and (B) to permit the Funds to invest in shares of the Portfolios in excess of the percentage limitations of section 12(d)(1).

3. Applicants believe that the proposed investment structure will not be subject to any of the abuses that section 12(d)(1) was intended to prevent. One of the concerns that led to the enactment of section 12(d)(1) was the layering of fees. Applicants assert that fees charged to the Funds and Portfolios in which they invest will not be duplicative. Any advisory fees that are charged to a Fund would be subject to the approval of the Fund's director or trustees who are not ''interested persons,'' as defined in section 2(a)(19) of the Act (''Independent Trustees''). This approval process is designed to ensure that any advisory fee that may be borne by any Fund would be for services that augment, rather than duplicate, those services provided to the Portfolios. If the requested relief is granted, applicants expect to seek shareholder approval to the extent required by section 15 of the Act to reorganize the fee structure of the Blended Funds and the Portfolios such that advisory fees would be charged only at the Portfolio level. If shareholder approval is obtained, advisory fees then would be assessed at the Fund level only for (a) services related to the direct investment activities undertaken by the

[3] The Money Fund Portfolios currently offer their securities to three series of Monarch Funds, and currently intend to offer their securities to at least two series of forum Funds in reliance on section 12(d)(1)(E) of the act. Both Monarch Funds and forum Funds are registered open-end management investment companies whose securities are distributed by Forum. Neither Monarch Funds nor forum Funds currently intends to invest in Portfolios in reliance on this order, but may do so in the future.

[4] For purposes of this application, ''group of investment companies'' has the same meaning as that term is assigned in rule 11a–3(a)(5) under the Act, modified to the extent that an investment company that does not offer its shares to the public has a placement agent rather than a principal underwriter.

[5] Section 12(d)(1)(D) permits an investment company to exceed the limits contained in section 12(d)(1)(A) in the event that the investment company exceeds the limits because it acquires investment company shares as a dividend, as a result of an offer of exchange, or pursuant to a plan of reorganization (other than a plan devised for the purpose of evading section 12(d)(1)(A)).

Funds, and (b) any non-duplicative services rendered only at the Fund level. Any advisory fee charged at the Fund level would compensate the adviser for services (*e.g.*, asset allocation) that were unique to the Fund and that would not be provided at the Portfolio level.

4. Applicants assert that granting the requested relief would not present any danger of duplicative or excessive sales loads. Applicants intend that sales charges will continue to be incurred only at the Fund level. Applicants have, however, reserved the right to have different sales load structures in the future, which may include the payment of sales charges or service fees at both the Portfolio and Fund levels. If a Fund determines to invest in shares of a Portfolio that also bears a sales charge or service fee, it will do so only in conformity with the National Association of Securities Dealers' (''NASD'') restrictions on aggregated sales charges and service fees. The funds would pay no sales charges on account of their investments in the Portfolios unless such charges had been reviewed and approved by the Fund's Independent Trustees.

5. Applicants assert that the requested relief would not lead to undue control or the threat of large-scale redemptions. Applicants contend that the excessive from the threat of redemptions and the concomitant loss of advisory fees does no apply in the context of funds of funds, all of which belong to the same group of investment companies. Because of the relationship among the investment advisers and/or principal underwriters/placement agents for a Fund and the Portfolio in which it invests, the threat of redemption as a means of exercising control is remote.

6. Section 17(a) makes it unlawful for an affiliated person of a registered investment company, or an affiliated person of such person, to sell securities to, or purchase securities from, the company. Because Norwest Advantage Funds and the index Portfolio and the Small Company Portfolio of Core Trust are each advised by the Bank, and because six Norwest Advantage Funds and International Portfolio and International Portfolio II are advised by or subadvised by Schroder, Norwest Advantage Funds and Core Trust could be deemed to be affiliates of one another. Purchases by the Norwest Advantage Funds of the shares of the Core Trust Portfolios and the sale by the Core Trust Portfolios of their shares to the Norwest Advantage Funds could thus be deemed to be principal transactions between affiliated persons under section 17(a).

7. Section 17(b) provides that the SEC shall exempt a proposed transaction from section 17(a) if (a) the terms of the proposed transaction, including the consideration paid or received, are reasonable and fair and do not involve overreaching on the part of any persons concerned; (b) the proposed transaction is consistent with the policies of each registered investment company concerned; and (c) the proposed transaction is consistent with the general purposes of the Act. Applicants request an exemption under sections 6(c) and 17(b) to permit the Portfolios to sell their shares to the Funds.[6] Applicants believe that the proposed transaction meet the standards of sections 6(c) and 17(b).

Applicant's Conditions

Applicants agree that the order granting the requested relief shall be subject to the following conditions:

1. Each Fund will be part of the same ''group of investment companies'' as any Portfolio in which it invests. For purposes of this condition, ''group of investment companies'' mean any two or more registered open-end investment companies that hold themselves out to investors as related companies for purposes of investment and investor services, and (a) that have a common investment adviser or principal underwriter/placement agent, or (b) the investment adviser or principal underwriter/placement agent of one of the companies is an affiliated person as defined in section 2(a)(3) of the Act of the investment adviser or principal underwriter/placement agent of each of the other companies.

2. A Fund will not invest in any Portfolio unless the Portfolio may not acquire securities of any other investment company in excess of the limits contained in section 12(d)(1)(A) of the Act, except for securities received as a dividend or as a result of a plan of reorganization of any company.

3. At least a majority of each Fund's directors or trustees will be Independent Trustees, and the selection of Independent Trustees necessary to fill any vacancies on the board of directors or trustees, as well as the nomination of those persons to be recommended by the board of directors or trustees in connection with any shareholder vote, will be committed to the discretion of such Independent Trustees.

4. Prior to approving any advisory or management contract under section 15 of the Act or promptly upon the termination of a fee waiver, the directors or trustees of each Fund, including a majority of the Independent Trustees, shall find that the management and advisory fees charged under such contract, if any, are based on services that will be in addition to, rather than duplicative of, the services provided under the contracts of any Portfolio in which the Fund may invest; provided that no such findings will be necessary if the Bank or other investment adviser to a Portfolio waives all advisory fees that may be imposed for serving as investment adviser to the Portfolio or, if only a portion of such advisory fees are waived, the Bank or another party reimburses the Portfolio for any advisory fee or portion thereof that is not waived. These findings and their basis will be recorded fully in the minute books of the Fund.

5. Any Sales Charges or Service Fees, as such terms are defined under Section 26(b) of Article III of the NASD Rules of Fair Practice, as may be charged with respect to securities of a Fund, when aggregated with any such sales charges and/or service fees borne by the Fund with respect to the shares of a Portfolio, shall not exceed the limits set forth in section 26(d) of Article III of the NASD Rules of Fair Practice.

6. Applicants will provide the following information in electronic format to the Chief Financial Analyst of the SEC's Division of Investment Management as soon as reasonably practicable following each fiscal year-end of each Fund, unless the Chief Financial Analyst notifies applicants that the information need no longer be submitted: (a) monthly average total assets for each Fund and each Portfolio in which a Fund invests; (b) monthly purchases and redemptions (other than by exchange) for each Fund and each Portfolio in which a Fund invests; (c) monthly exchanges into and out of each Fund and each Portfolio in which a Fund invests; (d) month-end allocations of each Fund's assets among the Portfolios in which it invests; (e) annual expense ratios for each Fund and each Portfolio in which a Fund invests; and (f) a description of any vote taken by the shareholders of any Portfolio in which a Fund invests, including a statement of the percentage of votes cast for and against the proposal by the Fund and by the other shareholders of that Portfolio.

[6] Section 17(b) applies to a specific proposed transaction rather than an ongoing series of future transactions. *See* Keystone Custodian Funds, 21 S.E.C. 295, 298–99 (1945). Section 6(c), along with section 17(b), frequently is used to grant relief from section 17(a) to permit an ongoing series of future transactions.

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

Margaret H. McFarland,

*Deputy Secretary.*

[FR Doc. 96–17931 Filed 7–12–96; 8:45 am]

**BILLING CODE 8010–01–M**

## Issuer Delisting; Notice of Application to Withdraw From Listing and Registration; (Penn Engineering & Manufacturing Corp., Common Stock, $.01 Par Value; Class A Common Stock, $.01 Par Value) File No. 1–5356

July 9, 1996.

Penn Engineering & Manufacturing Corp. (''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 securities (''Securities'') from listing and registration on the American Stock Exchange, Inc. (''Amex'').

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

According to the Company, it has listed the Security with the New York Stock Exchange, Inc. (''NYSE''). In making the decision to withdraw the Securities from listing on the Amex, the Company considered that, in order to avoid the direct and indirect costs and the division of the market resulting from dual listing of the Securities on the Amex and the NYSE, it was in its best interest to delist and suspend the trading of the Securities on the Amex upon the admission of the Securities to trading on the NYSE.

Any interested person may, on or before July 30, 1996, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 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. 96–17934 Filed 7–12–96; 8:45 am]

**BILLING CODE 8010–01–M**

## 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 meeting during the week of July 15, 1996.

A closed meeting will be held in Wednesday, July 17, 1996, at 10:00 a.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c) (4), (8), (9)(A) and (10) and 17 CFR 200.402(a) (4), (8), (9)(i) and (10), permit consideration of the scheduled matters at the closed meeting.

Commissioner Hunt, as duty officer, voted to consider the items listed for the closed meeting in a closed session.

The subject matter of the closed meeting scheduled for Wednesday, July 17, 1996, at 10:00 a.m., will be:

Institution and settlement of administrative proceedings of an enforcement nature.

Institution and settlement of injunctive actions.

Formal order of investigation.

At times, changes in Commission priorities require alterations in the scheduling of meeting times. 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: July 10, 1996.

Jonathan G. Katz,

*Secretary.*

[FR Doc. 96–18051 Filed 7–11–96; 1:37 pm]

**BILLING CODE 8010–01–M**

**[Release No. 34–37414; File No. SR–BSE–96–07]**

## Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Boston Stock Exchange, Inc., Relating to Its Fee Schedule

July 9, 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 24, 1996, the Boston Stock Exchange, Inc. (''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.

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

The Exchange is proposing to amend its fee schedule pertaining to Transaction Fees.

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*

1. Purpose

The Exchange has determined to amend its Transaction Fee schedule in order to improve the Exchange's competitive position in the overall marketplace. As such, the Exchange plans to implement a maximum transaction fee cap (the total of all Trade Recording and Comparison Charges and all Value Charges) of $.45 per 100 average monthly shares as of July 1, 1996.[3]

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act[4] in general and furthers the objectives of Section 6(b)(4)[5] in particular in that it provides for the equitable allocation of reasonable dues, fees, and other charges among the Exchange's members and other persons using its facilities.

[1] 15 U.S.C. 78s(b)(1) (1988).

[2] 17 CFR 240.19b–4.

[3] The Commission notes that the Exchange's proposal is based on a rule filing that was recently approved by the Commission. *See* Securities Exchange Act Release No. 36828 (February 12, 1996), 61 FR 6403 (February 20, 1996) (File No. SR–CHX–96–04).

[4] 15 U.S.C. 78f(b) (1988).

[5] 15 U.S.C. 78f(b)(4) (1988).