

particular marketplace. Rule 10a-1 requires each broker or dealer that effects any sell order for a security registered on, or admitted to unlisted trading privileges, on a national securities exchange to mark the relevant order ticket either "long" or "short."

There are approximately 1,500 brokers and dealers registered with the national securities exchanges. The Commission has considered each of these respondents for the purposes of calculating the reporting burden under Rule 10a-1. Each of these approximately 1,500 registered broker-dealers effects sell orders for securities registered on, or admitted to unlisted trading privileges, on a national securities exchange. In addition, each respondent makes an estimated 55,663 annual responses, for an aggregate total of 83,493,861 responses per year. Each response takes approximately .000143 hours to complete. Thus, the total compliance burden per year is 11,902 burden hours.

General comments regarding the estimated burden hours should be directed to the Desk Officer for the Securities and Exchange Commission at the address below. Any comments concerning the accuracy of the estimated average burden hours for compliance with Commission rules and forms should be directed to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 5th Street, N.W. Washington, DC 20549 and Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, D.C. 20503.

Dated: October 3, 1996.

Jonathan G. Katz,
Secretary.

[FR Doc. 96-25922 Filed 10-8-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Rel. No. 22261; 811-7936]

Hercules Funds Inc.; Notice of Application

October 2, 1996.

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

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

APPLICANT: Hercules Funds Inc.

RELEVANT ACT SECTIONS: 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 July 25, 1996, and amended on September 13, 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 October 28, 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 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, NW., Washington, DC 20549. Applicant, 222 South Ninth Street, Minneapolis, Minnesota 55402.

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.

Applicant's Representations

1. Applicant, a Minnesota corporation, is an open-end non-diversified management investment company consisting of six series: North American Growth and Income Fund ("North American Fund"), Pacific Basin Value Fund ("Pacific Basin Fund"), European Value Fund ("European Fund"), Latin American Value Fund ("Latin American Fund") (collectively, the "Acquired Funds"), World Bond Fund ("Bond Fund"), and Money Market Fund. On August 4, 1993, applicant filed a notification of registration on Form N-8A under section 8(a) of the Act and registered under section 8(b) of the Act and the Securities Act of 1933 by filing a registration statement on Form N-1A. The registration statement became effective on November 1, 1993, and the initial public offering commenced on November 9, 1993.

2. At a meeting held on March 29, 1996, applicant's board of directors (the

"Board") approved the following plans by written action pursuant to Minnesota law; (a) a plan or reorganization between North American Fund and Growth and Income Fund, a series of Piper Funds Inc.; (b) a plan of reorganization between Pacific Basin Fund and Pacific-European Growth Fund ("Pacific-European Fund"), a series of Piper Global Funds Inc. ("Piper Global"); (c) a plan of reorganization between European Fund and Pacific-European Fund; (d) a plan of reorganization between Latin American Fund and Emerging Markets Growth Fund (with Growth and Income Fund and Pacific-European Fund, the "Acquiring Funds"), a series of Piper-Global (collectively, the "Plans"); and (e) a plan of liquidation of Bond Fund (the "Liquidation Plan"). In approving the Plans and the Liquidation Plan, the Board considered, among other things: (a) the belief of Piper Capital Management Incorporated (the "Manager"), applicant's investment adviser, that applicant's assets were unlikely to grow to an economically viable size; (b) the Manager's intent to cease waiving and absorbing expenses relating to any of applicant's series after June 30, 1996; (c) the Manager's agreement to incur all direct expenses associated with the Plans and the Liquidation Plan; and (d) the Manager's expectation that the Plans would not result in any Federal taxable income to the applicable funds or their shareholders.

3. Applicant and the Acquiring Fund may be deemed affiliated persons of each other because they share a common investment adviser, common directors, and common officers. Accordingly, applicant relied on the exemption provided in rule 17a-8 to effect the Plans.¹ The Board determined, in accordance with rule 17a-8, that the sale of each Acquired Fund's assets to the applicable Acquiring Fund was in the best interests of the Acquired Fund and its shareholders, and that the interests of the existing shareholders would not be diluted as a result of such transaction.

4. To solicit approval of each Plan by shareholders, applicant distributed to each Acquired Fund's shareholders a combined proxy statement and prospectus dated May 17, 1996. To solicit approval of the Liquidation Plan, applicant distributed to Bond Fund's shareholders a proxy statement dated

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 persons of each other solely by reason of having a common investment adviser, common directors, and/or common officers.

May 17, 1996. On June 18, 1996, the holders of a majority of outstanding shares of each Acquired Fund and Bond Fund voted to approve each Plan and the Liquidation Plan, respectively. There was no formal plan to liquidate Money Market Fund, nor was there a shareholder vote or consent to a liquidation. However, shareholders of Money Market Fund were informed of the Manager's intention to cease waiving and absorbing the Fund's expenses effective July 1, 1996 in a supplement to applicant's prospectus filed on February 7, 1996 and in applicant's semi-annual report for the period ended January 31, 1996. Shareholders of Money Market Fund subsequently began voluntarily redeeming their shares at an increased rate, and had redeemed all of their shares by the close of business on June 21, 1996 (the "Closing Date").

5. As of the Closing Date, North American Fund had 660,209 shares outstanding at a net asset value ("NAV") of \$11.11 per share and an aggregate NAV of \$7,333,807, Pacific Basin Fund had 1,983,812 shares outstanding at a NAV of \$9.29 per share and an aggregate NAV of \$18,426,580, European fund had 984,469 shares outstanding at a NAV of \$10.31 per share and an aggregate NAV of \$10,146,588, Latin American fund had 1,617,505 shares outstanding at a NAV of \$8.77 per share and an aggregate NAV of \$14,191,312, and Bond Fund had 833,326 shares outstanding at a NAV of \$10.34 per share and an aggregate NAV of \$5,516,964. As of June 20, 1996, Money Market Fund had an aggregate NAV of \$1,050,236, but by the close of business on the Closing Date, the Fund had an aggregate NAV of \$0 as a result of shareholders' voluntary redemption of their shares in complete liquidation of the fund. Accordingly, as of the Closing Date, applicant had an aggregate NAV of \$55,931,299.

6. On the Closing Date, the assets and state liabilities of each Acquired Fund were transferred to the relevant Acquiring Fund in exchange for shares of the Acquiring Fund. These shares, which had an aggregate NAV equal to the value of Acquired Fund assets transferred to the Acquiring Fund, less the Acquired Fund liabilities assumed by the Acquiring Fund, subsequently were distributed *pro rata* to each Acquired Fund shareholder. Also on the Closing Date, the portfolio securities and other assets of Bond Fund were sold, creditors were paid or reserves for such payments established, and the net proceeds of such sales were distributed to Bond Fund's shareholders in cash, *pro rata*, in accordance with their shareholdings.

7. All expenses incurred in soliciting proxies from applicant's shareholders for approval of each of the Plans and the Liquidation Plan, including the cost of preparing and mailing proxy statements and other materials, were borne by the Manager. Such expenses were approximately \$750,000. Total brokerage fees paid by applicant in connection with the Plans and the Liquidation Plan amounted to \$11,534 (with respect to North American Fund).

8. At the time of the application, applicant had no shareholders, assets, or liabilities, nor was applicant a party to any litigation or administrative proceeding. Applicant is not engaged, nor does it propose to engage, in any business activities other than those necessary for the winding-up of its affairs.

9. Applicant intends to file articles of dissolution with the Secretary of State of Minnesota upon receipt of the order requested by this application.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-25827 Filed 10-8-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37772; File No. S7-24-89]

Joint Industry Plan; Solicitation of Comments and Order Approving Request To Extend Temporary Effectiveness of Plan, Including Temporary Effectiveness of Revised Amendment 9 Thereto, for Nasdaq/National Market Securities Traded on an Exchange on an Unlisted or Listed Basis, Submitted by the National Association of Securities Dealers, Inc., and the Boston, Chicago and Philadelphia Stock Exchanges

October 1, 1996.

The National Association of Securities Dealers, Inc., on behalf of itself and the Boston, Chicago, and Philadelphia Stock Exchanges (collectively, "Participants")¹ has submitted to the

¹ The signatories to the Plan, i.e., the National Association of Securities Dealers, Inc. ("NASD"), and the Chicago Stock Exchange, Inc. ("Chx") (previously, the Midwest Stock Exchange, Inc.), Philadelphia Stock Exchange, Inc. ("Phlx"), and the Boston Stock Exchange, Inc. ("BSE"), are the "Participants." The BSE, however, joined the Plan as a "Limited Participant," and reports quotation information and transaction reports only in Nasdaq/National Market (previously referred to as "Nasdaq/NMS") securities listed on the BSE. Originally, the American Stock Exchange, Inc. ("Amex"), was a Participant to the Plan, but did not trade securities pursuant to the Plan, and withdrew from participation in the Plan in August 1994.

Commission a request² to extend through March 30, 1997, operation of a joint transaction reporting plan ("Plan") and certain related exemptive relief for trading of Nasdaq/National Market securities traded on an exchange on an unlisted or listed basis.³ This notice and order solicits comment on certain related substantive matters identified below and extends the effectiveness of the Plan and the exemptive relief discussed below. Temporary approval of the Plan incorporates temporary approval of Amendment No. 9, as revised, to the Plan relating to revenue sharing, through March 30, 1997.⁴

I. Background

The Commission originally approved the Plan on June 26, 1990.⁵ The Plan

² See letter from Robert E. Aber, Vice President, General Counsel and Secretary, Nasdaq, to Mr. Jonathan G. Katz, Secretary, Commission, dated September 30, 1996.

³ Section 12 of the Act generally requires an exchange to trade only those securities that the exchange lists, except that Section 12(f) of the Act permits unlisted trading privileges ("UTP") under certain circumstances. For example, Section 12(f), among other things, permits exchanges to trade certain securities that are traded over-the-counter ("OTC/UTP"), but only pursuant to a Commission order or rule. The present order fulfills this Section 12(f) requirement. For a more complete discussion of this Section 12(f) requirement, see November 1995 Extension Order, *infra* note 5, at n. 2.

⁴ On March 18, 1996, the Commission, solicited comment on a revenue sharing agreement among the participants. See Securities Exchange Act Release No. 36985 (March 18, 1996), 61 FR 12122 ("March 18, 1996 Extension Order"). Thereafter, the Participants submitted certain technical revisions to the revenue sharing agreement ("revised Amendment 9"). See letter from Robert E. Aber, Vice President, General Counsel, and Secretary, Nasdaq, to Jonathan G. Katz, Secretary, Commission, dated September 13, 1996. See also Securities Exchange Act Release No. 37689, (September 16, 1996), (notice and order recognizing receipt of revised Amendment No. 9) ("September 16, 1996 Extension Order").

⁵ See Securities Exchange Act Release No. 28146 (June 26, 1990), 55 FR 27917 ("1990 Approval Order"). For a detailed discussion of the history of UTP in OTC securities, and the events that led to the present plan and pilot program, See also Securities Exchange Act Release No. 34371 (July 13, 1994), 59 FR 37103 ("1994 Extension Order"). See also Securities Exchange Act Release No. 35221, (January 11, 1995), 60 FR 3886 ("January 1995 Extension Order"), Securities Exchange Act Release No. 36102 (August 14, 1995), 60 FR 43626 ("August 1995 Extension Order"), Securities Exchange Act Release No. 36226 (September 13, 1995), 60 FR 49029 ("September 1995 Extension Order"), Securities Exchange Act Release No. 36368 (October 13, 1995), 60 FR 54091 ("October 1995 Extension Order"), Securities Exchange Act Release No. 36481 (November 13, 1995), 60 FR 58119 ("November 1995 Extension Order"), Securities Exchange Act Release No. 36589 (December 13, 1995), 60 FR 65696 ("December 13, 1995 Extension Order"), Securities Exchange Act Release No. 36650 (December 28, 1995), 60 FR 358 ("December 28, 1995 Extension Order"), Securities Exchange Act Release No. 36934 (March 6, 1996), 61 FR 10408 ("March 6 1996 Extension Order"), March 18, 1996 Extension Order, and September 16, 1996 Extension Order.