

Commission, 450 5th Street, N.W.,
Washington, DC 20549.

Dated: October 7, 1996.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-27036 Filed 10-21-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 22283; 811-7284]

CR United States Blue Chip Timing Fund, Inc.; Notice of Application

October 15, 1996.

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

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

APPLICANT: CR Blue Chip Timing Fund, Inc.

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 October 4, 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 5:00 p.m. on November 12, 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, N.W., Washington, D.C. 20549. Applicant, 901 N. Spoede Road, St. Louis, Missouri 63146.

FOR FURTHER INFORMATION CONTACT: Diane L. Titus, Paralegal Specialist, at (202) 942-0584, 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 is an open-end, diversified management investment company. According to SEC records, on October 15, 1992, applicant filed a notification or registration on Form N-8A under section 8(a) of the Act, and filed a registration statement on Form N-1A under section 8(b) of the Act. Applicant's registration statement was never declared effective, and applicant has made no public offering of its shares.

2. Applicant never sold any securities. Applicant has no shareholders, assets, or liabilities. Applicant is not a party to any litigation or administrative proceeding.

3. Applicant is not now engaged, and does not propose to engage, in any business activities other than those necessary for the winding-up of its affairs.

For the SEC, by the Division of Investment Management, under delegated authority.
Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-26958 Filed 10-21-96; 8:45 am]

BILLING CODE 8010-01-M

Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (Weldotron Corporation, \$0.05 Par Value Common Stock) File No. 1-8381

October 15, 1996.

Weldotron Corporation ("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" or "Exchange").

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

According to the Company, the Company received a letter dated September 24, 1996, from the Exchange stating that it intended to delist the Security and registration from the Exchange. The following day the Company informed the Exchange that it intended to appeal this decision to the Exchange's Board of Governors. Since the filing of the notice of appeal there have been numerous phone conversations with Exchange representatives as well as a meeting between the Company and the Exchange on October 2, 1996.

Although the Company initially elected to appeal the Exchange's decision is delist the Security to the Exchange's Board of Governors, the Company has decided to settle matters by removing the Security from the Exchange. The Company believes that in view of the large expenditures of money and management time that would be required before pursuing an appeal, it would be in the best interest of both the Company and its shareholders that the Company voluntarily apply to the Commission to withdraw its Security from listing and registration on the Exchange.

The Exchange has also agreed that it would be in the best interest of the Exchange and the investing public to resolve this issue between the Company and the Exchange in this manner.

Any interested person may, on or before November 4, 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. 96-26959 Filed 10-21-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37823; File No. SR-Amex-96-23]

Self-Regulatory Organizations; the American Stock Exchange, Inc.; Order Granting Approval to Proposed Rule Change Relating to Various Changes to the Exchange's Company Guide

October 15, 1996.

I. Introduction

On June 27, 1996, the American Stock Exchange, Inc. ("Amex" or "Exchange") submitted to 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

¹ 15 U.S.C. § 78s(b)(1).

thereunder;² a proposed rule change to amend various sections of the Exchange's *Company Guide* to simplify the additional listing process, add a new shareholder distribution guideline applicable to banks, and make several minor "housekeeping" changes.

The proposed rule change was published for comment in Securities Exchange Act Release No. 37550 (August 9, 1996), 61 FR 42667 (August 16, 1996). No comments were received on the proposal.

II. Description of the Proposals

A. Additional Listings

The Exchange proposes to simplify its additional listing process, which functions as the Exchange's formal review of a request by an issuer to increase the amount of securities listed. Before a listed company issues additional securities of an already listed class, it is required to submit an additional listing application and obtain the Exchange's prior approval. Similarly, transfer agents for listed companies are required to contact the Exchange to verify that a company's request for new share issuances has been approved. The additional listing process is an essential part of the Exchange's program to oversee its market generally and monitor the compliance of listed companies with Sections 711-713 of its *Company Guide*, which require prior shareholder approval of certain transactions involving the issuance of stock, e.g., issuances of 20% or more of the outstanding shares at a discounted price or to effect an acquisition.

The Exchange typically receives in excess of 300 additional listing applications per year. Each application, depending on the nature of the circumstances giving rise to the additional listing request, is completed in one of four formats: short, standard, stock option/purchase, or stock dividend. Each format requires the detailed presentation of information that is often available in the applicant's proxy statement, prospectus or option plan, and must also be accompanied by a list of exhibits specified in the *Company Guide*.

In its filing, the Exchange states that it has determined that it can substantially simplify the additional listing process for listed companies and transfer agents alike without undercutting its ability to regulate its market. In this regard, the Exchange has for the first time prepared a simplified, standardized application form, which

can be used for all additional listings.³ According to the Exchange, this form will allow companies to incorporate by reference any transactional information that is set forth in a proxy statement, prospectus or certain other descriptive documents, thus eliminating the current practice of having to provide duplicative summary of this information on the application. Adopting a standardized form will, therefore, enable the Exchange to eliminate confusing and unnecessary instructions by significantly revising the applicable *Company Guide* provisions.⁴

The Exchange also is proposing to eliminate the requirement that each application contain a reconciliation of all of the company's previously listed share reserves, except for the cases of stock dividends, splits, or substitution listings.⁵ The Exchange has determined to allow generally transfer agents to reconcile their records of shares outstanding with those of the Exchange on a quarterly basis instead of having the issuers and transfer agents engage in this extremely time-consuming exercise whenever an additional listing application is submitted.⁶ The Exchange indicates that in a series of informal discussions with all of its major transfer agents it was evident that they would prefer that the Exchange adopt this proposal. The Exchange believes that these new procedures should provide substantial benefits to listed companies and the Exchange.

B. Distribution Guidelines for Banks

The Exchange's public distribution guidelines require 500,000 shares and 800 holders, or 1,000,000 shares and 400 holders. In recent years, the Exchange has listed a number of local banks, some immediately following their conversion from mutual association to stock ownership

("demutualizing").⁷ Such banks often have small, but because of their local concentration, stable ranks of shareholders. The Exchange notes that generally these small banks are well above the financial criteria for original listing, and due to the highly regulated nature of the banking industry there is usually little "business risk" associated with listing these banks on the Exchange.

The Exchange states it has occasionally found that otherwise attractive local banks have less than one million shares in their public float, and fewer than 800 shareholders. The Exchange notes that although the mix of shareholder and public float requirements in its listing standards is intended to accommodate a specialist's needs in maintaining a fair and orderly market, it has observed that shares of local banks generally trade steadily, with relatively stable prices, and that specialists have not encountered difficulties in trading them.

The Exchange, therefore, proposes to adopt a specific distribution guideline applicable to banks, which would require only 400 public holders of at least 500,000 shares.⁸ Presently, there are two other circumstances where the Exchange lists issues with a float of less than one million shares and only 400 holders: stocks which trade 2,000 shares a day or more, and warrants sold as part of a unit offering. The Exchange states that it has not experienced any difficulties in providing an appropriate marketplace for these listings, and, given the stability of the banks' shareholder bases and the regulated nature of the banking industry, the Exchange does not anticipate any difficulties with banking stocks.

C. Miscellaneous

The Exchange seeks to make several miscellaneous changes necessary to conform particular sections of the Exchange's *Company Guide* to changes previously made to other sections. They are as follows:

⁷ These transactions are typically conducted, in effect, as "best efforts" underwritings in the sense that it is impossible to predict how many deposit-holders will elect to become shareholders and the conversion itself is not contingent upon the "accumulation" of a specific number of shareholders.

⁸ The new distribution provision for bank stocks will be included in Section 102 of the Amex's *Company Guide*. Further, the Exchange has indicated that bank stocks will continue to be subjected to the Exchange's continued listing criteria specified in Section 1003 of its *Company Guide*, which provides the standards for continued listing of common and preferred stocks, and bonds. See Letter from Claudia Crowley, Special Counsel, Amex, to Chester McPherson, Attorney, Office of Market Supervision, Division of Market Regulation, Commission, dated October 9, 1996.

³ The Commission notes that each application still will have to be accompanied by the required exhibits—e.g., Contract, Opinion of Counsel, Resolution, Amendment to Charter etc.—prescribed in Section 330 (renumbered as 306 by this Order) of the *Company Guide*.

⁴ The Commission notes that in simplifying its listings process, the Amex proposes the following changes to its *Company Guide*: § 310 is renumbered as § 303; §§ 311-313 is deleted; § 320 is deleted; § 321 is renumbered as § 304 with modification made to text; new § 305 is added (Listing of Shares Pursuant to a Reverse Split/Substitution Listing); and § 330 is renumbered as § 306.

⁵ The Commission notes that a similar procedure was adopted by the New York Stock Exchange ("NYSE") when its standard form application procedures were implemented. See Securities Exchange Act Release No. 30662 (May 1, 1992), 57 FR 19655.

⁶ The Exchange notes in its filing that a similar procedure is followed at the NYSE.

² 17 CFR 240.19b-4.

Section 1003 of the *Company Guide* is to be amended to provide that for continued listing purposes a company needs to have 300 public holders, and not 300 round lot holders. Similar changes were previously made to the Exchange's other public distribution guidelines.⁹

Section 505, which provides that the Exchange would not look favorably upon a stock split that would result in a price below \$5, is to be amended to refer to a \$3 minimum price, to be consistent with the \$3 stock price original listing guideline set forth in Section 102(b).¹⁰

Finally, Section 220(b) of the *Company Guide* is to be amended to conform to changes that were previously made to Section 140 of the *Company Guide* with respect to the maximum listing fee applicable to foreign issuers.¹¹

III. Discussion

The Commission has carefully reviewed the Amex's proposed rule changes and concludes that the proposed changes are consistent with the requirement of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with the requirements of Sections 6(b).¹² Specifically, the Commission believes the proposals are consistent with the Section 6(b)(5) requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and in general, to protect investors and the public interest. The Commission supports the Amex's efforts of continuing to review the form and substance of its listed company regulations and to streamline its listing application process where appropriate.

The Exchange proposes to consolidate all types of additional listing applications into a single universal format by adopting a standard

application form. The form will require listed companies to provide substantially the same information as is required under the existing procedures. However, instead of having to select one of four application formats: short, standard, stock option/purchase, or stock dividend, and having to present information that is often available in the applicant's proxy statement, prospectus or option plan, the proposed form provides for this information to be incorporated by reference. If there are no proxy statements, prospectuses, or option plans, then, when applicable the following information must be provided with the proposed standardized application form: Information for Stock Options, Plans and Grants; Information for a Private Placement; Information for an Acquisition; Information for Substitution Listing; Information for a Forward Stock Split or Stock Dividend; and a Reconciliation Sheet.

The proposal to adopt this new application form does not in any way amend the Exchange's role in performing substantive review of additional listing requests by issuers. It merely seeks to amend various sections of the *Company Guide* to streamline the Exchange's application process for additional listings. As stated by the Exchange, the additional listing process is an essential part of its program to oversee its market generally. In this context, the *Company Guide* specifically states that the Exchange regards the agreement to list additional shares as an important safeguard for the shareholders of listed companies, and, therefore, will review each application for the requisite shareholder approval when applicable.¹³

In addition to proposing the adoption of a standard application form, the Exchange, as part of the additional listing request review process, also proposes eliminating the requirement that each application contain a reconciliation of all of the company's previously listed share reserves, except for the cases of stock dividends, splits, or substitution listings. The Exchange has determined to allow transfer agents to reconcile their records of shares outstanding with those of the Exchange on a quarterly basis. According to the Exchange, this would eliminate the need for issuers and transfer agents to engage in an extremely time-consuming exercise whenever an additional listing application is submitted.¹⁴ The

Exchange indicates that in a series of informal discussions with all of the major transfer agents it was evident that they would prefer that the Exchange adopt this proposal.

The Commission believes that the consolidation of the additional listing application into a single standard form, and the elimination of the requirement that each application contain a reconciliation of all of the company's previously listed share reserves, will not reduce the quality or effectiveness of the Exchange's review of such additional listings, nor cause any unfair discrimination or disparate treatment among issuers.¹⁵ The Commission believes that not only will the proposal benefit listing companies by streamlining the application process (e.g., allowing incorporation by reference from other public documents) but it should also make the Exchange's review of additional listing applications more efficient.

Second, the Exchange proposes establishing a listing standard specifically for banks. The Commission believes that this proposal is consistent with the purposes of the Act. The Exchange's existing distribution guidelines call for 500,000 shares and 800 holders, or, 1,000,000 shares and 400 holders. The Exchange established this mix in order to accommodate a specialist's need in maintaining a fair and orderly market in each security. However, there are currently two circumstances under which the Exchange permits listing of securities with less than one million shares and only 400 shareholders: stocks which trade 2,000 shares a day or more, and warrants sold as part of a unit offering. The Exchange has indicated that it has not encountered any problems in providing an appropriate marketplace for these listings.

The Commission recognizes that for more actively traded securities, (i.e., 2000 shares a day), a lower distribution standard appears appropriate because a minimum amount of liquidity is ensured. Although the Amex's proposal does not require minimum daily trading volume for bank stocks to be eligible for the lower standards, the Exchange indicates that it finds the shares of local banks to generally trade steadily, with relatively stable prices. Further, the Exchange notes that banks usually have well above the financial criteria for original listing and operate in a highly

⁹ See *Company Guide* Section 102(a)—Distribution—which describes the minimum number of shareholders as "public shareholder." The *Company Guide* notes that the term "public shareholders," as used therein, includes both shareholders of record and beneficial holders, but is exclusive of the holdings of officers, directors, controlling shareholders, and other concentrated (i.e., 5% or greater) affiliated or family holdings.

¹⁰ The Commission notes that the \$3 minimum price was approved in Securities Exchange Act Release No. 24043 (January 30, 1987), 52 FR 4071.

¹¹ The Commission notes that the maximum \$25,000 fee for non-U.S. issuers already listed on a foreign exchange was approved in Securities Exchange Act Release No. 34272 (June 28, 1994), 59 FR 34701.

¹² 15 U.S.C. 78f(b).

¹³ See Exchange's *Company Guide* Section 302.

¹⁴ The Exchange notes that a similar procedure is followed at the New York Stock Exchange "NYSE". See Securities Exchange Act Release No. 30662 (May 1, 1992), 57 FR 19655 (approving the adoption of a standard form application by the NYSE).

¹⁵ The Commission notes that each application still will have to be accompanied by the required exhibits—e.g., Contract, Opinion of Counsel, Resolution, Amendment to Charter, etc.—prescribed in Section 330 (renumbered as 306 by this Order) of the *Company Guide*.

regulated environment and believes the business risk associated with such listings to be minimal. Finally, as mentioned above, the same delisting criteria that apply to other stocks listed on the Exchange, continue to apply to bank stocks listed on the Amex.¹⁶ These factors help to support the Amex's belief that fair and orderly markets can be made for bank stocks listed under the proposed distribution and holder standards, and also ensure that the Amex can take the appropriate action to delist a bank stock when it falls below the existing delisting standards.

Based on the above, the Commission finds that the creation of a special set of distribution guidelines for bank stock is consistent with the requirements of Section 6(b)(5) of the Act¹⁷ and the rules and regulations thereunder applicable to a national securities exchange in that they are designed to remove impediments to, and perfect the mechanism of, a free and open market, and to protect investors and the public interest. In approving this portion of the Amex's proposal, the Commission notes that its rational is limited to the special case of bank stocks and continues to believe that higher initial distribution and holder requirements serve investors by ensuring a minimal level of liquidity and that a fair and orderly market can be maintained.

Finally, the Exchange proposes making a number of miscellaneous changes to bring its *Company Guide* in conformity with previously approved changes. These proposed changes involve sections 1003, 505 and 220(b). The Exchange proposes to amend section 1003 to require that for continued listing purposes a company needs to have 300 public holders, and not 300 round lot holders. Similar changes to the Exchange's other public distribution guidelines were previously approved by the Commission.¹⁸ Accordingly, the Commission is approving the proposed changes to Section 1003 as the Exchange further updates its *Company Guide*.

The Exchange proposes amending Section 505 to adopt a \$3 floor for stock dividends or forward splits of lower price issues. The Commission is approving this change to bring Section 505 into conformity with the original listing \$3 minimum stock price set forth in Section 102(b) of the *Company Guide*.¹⁹ The Exchange also proposes amending Section 220(b) of its *Company Guide* to incorporate the maximum

listing fee applicable to foreign issuers. The Commission approves this amendment to make Section 220(b) consistent with the limit required by Section 40.²⁰

Based on the above, the Commission finds that the proposed changes to Sections 1003, 505 and 220(b) are consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in general, to protect investors and the public, in that they will eliminate outdated references and revise these sections to conform to the other sections of the *Company Guide*.

IV. Conclusion

It Is Therefore Ordered, pursuant to Section 19(b)(2) of the Act,²¹ that the proposed rule change (SR-Amex-96-23) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.²²

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-27037 Filed 10-21-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37826; File No. SR-NASD-96-36]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by National Association of Securities Dealers, Inc., Relating to Software Subscription and Maintenance Fees for the CRD System

October 16, 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 October 3, 1996, the National Association of Securities Dealers, Inc. ("NASD" or "Association") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the NASD. The NASD has designated this proposal as one establishing or changing a fee under Section 19(b)(3)(A)(ii) of the Act, which renders the rule effective upon the Commission's receipt of this filing. 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

Pursuant to the provisions of Section 19(b)(1) of the Act, the NASD is herewith filing a proposed rule change to Schedule A of the NASD By-Laws. Below is the test of the proposed rule change. Proposed new language is italicized.

Schedule A to the NASD By-Laws

Section 15 Fees for Central Registration Depository

(a) Each member shall be assessed a Software Subscription Fee of \$300 for each copy of CRD software purchased. Each member shall be assessed a fee of \$10.00 for each set of Branch Filing Software.

(b) Each member shall be assessed an annual Software Subscription Maintenance Fee of \$300 for each copy of the CRD software purchased by the member.

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 NASD 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 NASD 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

Since 1992, the NASD has undertaken an extensive redesign effort to improve the Central Registration Depository ("CRD") and move toward total electronic filing of registration-related forms. The central focus of the redesign effort is to provide efficient, reliable and effective state-of-the-art systems and procedures at reasonable cost to support licensing and regulation of the securities industry. Implementation of electronic filing will eliminate delays in processing information in hard copy. The redesigned CRD will offer efficient processing of registration-related filings and user friendly access to information contained in those filings for all industry and regulatory participants.

Two types of software will be available to be purchased by member firms. The "Main Office" software will

¹⁶ See *supra* note 8.

¹⁷ 15 U.S.C. § 78f(b).

¹⁸ See *supra* note 9.

¹⁹ See *supra* note 10.

²⁰ See *supra* note 11.

²¹ 15 U.S.C. 78s(b)(2).

²² 17 CFR 200.30-3(a)(12).