## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–38546; File No. SR–CTA/CQ–97–1]**

## Consolidated Tape Association; Order Granting Approval of First Substantive Amendment to the Second Restatement of the Consolidated Tape Association Plan

April 25, 1997.

### I. Introduction

On March 14, 1997, the Consolidated Tape Association (''CTA'') Plan Participants filed with the Securities and Exchange Commission (''Commission'' or ''SEC'') an amendment to the Restated CTA Plan pursuant to Rule 11Aa3–2 the Securities Exchange Act of 1934 (''Act''). Notice of the filing appeared in the **Federal Register** on March 27, 1997.[1] No comment letters were received in response to the Notice. For the reasons stated below, the Commission has determined to approve the filing.

### II. Description of the Amendment

Section XI(a) of the Second Restatement of the CTA Plan recognizes the right of the primary market for a security to halt or suspend trading in the security if it feels that the non-disclosure of information relating to the security or other regulatory problems warrants that action. After the primary market notifies the Processor that the information that triggered the halt has been adequately disclosed, the Processor is required to disseminate indications of interest for the security that any Participant may provide.

If the primary market provides an indication of interest within 15 minutes of the time that it notifies the Processor about the adequate information disclosure, the Processor may resume its dissemination of last sale information relating to the security at the end of that 15-minute period.

If the primary market does not provide an indication of interest within 15 minutes of its notice to the Processor of the adequate information disclosure, then within five minutes of the end of that period, the primary market must cause the Processor to include on the consolidated tape an administrative message. The message must signify the continuation of the halt or announce the existence of a market condition that relates to the trading of the security in the primary market. In the latter case (i.e., the announcement), the halt terminates five minutes after the announcement, at which time the Processor is to resume disseminating last sale information relating to the security.

The instant amendment will reduce the 15-minutes period to ten minutes. This amendment will enable trading in the security to resume ten minutes after the security's primary market notifies the Processor that the requisite information has been adequately disclosed. In the context of a halt that involves the announcement of an existing market condition, the amendment will also expedite the time by which the primary market must make the announcement, thereby expediting the resumption of the Processor's dissemination of last sale information relating to the security.

The post-disclosure waiting period is primarily intended to allow an adequate opportunity for an appropriate level of dispersion of the information that triggered the trading halt. The Commission believes that significant increases in the speed of communications allow for rapid dissemination of information and rapid response to that disseminated information.

Moreover, the Commission believes the increases in the speed of communications have shifted the balance between timeliness and price discovery and believes that the CTA's choice of ten minutes, rather than 15 minutes, is a reasonable period to arrive at a price that reflects an appropriate equilibrium of buying and selling interest. The proposed amendment will allow a stock to open or re-open in a more expeditious manner, while still providing sufficient time for the appropriate pricing of orders. As a result, the proposed amendment strikes an appropriate balance between the preservation of the price discovery process and the provision of timely opportunities for investors to participate in the market.

In addition, the amendment conforms the CTA Plan to rule changes of the New York Stock Exchange (''NYSE'') and the American Stock Exchange (''Amex'').[2] In relevant part, those rule changes reduce from 15 minutes to ten minutes the duration of the time period that must elapse between the first publication of an indication of interest following a trading halt and the reopening of trading in the halted security.

Without the instant amendment to the CTA Plan, the NYSE and Amex rule changes would create the following anomaly: If an indication of interest for a security is published less than five minutes after NYSE or Amex announces that the information that gave rise to a regulatory trading halt has been adequately dispersed, NYSE and Amex rules would allow the specialist to reopen trading in the security before the CTA Plan would allow the Processor to report the security's last sale price information. This amendment eliminates the anomaly.

### III. Discussion

The Commission has determined that this amendment is consistent with the Act. Rule 11Aa3–2(c)(2) under the Act provides, *inter alia*, that the Commission approve an amendment to an effective National Market System plan is it finds that the amendment is necessary or appropriate in the public interest, for the protection of investors and maintenance of fair and orderly markets, to remove impediments to and perfect the mechanisms of a National Market System, or otherwise in furtherance of the purposes of the Act. In making such a determination, the Commission must examine Section 11A of the Act and the rules promulgated thereunder. Rule 11Aa3–2(b) lists the requirements for filing or amending a national market system plan. The Commission has determined that the detailed description of the amendment, the rationale for the amendment, and plans for operation meet the requirements of Rule 11Aa3–2(b).

Furthermore, the amendments will remove impediments to and perfect the mechanisms of a National Market System by reducing the period of time that must elapse before the Processor can resume the dissemination of market data after the primary market for the halted security notifies the Processor that the Information that triggered the halt has been adequately disclosed.

### IV. Conclusion

For the reasons discussed above, the Commission finds that the proposed amendment to the CTA Plan is consistent with the Act, and the Rules thereunder.

*It is therefore ordered*, pursuant to Section 11A of the Act, that the amendment to the CTA Plan be, and hereby is, approved.

[1] Securities Exchange Act Release No. 38427 (March 21, 1997), 62 FR 14708.

[2] The Commission approved the NYSE rule change on January 31, 1997. *See* Securities Exchange Act Release No. 38225, 62 FR 5875 (February 7, 1997). The Amex had filed its version (the ''Proposed Amex Rule'') with the Commission and the Commission is by separate Order approving the proposed Amex rule. *See* Exchange Act Release No. 38549 (April 28, 1997).

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[3]

**Margaret H. McFarland,**

*Deputy Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 35–26712]**

## Filings Under the Public Utility Holding Company Act of 1935, as Amended (''Act'')

April 30, 1997.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by May 22, 1997, to the Secretary, Securities and Exchange Commission, Washington, DC 20549, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

### Northeast Utilities, et al. (70–8875)

Northeast Utilities (''NU''), 174 Brush Hill Avenue, West Springfield, Massachusetts 01809, a registered holding company and its wholly owned subsidiary companies (''Subsidiaries''), Holyoke Water Power Company (''HWP''), Canal Street, Holyoke, Massachusetts 01040, Western Massachusetts Electric Company (''WMECO''), 174 Brush Hill Avenue, West Springfield, Massachusetts 01809, Public Service Company of New Hampshire (''PSNH'') and North Atlantic Energy Corporation (''NAEC''), both of 1000 Elm Street, Manchester, New Hampshire 03015, and The Connecticut Light & Power Company (''CL&P''), 107 Selden Street, Berlin, Connecticut 06037 (all companies collectively, ''Applicants''), have filed a post-effective amendment to their application-declaration under sections 6(a), 7, 9(a), 10 and 12(b) of the Act and rules 43, 45 and 54 thereunder.

By orders dated February 11, 1997 (HCAR No. 26665) and March 25, 1997 (HCAR No. 26692) (''Orders''), the Commission authorized among other things, the Applicants to enter into an unsecured revolving credit facility (''Facility'') with various lending institutions permitting borrowings thereunder aggregating up to $313.75 million.[1] The Orders also authorized NAEC to issue short-term notes aggregating not more than $50 million, and the continued use, through December 31, 2000, of the Northeast Utilities System Money Pool (''Money Pool'') to assist in meeting the short-term borrowing needs of the Applicants and certain other NU subsidiaries.[2] The Orders provided however, that NAEC could borrow through the Money Pool to the extent that funds attributable to contributions from NU are available for such borrowings.

The Applicants now propose that NU, CL&P and WMECO enter into amendments to their Facility, which will provide, among other things, that: (1) CL&P and WMECO collateralize their obligations under the Facility with first mortgage bonds;[3] (2) NU's borrowing limit under the Facility be reduced to zero, subject to reinstatement to up to $50 million, until such time as NU, CL&P and WMECO meet certain financial tests; (3) the levels of CL&P's and WMECO's respective borrowings may not exceed the aggregate principal amount of the first mortgage bonds securing their respective obligations under the Facility; (4) on the closing date of the amendment, the borrowers pay each lender an amendment fee equal to .25% of its commitment under the Facility; and (5) the amendments become effective no later than May 30, 1997.

The Applicants also propose to increase the short-term borrowing limit of NAEC from $50 million to $60 million and to amend the Money Pool to enable NAEC to borrow funds contributed by all of the NU system Money Pool participants. The Applicants request, however, that the Commission reserve jurisdiction over PSNH and NAEC borrowing Money Pool funds attributable to WMECO, unless and until authorization is granted by the Massachusetts Department of Public Utilities.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

## Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (T.J.T., Inc., Common Stock, $.001 Par Value; Redeemable Common Stock Purchase Warrants) File No. 1–14140

April 29, 1997.

T.J.T., Inc. (''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 Boston Stock Exchange, Inc. (''BSE'').

The reasons cited in the application for withdrawing the Securities from listing and registration on the BSE are that the Securities are traded on the Nasdaq SmallCap Market. The Company's listing on the BSE was required by the Company's underwriters, Toluca Pacific Securities Corp. (''Toluca''). Toluca has experienced operating difficulties and ceased to make a market in the Company's securities as of January 30, 1997.

The Securities trading volume on the BSE is exceedingly low. During January 1997 there was one trade of 100 shares, during February 1997 there was one trade of 10,100 shares, and during March 1997 there was one trade of 100 shares. In view of the limited activity on the BSE, it is not cost-effective for the Company to maintain its listing on two exchanges.

Any interested person may, on or before May 20, 1997, submit by letter to

[3] 17 CFR 200.20–3(a)(27).

[1] Under the Facility, the Applicants have the following maximum borrowing limits: NU—$150 million; CL&P—$313.75; and WMECO $150 million.

[2] The Orders authorized the issuance of short-term debt through December 31, 2000.

[3] CL&P's and WMECO's issuance and sale of such bonds are exempt from prior Commission authorization under rule 52.