redemption, applicants request relief from section 2(a)(32) and rule 22c–1.

2. Section 22(d) and rule 22d-1 require an investment company and its principal underwriter and dealer to sell securities only at a current public offering price described in the investment company's prospectus, with the exeception of sales of redeemable securities at prices which reflect scheduled variations in the ''sales load.'' Section 2(a)(35) defines the term *sales load* as the difference between the sales price and the portion of the proceeds invested by the depositor or trustee. Applicants request relief from sections 2(a)(35) and 22(d) to the extent that the DSC may be paid in installements rather than upon purchase.

3. Applicants believe that the provisions of section 22(d), rule 22d-1 and section 2(a)(35), taken together, are intended to prevent (1) riskless trading in investment company securities due to backward pricing, (2) disruption of orderly distribution by dealers selling shares at a discount, and (3) discrimination among investors resulting from different prices charged to different investors. Applicants believe the proposed DSC program will present none of these abuses. Applicants contend that the deduction of the Installment Payments is consistent with the policy of forward pricing. Applicants also contend that the amount, computation and timing of the DSC will promote fair treatment of all unithholders, while permitting the Trusts to offer unitholders the advantage of having a larger portion of their purchase amount invested immediately. Applicants further note that the DSC program will be disclosed in the prospectus of each Series and available on the same terms to all investors. Finally, applicants state that any waiver of the DSC will be disclosed in the prospectus of each Series and implemented in accordance with rule 22d–1.

4. Section 26(a)(2), in relevant part, prohibits a trustee or custodian of a unit investment trust from collecting from the trust as an expense any payment to the trust's depositor or principal underwriter. Because the trustee's payment of the DSC to the Sponsor may be deemed to be an expense under section 26(a)(2)(C), applicants request relief from that section to the extent necessary to permit the trustee to collect DSC payments and disburse them to the Sponsor. Applicants believe that the relief is appropriate because the DSC is more properly characterized as a sales load than as an ''expense.''

5. Section 6(c) authorizes the SEC to exempt any person or transaction from any provision of the Act or any rule under the Act to the extent that the exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants believe that their proposal meets this standard.

Applicants' Conditions

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

1. Any DSC imposed on Units issued by a Series will comply with the requirements of rule 6c–10(a) (1) through (3) under the Act.

2. Each Series offering Units subject to a DSC will include in its prospectus the disclosure required in Form N–1A relating to deferred sales charges, modified as appropriate to reflect the differences between unit investment trusts and open-end investment companies.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–26904 Filed 10–9–97; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–22839; 812–10672]

TCW International Equity Limited Partnership, et al.; Notice of Application

October 3, 1997.

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

ACTION: Notice of application for an order under section 17(b) of the Investment Company Act of 1940 (the ''Act'') granting an exemption from section 17(a) of the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit certain limited partnerships to transfer all of their assets to corresponding series of a registered investment company in exchange for the series' shares, which then will be distributed *pro rata* to partners of the partnerships.

APPLICANTS: TCW International Equity Limited Partnership, TCW Japan Limited Partnership, TCW Value Opportunities Fund (collectively, the ''Partnerships''), TCW Galileo Funds, Inc. (the ''Company''), TCW Asset Management Company (''TAMCO''), and TCW Funds Management, Inc. (the ''Adviser'').

FILING DATES: The application was filed on May 16, 1997, and amendments to the application were filed on August 15, 1997, and October 2, 1997.

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 October 28, 1997, 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 who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 5th Street, N.W., Washington, DC 20549. Applicants, 865 South Figueroa Street, Suite 1800, Los Angeles, California 90017.

FOR FURTHER INFORMATION CONTACT: Brian T. Hourihan, Senior Counsel, at (202) 942–0526, or Mary Kay Frech, Branch Chief, (202) 942–0564 (Office of Investment Company Regulation, Division of Investment Management).

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, 450 Fifth Street, N.W., Washington D.C. 20549 (tel. (202) 942–8090).

Applicants' Representations

1. TCW International Equity Limited Partnership was organized as a California limited partnership on August 19, 1993: TCW Japan Limited Partnership was organized as a Delaware limited partnership on May 2, 1995; and TCW Value Opportunities Fund was organized as a California limited partnership on May 16, 1996. The Partnerships permit investors to purchase and redeem Partnership interests (''Units'') at net asset value on a monthly basis. The Partnerships are not registered under the Act in reliance on section 3(c)(1) of the Act. The offerings of the Units were structured as private placements under section 4(2) of the Securities Act of 1933 (the ''Securities Act''), and Regulation D promulgated under the Securities Act. Units are sold to institutional investors and high net worth individuals.

2. TAMCO, a wholly owned subsidiary of the TCW Group, Inc., serves as the sole general partner of the

Partnerships and has exclusive responsibility for their overall management, control, and administration. TAMCO, an investment adviser registered under the Investment Advisers Act of 1940, also serves as investment manager with respect to the Partnerships' assets.

3. The Company, a Maryland corporation, is an open-end investment company registered under the Act. Currently, the Company offers thirteen series (the ''Existing Funds''). The Company proposes to offer three additional series (the ''New Funds''), each of which will correspond to a Partnership in terms of investment objective and policies.

4. The Company has entered into an advisory agreement with the Adviser, a wholly-owned subsidiary of the TCW Group, Inc., pursuant to which the Adviser, an investment adviser registered under the Investment Advisers Act of 1940, will render advisory services to the New Funds. The Adviser will provide services that are substantially the same as those TAMCO currently renders to the corresponding Partnership. The officers of TAMCO serving as portfolio managers of the Partnerships also serve as officers of the Adviser and will serve as portfolio managers of the corresponding New Funds.

5. Applicants propose that, pursuant to an Agreement and Plan of Exchange (the ''Plan''), each of the New Funds will acquire assets from its corresponding Partnership in exchange for New Fund shares (the ''Exchanges''). New Fund shares delivered to the Partnerships in the Exchanges will have an aggregate net asset value equivalent to the net asset value of the assets transferred by the Partnerships to the Company (except for the effect of certain organizational expenses paid by each New Fund, as discussed below). Upon consummation of the Exchanges, each Partnership will distribute the New Fund shares to its respective partners, with each partner receiving shares having an aggregate net asset value equivalent to the net asset value of the Units held by the partner prior to the Exchange (except for the effect of certain organizational expenses paid by the New Funds and the effect of any assets retained by a Partnership to pay accrued expenses). Each Plan permits the Partnership to retain sufficient assets to pay any Partnership-accrued expenses and retain any assets that a New Fund is not permitted to purchase or that are reasonably determined to be unsuitable for it. No liabilities of a Partnership will be transferred to its corresponding New Fund; all known liabilities, other than accrued expenses discussed above, will be paid by each Partnership prior to the transfer of its assets to the corresponding New Fund. The general partner, TAMCO, will be responsible for any unknown liabilities of each Partnership. Assets retained by each Partnership that are not needed to pay expenses will be distributed *pro rata* to the partners. After payment of any accrued expenses from retained assets, each Partnership will be liquidated and dissolved.

6. The expenses of the Exchanges will be borne by TAMCO. Organizational expenses, up to a maximum of $50,000 per New Fund, will be paid by the New Funds and amortized over five years. Organizational expenses in excess of $50,000 per New Fund will be paid by the Adviser. Any unamortized organizational expenses associated with the organization of the New Funds at the time the Adviser withdraws its initial investment in the Company will be borne by the Adviser, not the New Funds. Through October 31, 1998, the Adviser will place a limit on the annual expenses of each New fund. This limit is generally intended to cap New Fund expense ratios at levels projected to be incurred during 1997 and 1998 by the Partnerships.

7. The board of directors of the Company (the ''Board'') and TAMCO have considered the desirability of the Exchanges from the respective points of view of the Company and the Partnerships, and all members of the Board (including all of the independent directors) and TAMCO have approved the Exchanges and concluded that: (i) the terms of the Exchanges have been designed to meet the criteria contained in section 17(b) of the Act; (ii) the Exchanges are desirable as a business matter from the respective points of view of the Company and the Partnerships; (iii) the Exchanges are in the best interests of the Company and the Partnerships; (iv) the Exchanges are reasonable and fair, do not involve overreaching, and are consistent with the policies of the Act: (v) the Exchanges are consistent with the policies of the Company and the Partnerships; and (vi) the interests of existing shareholders in the Company and existing partners in the Partnerships will not be diluted as a result of the exchanges. These findings, and the basis upon which the findings were made, have been fully recorded in the minute books of the Company and TAMCO.

8. The Exchanges will not be effected until(i) the Company's registration statement has been filed; (ii) the Company and the Partnerships have received a favorable opinion of counsel with respect to the tax consequences of the Exchanges; and (iii) the SEC has issued the requested order.

Applicants' Legal Analysis

1. Section 17(a) of the Act prohibits any affiliated person of a registered investment company, or any affiliated person of such a person, acting as principal from selling to or purchasing from the registered investment company any security or other property. Section 2(a)(3) of the Act defines *an affiliated person* as, among other things, any person directly or indirectly controlling, controlled by, or under common control with, such other person; any officer, director, partner, copartner or employee of such other person; or, if such other person is an investment company, any investment adviser of the investment company. Each Partnership is an affiliated person of an affiliated person of the Company because TAMCO, the general partner of the Partnerships, and the Adviser are under common control. Thus, the proposed Exchanges may be deemed to be prohibited under section 17(a) of the Act.

2. Section 17(b) of the Act authorizes the SEC to exempt any person from one or more of the provisions of section 17(a) if the terms of the transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned and the proposed transaction is consistent with the policy of each registered investment company concerned and the general purposes of the Act.

3. Applicants believe that the proposed Exchanges satisfy the requirements of section 17(b). Applicants state that Shares issued by each New Fund will have an aggregate net asset value equal to the value of the assets acquired from its corresponding Partnership. Applicants also state that because Shares will be issued at their net asset value and only nominal Shares will be outstanding when the Exchanges are effected, the Company shareholders will not be diluted. In addition, applicants state that the investment objective and policies of each New Fund are substantially similar to its corresponding Partnership and that after the Exchanges, the limited partners will hold substantially the same assets as Company shareholders as they held as limited partners. In this sense, applicants submit that the Exchanges can be viewed as a change in the form in which assets are held, rather than a disposition giving rise to section 17(a) concerns.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–26903 Filed 10–9–97; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Agency 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 October 13, 1997.

A closed meeting will be held on Tuesday, October 14, 1997, at 10:30 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 Tuesday, October 14, 1997, at 10:30 a.m., will be:

Institution of injunctive actions.

Institution and settlement of administrative proceedings of an enforcement nature.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. 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: October 7, 1997.

Jonathan G. Katz,

Secretary.

[FR Doc. 97–27097 Filed 10–8–97; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[File No. 500–1]

United States Properties, Inc.; Order of Suspension of Trading

October 7, 1997.

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning the securities of United States Properties, Inc. (''USPI''). Questions have been raised regarding the accuracy of assertions by USPI, and by others, in documents sent to and statements made to market-makers of the stock of USPI, other broker-dealers, and to investors concerning, among other things: (1) the identity of the persons in control of the operations and management of the company; (2) the purported members of USPI's advisory board; and (3) the trading and true value of the common stock of USPI.

The Commission is of the opinion that the public interest and the protection of investors require a suspension of trading in the securities of the above-listed company.

Therefore, it is ordered, pursuant to Section 12(k) of the Securities Exchange Act of 1934, that trading in the above listed company is suspended for the period from 9:30 a.m. EDT, October 8, 1997 through 11:59 p.m. EDT, on October 21, 1997.

By the Commission.

Jonathan G. Katz,

Secretary.

[FR Doc. 97–27096 Filed 10–8–97; 11:30 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–39192; File No. SR–CBOE–97–48]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Board Options Exchange, Incorporated Relating to a Reduction in the Value of the Standard & Poor's 100 Stock Index

October 3, 1997.

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 September 19, 1997, the Chicago Board Options Exchange, Incorporated (''CBOE'' or the ''Exchange'') 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 CBOE. 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 CBOE is filing this rule change to inform the Commission that Standard & Poor's (''S&P'') intends to reduce the value of its S&P 100 Stock Index (''Index'') option (''OEX'') to one-half of its present value by doubling the divisor used in calculating the Index. In connection with this change, the Exchange proposes doubling the current OEX position and exercise limits. The text of the proposed rule change is available at the Office of the Secretary, the CBOE, and at the Commission.

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 CBOE 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 CBOE 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, Proposed Rule Change

1. Purpose

The CBOE began trading OEX options in March 1983.[3] OEX options are American-style, cash-settled options on the S&P 100 Stock Index. The Exchange notes that, on the strength of a sustained bull market, the value of the OEX has doubled in value since mid-1995, such that the value of the index stood at 928.20 as of August 7, 1997. As a result of the significant increase in the value of the underlying index, the premium for OEX options has also increased. This has caused OEX options to trade at a level that may be uncomfortably high for retail investors, a large and important part of the market for OEX.

As a result, at the request of the CBOE, S&P, the reporting authority for the Index, has agreed to a ''two-for-one

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

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 19264 (November 22, 1982), 47 FR 53981 (November 30, 1982).