

Under the Plan, all members of GPU's board of directors ("Board") who are outside directors ("Outside Directors") are eligible to receive—in addition to their annual retainer, committee fees, and benefits under any other applicable benefits plan—shares of GPU common stock as compensation for their services as Board members. Until termination of service, an Outside Director generally may not dispose of any shares of GPU common stock awarded under the Plan, but has all other rights of a shareholder with respect to such shares, including voting rights and the right to receive all cash dividends paid with respect to awarded shares. A committee administers the Plan and determines any award under the plan.

The Plan states that its purpose is to enable GPU to attract and retain persons of outstanding competence to serve on its Board by paying them a portion of their compensation in GPU common stock.

Southern Ohio Coal Company, et al. (70-9515)

Southern Ohio Coal Company ("SOCCo"), a West Virginia corporation and a wholly owned nonutility subsidiary of Ohio Power Company ("Ohio Power"), and electric utility subsidiary of American Electric Power Company, Inc., a registered holding company, each located at 1 Riverside Plaza, Columbus, Ohio 43215, have filed a declaration under section 12(c) of the Act and rules 46 and 54 under the Act.

By Commission order dated September 13, 1996 (HCAR No. 26573), SOCCo was authorized to pay up to \$68 million out of capital surplus to Ohio Power through December 31, 1998, as one or more dividends on its common stock. Dividends in that amount have been paid to Ohio Power, according to SOCCo, and the authority under that order has expired. In June of 1997, SOCCo received approximately \$50 million from an institutional investor from the sale-leaseback of its Meigs Division coal preparation plant, intermine coal conveyor and overland coal conveyor. The remaining sale-leaseback proceeds and the cash generated from SOCCo's Meigs Division are in excess of \$15.8 million and exceed the amount of its working capital requirements, which are estimated by SOCCo to be \$9,928,000.

SOCCo now requests authorization to pay Ohio Power one or more dividends on its common stock, out of capital surplus, totalling up to \$15.807 million. SOCCo proposes that its Board of Directors declare dividends periodically when the cash is available, but in no event later than December 31, 2001.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41593; File No. SR-AMEX-99-20]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange LLC Relating to the Listing and Trading of Trust Issued Receipts

July 1, 1999.

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 May 28, 1999, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. 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 proposes to adopt Rules 1200, 1201 and 1202 relating to the listing and trading of Trust Issued Receipts. The text of the proposed rule change follows. [Bracketing] indicates text to be deleted and *italics* indicate text to be added.

Rules of General Applicability

TRUST ISSUED RECEIPTS

Rule 1200

(a) *Applicability. The Rules in this Chapter (Trading of Trust Issued Receipts) are applicable only to Trust Issued Receipts. Except to the extent that specific Rules in this Chapter govern, or unless the context otherwise requires, the provisions of the Constitution and all other rules and policies of the Board of Governors shall be applicable to the trading on the Exchange of such securities. Pursuant to the provisions of Article 1, Section 3(i) of the Constitution, Trust Issued Receipts are included within the definition of "security" or "securities"*

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

as such terms are used in the Constitution and Rules of the Exchange.

(b) *Definitions. The following terms as used in the Rules shall, unless the context otherwise requires, have the meanings herein specified:*

Trust Issued Receipts. The term "Trust Issued Receipt" means a security (a) that is issued by a trust ("Trust") which holds specified securities deposited with the Trust; (b) that, when aggregated in some specified minimum number, may be canceled by the beneficial owner to receive the securities; and (c) that pays beneficial owners dividends and other distributions on the deposited securities, if any are declared and paid to the trustee by an issuer of the deposited securities.

Commentary

.01 *The Exchange requires that members and member organizations provide to all purchasers of newly issued Trust Issued Receipts a prospectus for the series of Trust Issued Receipts*

.02 *Transactions in Trust Issued Receipts may be effected until 4:00 pm each business day.*

Designation

Rule 1201

The Exchange may list and trade Trust Issued Receipts based on one or more securities. The Trust Issued Receipts based on particular securities shall be designated as a separate series and shall be identified by a unique symbol. The securities that are included in a series of Trust Issued Receipts shall be selected by the Exchange or its agent, a wholly-owned subsidiary of the Exchange, or by such other person as shall have a proprietary interest in such Trust Issued Receipts, and may be revised from time to time.

Initial and Continued Listing

Rule 1202

Trust Issued Receipts will be listed and traded on the Exchange subject to application of the following criteria .

(a) *Initial Listing—For each Trust, the Exchange will establish a minimum number of Trust Issued Receipts required to be outstanding at the time of commencement of trading on the Exchange.*

(b) *Continued Listing—Following the initial twelve month period following formation of a Trust and commencement of trading on the Exchange, the Exchange will consider the suspension of trading in or removal from listing of a Trust upon which a series of Trust Issued Receipts is based*

under any of the following circumstances:

(i) if the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Trust Issued Receipts for 30 or more consecutive trading days; or

(ii) if such other event shall occur or condition exists which in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

Upon termination of a Trust, the Exchange requires that Trust Issued Receipts issued in connection with such Trust be removed from Exchange listing. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of securities in the Trust falls below a specified amount.

(c) *Term*—The stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(d) *Trustee*—The requirements of paragraph (a) of Section #811 of the Exchange Company Guide apply.

(e) *Voting*—Voting rights shall be as set forth in the Trust prospectus.

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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 Exchange 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 exchange 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 Amex proposes to add Rules 1200 and 1202 to accommodate the trading of trust issued receipts that are intended to provide investors with a flexible, cost-effective way of purchasing, holding and transferring the securities of one or more specified companies. Since trust issued receipts have many of the same features and characteristics of Portfolio Depositary Receipts ("PDRs") that have been listed

on the Exchange since 1993, the Exchange is proposing that trust issued receipts have similar listing standards and rules as are currently in place for PDRs. In addition, the Exchange proposes to trade standardized options on the trust receipts using the listing standards for exchange-traded fund shares.

Trust Issued Receipts

Trust issued receipts are negotiable receipts which are issued by a Trust representing securities of issuers that have been deposited and are held on behalf of the holders of the trust issued receipts. Trust issued receipts are designed to allow investors to hold certain securities investments in a single, exchange-listed and traded instrument representing their beneficial ownership in the deposited securities. Holders of trust issued receipts maintain beneficial ownership of each of the deposited securities evidenced by trust issued receipts. Holders may cancel their trust issued receipts at any time to receive the deposited securities.

The proposed initial trust issued receipts will be formed under a depositary trust agreement between a qualified trustee, as trustee, and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as the initial depositor. A trust will issue trust issued receipts under a depositary agreement. After the initial offering, a trust may issue additional receipts on a continuous basis when an investor deposits the requisite securities with the trust.

A round-lot of 100 trust issued receipts represents a holder's individual and undivided ownership interest in a whole number of securities of one or more specified companies in a specified industry. Trust issued receipts may be acquired, held or transferred only in round-lot amounts (or round-lot multiples) of 100 receipts. Orders for less than a round-lot will be rejected, while orders for greater than a round-lot, but not a round-lot, but not a round-lot multiple will be executed to the extent of the largest round lot multiple, rejecting the remaining odd-lot (e.g., orders for 50 trust issued receipts will be rejected, and for orders of 1050 trust issued receipts, 1000 will be executed and 50 will be rejected). The initial offering price for a trust issued receipt will be established on the data the receipts are priced for sale to the public.

Except when a reconstruction event occurs, as described below, the securities represented in a trust issued receipt will not change. Under no circumstances will a new security be added to the list of securities after a particular receipt program is

established. An investor in trust issued receipts will be permitted to withdraw its deposited securities upon delivery to the trustee of one or more round-lots of 100 trust issued receipts and to deposit such securities to receive trust issued receipts.

The amounts of deposited securities for each round-lot of 100 trust issued receipts will be determined on the pricing date and will be disclosed in the prospectus to investors.

Maintenance of Trust Issued Receipts

The amounts of deposited securities specified in the prospectus will not change, except for changes due to certain corporate events such as stock splits or reverse stock splits on the deposited securities. The relative weightings among the deposited securities will change based on the current market price of the deposited securities. Once established, the component securities held by the trust and represented by trust issued receipts will not change unless an event described below occurs.

The trust agreement provides for the automatic distribution of specified deposited securities to the beneficial owner of such receipts in three circumstances referred to in the prospectus as "reconstitution events." A reconstitution event occurs if:

(1) A company with deposited securities evidenced by a trust issued receipt no longer has a class of common stock registered under Section 12 of the Securities Exchange Act of 1934. In such instance, its securities will no longer be a deposited security and the trustee will distribute the securities of that company to the owners of the trust receipts;

(2) The Commission finds that a company with deposited securities evidenced by the trust issued receipts is a company that should be registered as an investment company under the Investment Company Act of 1940, and the trustee has actual knowledge of the Commission's finding. In this situation, the trustee will distribute the securities of that company to the owners of the trust issued receipts; and

(3) The deposited securities of a company evidenced by a trust issued receipt are no longer outstanding because the securities were acquired by another company. Under this scenario, the trustee will distribute the consideration paid by and received from the acquiring company to the beneficial owners of trust issued receipts, unless the consideration is additional deposited securities (i.e., the acquiring company's securities are already included in the trust issued receipt as

deposited securities), in which case such additional securities will be deposited into the trust.

If the trustee removes a deposited security from the trust due to the occurrence of one of the reconstitution events described above, the trustee will deliver the deposited security to the investor within three calendar days from the occurrence of the reconstitution event. Investors in the trust issued receipts will receive dividends and other distributions paid in respect of the deposited securities.

The trust will issue and cancel, and an investor may obtain, hold, trade or surrender, receipts only in a round-lot of 100 trust issued receipts and round-lot multiples. While investors will only be able to acquire, hold, transfer and surrender the receipts in round-lots of 100 trust issued receipts, the bid and asked prices will be quoted on a per receipt basis.³ The trust will issue additional receipts on a continuous basis when an investor deposits the required securities with the trust.

An investor may obtain trust issued receipts by delivering to the trust the requisite securities evidencing a trust issued receipt, the trustee will charge an issuance fee of up to \$10.00 per 100 trust issued receipts. If an investor wants to cancel trust issued receipts and withdraw the deposited securities, the trustee will charge a cancellation fee of up to \$10.00 per 100 trust issued receipts.

Criteria for Initial and Continued Listing

Because of the continuous issuance and cancellation of trust issued receipts, the Exchange believes it is necessary to maintain appropriate flexibility in connection with listing a specific trust. In connection with initial listing, the Exchange proposes that, for each trust, the Exchange will establish a minimum number of receipts required to be outstanding at the time of commencement of Exchange trading, and such minimum number will be filed with the Commission in connection with any required submission under Rule 19b-4 for each trust. It is anticipated that a minimum of 150,000 receipts will be required to be outstanding when trading begins.

Because of the continuous issuance and cancellation of trust issued receipts, and because the number of holders is subject to substantial fluctuations depending on market conditions, the Exchange believes it would be inappropriate and burdensome on trust

issued receipt holders to consider suspending trading in or delisting a series of receipts with the consequent termination of the trust, unless the number of holders remains severely depressed over an extended time period. Therefore, after twelve months from the formation of a trust and commencement of Exchange trading, the Exchange will consider suspension of trading in, or removal from listing of a trust when, in its opinion, further dealing in such securities appears unwarranted under the following circumstances:

(a) if the trust has more than 60 days remaining until termination and there have been fewer than 50 record and/or beneficial holders of the trust issued receipts for 30 or more consecutive trading days; or

(b) if such other event shall occur or condition exists which in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

Exchange Rules Applicable to the Trading of Trust Issued Receipts

Trust issued receipts will be deemed equity securities subject to all Amex rules governing the trading of equity securities, including, among others, rules governing priority, parity and precedence of orders, market volatility related trading halt provisions pursuant to Amex Rule 117, and responsibilities of the specialist. Exchange equity margin rules and the regular equity trading hours of 9:30 a.m. to 4 p.m. will apply to transactions in trust issued receipts. However, trading rules pertaining to the availability of odd-lot trading in Amex equities will not apply to the trading of trust issued receipts, since they can only be traded in round-lots.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act⁴ in general and furthers the objectives of Section 6(b)(5)⁵ in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve the proposed rule change or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying at the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR-AMEX-99-20 and should be submitted by July 30, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁶

Margaret H. McFarland,
Deputy Secretary.

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³ The per share amount will be disseminated by the Amex every 15 seconds over the Consolidated Tape Association's Network B.

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(5).

⁶ 17 CFR 200.30-3(a)(12).