shareholders of record in the applicable Acquired Fund class, determined as of the close of business on the Closing Date, in complete liquidation of each Acquired Fund. Applicants anticipate that the Closing Date will be on or around August 20, 1999.

6. Applicants state that the Acquiring Funds will pursue investment objectives and follow principal investment strategies that are identical to those of the corresponding Acquired Fund. Applicants state that the distribution and shareholder servicing arrangements for the respective classes of the Acquired and Acquiring Funds are also identical. Primary A and Primary B shares of the Funds do not have a sales charge. Investor A shares of the Funds are subject to a maximum front-end sales charge of 5.75%, and certain holders of Investor A shares of the Acquired Funds may be subject to a maximum deferred sales charge of 1% or a redemption fee of 1%. Investor B shares of the Funds are subject to a maximum deferred sales charge of 5%. Investor C shares of the Funds are subject to a maximum deferred sales charge of 1%. No sales charge will be imposed in connection with the Reorganization.

7. The Boards, including a majority of their Disinterested Members, found that participation in the Reorganization is in the best interest of each Fund and that the interests of existing shareholders of the Funds will not be diluted as a result of the Reorganization. In approving the Reorganization, the Boards considered, among other things: (a) the potential effect of the Reorganization; (b) the expense ratios of the Acquiring Funds and the Acquired Funds; (c) the compatibility of the investment objectives and investment strategies of the Acquiring Funds and Acquired Funds; (d) the terms and conditions of the Plans; (e) the tax-free nature of the Reorganization; and (f) the advantages of the master-feeder structure. The Funds will bear the expenses associated with the Reorganization, as determined by the Board of each Fund.

8. The Plans may be terminated by mutual written consent of the Acquiring Fund and the respective Acquired Fund at any time prior to the Closing Date. In addition, either party may terminate a Plan if: (a) the other party materially fails to perform its obligations prior to the Closing Date; (b) the other party materially breaches its representations, warranties, or covenants; or (c) a condition precedent to the party's obligations cannot be met.

9. Definitive proxy solicitation materials have been filed with the SEC and were mailed to the Acquired Fund's shareholders on July 7, 1999. A special meeting of the Acquired Funds' shareholders will be held on or about August 13, 1999.

10. The consummation of the Reorganization is subject to the following conditions: (a) A registration statement under the Securities Act of 1933 for the Acquiring Funds will have become effective; (b) the Acquired Fund shareholders will have approved the Plan; (c) applicants will have received exemptive relief from the SEC with respect to the issues in the application; (d) the Funds will have received an opinion of counsel concerning the tax-free nature of the Reorganization; and (e) each Acquired Fund will have declared a dividend to distribute substantially all of its investment company taxable income and net capital gain, if any, to its shareholders. Applicants agree not to make any material changes to the Plans that affect the application without prior SEC staff approval.

Applicants' Legal Analysis

1. Section 17(a) of the Act generally prohibits an affiliated person of a registered investment company, or an affiliated person of that person, acting as principal, from selling any security to, or purchasing any security from, the company. Section 2(a)(3) of the Act defines an ''affiliated person'' of another person to include (a) any person that directly or indirectly owns, controls, or holds with power to vote 5% or more of the outstanding voting securities of the other person; (b) any person 5% or more of whose outstanding voting securities are directly or indirectly owned, controlled or held with power to vote by the other person; (c) any person directly or indirectly controlling, controlled by, or under common control with the other person; and (d) if the other person is an investment company, any investment adviser of that company.

2. Rule 17a–8 under the Act exempts from the prohibitions of section 17(a) mergers, consolidations, or purchases or sales of substantially all of the assets of registered investment companies that are affiliated persons solely by reason of having a common investment adviser, common directors/trustees, and/or common officers, provided that certain conditions set forth in the rule are satisfied.

3. Applicants state that the BankAmerica Group holds of record more than 5% of the outstanding voting securities of each of the Acquired Funds, and more than 25% of certain Acquired Funds. Because of this ownership, applicants state that the funds may be deemed affiliated persons for reasons other than those set forth in rule 17a–8 and therefore unable to rely on the rule. Applicants request an order pursuant to section 17(b) of the Act exempting them from section 17(a) to the extent necessary to consummate the Reorganization.

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

5. Applicants submit that the terms of the Reorganization satisfy the standards set forth in section 17(b). Applicants note that the Boards, including a majority of the Disinterested Members, found that participation in the Reorganization is in the best interests of each Fund and that the interests of the existing shareholders of each Fund will not be diluted as a result of the Reorganization. Applicants also note that the Reorganization will be based on the Funds' relative net asset values.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99–20071 Filed 8–3–99; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–41664; File No. SR–BSE–99–10]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the Boston Stock Exchange, Inc. Relating to the Minimum Variation for Nasdaq-100 Shares and Disclaimer of Liability With Respect to the Nasdaq-100 Index

July 27, 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 July 16, 1999, the Boston Stock Exchange, Inc. (''BSE'' or the ''Exchange'') filed with the Securities and Exchange Commission (''Commission'' or the ''SEC'') the proposed rule change as

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

[2] 17 CFR 240.19b–4.

described in Items I and II below, which Items have been prepared by the self-regulatory organizations. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons, and simultaneously is approving the filing.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Exchange Chapter XXIV, Section 5, Interpretations and Policies thereunder, to permit dealings in Nasdaq-100 Shares of the Nasdaq-100 Trust (''Nasdaq-100 Shares'') in increments smaller than the minimum variation, and to add proposed Section 7 to Exchange Chapter XXIV relating to disclaimer of liability with respect to the Nasdaq-100 Index.

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 self-regulatory organization 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 III below. The self-regulatory organization 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 Exchange is proposing to amend an interpretation to the Portfolio Depository Receipt (''PDR'') listing rule set forth in Exchange Chapter XXIV, Section 5 to permit dealings in Nasdaq-100 Shares in increments of 1/64 of $1.00. The Nasdaq-100 Trust is a unit investment trust sponsored by Nasdaq-Amex Investment Product Services, Inc. with a portfolio based on the component stocks of the Nasdaq-100 Index. The Exchange intends to trade these securities pursuant to unlisted trading privileges (''UTP''). These securities are currently traded on the American Stock Exchange (''Amex'') in increments of 1/64 of $1.00 and, thus, the Exchange believes it is appropriate to trade these securities on the Exchange with the same minimum increment of 1/64 of $1.00 as well.[3]

In connection with the Exchange's license agreement with the Nasdaq Stock Market (''Nasdaq'') relating to, among other things, the use of the name ''Nasdaq-100 Shares,'' and the disclaimer of liability relating to the Nasdaq-100 Index, the Exchange is proposing to amend Chapter XXIV to add a new Section 7 to codify a rule governing disclaimers of liability relating to the Nasdaq-100 Index. The proposed rule change is consistent with the disclaimer of liability language adopted by the Amex in its Rule 1006.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[4] in general, and furthers the objectives of Section 6(b)(5),[5] in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating securities transactions, 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.

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 either solicited or received.

III. 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 BSE. All submissions should refer to File No. SR–BSE–99–10 and should be submitted by August 25, 1999.

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

The Commission finds that the BSE's proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[6] Specifically, the Commission believes that the proposal is consistent with Section 6(b)(5) of the Act[7] because it will facilitate transactions in securities by permitting the BSE: (1) to trade Nasdaq-100 Shares, on a UTP basis, in increments of 1/64th of $1.00, and (2) to adopt a disclaimer of liability rule relating to the Nasdaq-100 Index, consistent with the license agreement between Nasdaq and the Exchange.

The Exchange has requested that the Commission find good cause pursuant to Section 19(b)(2) of the Act for approving the proposed rule change prior to the thirtieth day after the publication of the proposal in the **Federal Register**. The Commission believes that such action is appropriate, in that the proposed rule change establishes the same minimum trading variation as the Amex has adopted for Nasdaq-100 Shares. Further, the proposed rule relating to the disclaimer of liability adopted by the Amex.[8] For the reasons set forth above, the Commission does not believe that this proposal raises any new regulatory issues. Accordingly, the Commission finds that there is good cause for approving the proposed rule change prior to the thirtieth day after the publication of the proposal in the **Federal Register**.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[9] that the

[3] *See* Securities Exchange Act Release No. 41119 (February 26, 1999), 64 FR 11510 (March 9, 1999) (SR–Amex–98–34).

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(5).

[6] In reviewing the proposed rule change, the Commission considered its potential impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[7] 15 U.S.C. 78f(b)(5).

[8] The Amex disclaimer of liability provision was approved in Securities Exchange Act Release Nos. 41119 (February 26, 1999), and 41562 (June 25, 1999). It was subject to the full notice and comment process in Securities Exchange Act Release No. 41119 and no comments were received with respect to the disclaimer.

[9] 15 U.S.C. 78s(b)(2).

proposed rule change is hereby approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[10]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99–20026 Filed 8–3–99; 8:45 am]

BILLING CODE 8010–01–M

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Environmental Impact Statement: Lawrence County, Ohio

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent.

SUMMARY: The FHWA is issuing this notice to advise the public that a supplement to a final environmental impact statement will be prepared for a proposed highway project in Lawrence County, Ohio.

FOR FURTHER INFORMATION CONTACT: Scott McGuire, Field Operations Engineer, Federal Highway Administration, 200 North High Street, Room 328, Columbus, Ohio 43215, Telephone: (614) 280–6852.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the Ohio Department of Transportation, will prepare a supplement to the final environmental impact statement (EIS) on a proposal to improve State Route (SR) 7 and SR 607 in Lawrence County, Ohio. The original EIS for the improvements (FHWA–OH–EIS–72–8–F) was approved on January 31, 1974. The supplement is being prepared due to the time elapsed since the original approval in 1974 and to adequately address new legislative and regulatory requirements. In response to the October 28, 1995 Federal planning regulations, a major investment study for the corridor has been completed by KYOVA Interstate Planning Commission.

The existing facility, which travels thru the Villages of Chesapeake and Proctorville (on a two-lane roadway) is prone to heavy traffic numbers exacerbated by turning movements and resulting in a high accident situation. SR 7 in this area is also prone to flooding which results in roadway closure and impairs emergency vehicles. The section of roadway to be relocated is situated in southern Lawrence County across the Ohio River from Huntington, West Virginia, a major metropolitan area. This section of roadway is predominantly used for residences living in Ohio and working in the Huntington area. The project is situated in the Ohio River valley with steep hills to the north. The flatter lands to the south along the river have been developed for residential and commercial buildings. Improvements to the corridor are considered necessary to provide for existing and projected traffic demand.

Alternatives under consideration include (1) taking no action; (2) building a 4-lane limited access facility on new alignment. The alignments under consideration are slightly north of Chesapeake, Proctorville, and Rome.

FHWA, ODOT and other local agencies invite participation in defining the alternatives to be evaluated in the supplemental EIS, and any significant social, economic, or environmental issues related to the alternatives. Information describing the purpose and need of the project, the proposed alternatives, the areas to be evaluated, the citizen involvement program, and the preliminary project schedule may be obtained from the FHWA at the address provided above.

Coordination with concerned federal, state, and local agencies has been ongoing throughout project development. A public meeting was held on June 27, 1996 at a point in time when an EIS was not believed to be necessary. Coordination will be continued throughout the study with federal, state, and local agencies, and with private organizations and citizens who express or are known to have interest in this project. On August 26, 1999, a public meeting will be held to obtain input on a preferred alignment. A Public Hearing will be held and may take place in the year 2000. Public notice will be given of the exact time and place of the meeting and the hearing to be held for the project. The Draft EIS will be available for public and agency review and comment prior to the Public Hearing. No formal scoping meeting will be held.

To ensure that the full range of issues relating to this proposed action are addressed, and all significant issues identified, comments and suggestions are invited from all interested parties. Comments or questions concerning this proposed action and the supplemental EIS should be sent to the FHWA at the address provided above. (Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program).

Issued on: July 29, 1999.

Scott A. McGuire,

Field Operations Engineer, Federal Highway Administration, Columbus, Ohio.

[FR Doc. 99–20068 Filed 8–3–99; 8:45 am]

BILLING CODE 4910–22–P

DEPARTMENT OF THE TREASURY

Customs Service

[T.D. 99–60]

Customs Accreditation of Coastal Gulf & International Inc. as an Accredited Laboratory

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Notice of accreditation of Coastal Gulf & International, Inc. as a Commercial Accredited Laboratory.

SUMMARY: Coastal Gulf & International, Inc., of Luling, Louisiana has applied to U.S. Customs for accreditation to perform petroleum analysis methods under Part 151.13 of the Customs Regulations (19 CFR 151.13) to their Luling, Louisiana facility. Customs has determined that Coastal Gulf & International, Inc. meets all of the requirements for accreditation as a Commercial Laboratory to perform (1) API Gravity, (2) Distillation, (3)Viscosity, (4) Sediment by Extraction and (5) Percent by Weight of Sulfur. Therefore, in accordance with Part 151.13(f) of the Customs Regulations, Coastal Gulf & International, Inc., is granted accreditation to perform the analysis methods listed above.

LOCATION: Coastal Gulf & International, Inc. accredited site is located at: 13615 River Road, Luling, Louisiana, 70070.

EFFECTIVE DATE: July 27, 1999.

FOR FURTHER INFORMATION CONTACT: Michael J. Parker, Science Officer, Laboratories and Scientific Services, U.S. Customs Service, 1300 Pennsylvania Avenue, NW, Room 5.5–B, Washington, D.C. 20229 at (202) 927–1060.

Dated: July 27, 1999.

Ira S. Reese,

Acting Director, Laboratories and Scientific Services.

[FR Doc. 99–19945 Filed 8–3–99; 8:45 am]

BILLING CODE 4820–02–P

[10] 17 CFR 200.30–3(a)912).