investment company to benefit himself or herself to the detriment of the company's shareholders. After the proposed transactions, each Affiliated Plan will be a shareholder in a Portfolio with substantially similar investment objectives to the CIF Portfolio from which their assets were transferred. In this sense, the proposed transactions can be viewed as a change in the form in which assets are held, rather than as a disposition giving rise to section 17 concerns. Moreover, any transfer will be subject to extensive review and evaluation by independent fiduciaries whose actions are governed by ERISA and by the disinterested members of the board of directors (trustees) of the Funds. For these reasons, the participation will not be on a basis different from or less advantageous than that of other participants for purposes of rule 17d–1.

9. Applicants submit that the proposed transactions meet the section 6(c) standards for relief as necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policies and provisions of the Act. Shares of the Funds issued as part of the proposed transactions will be issued at prices equal to their net asset values. In addition, the assets of the Affiliated Plans will be valued pursuant to objective standards and are the type that the Portfolios otherwise would purchase through market transactions. Furthermore, the proposed transactions are subject to independent fiduciary approval. Therefore, the transfers will afford no opportunity for affiliated persons of the Funds to effect a transaction detrimental to the Affiliated Plans or to the other shareholders of the Funds.

Applicants' Conditions

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

1. The purchase transactions will comply with the provisions of rules 17a–7(b)–(f).

2. The purchase transactions will not occur unless and until: (a) the boards of directors (trustees) of the Funds (including a majority of their disinterested members) and the Committee and the Affiliated Plans' independent fiduciaries find that the proposed transactions are in the best interest of the Funds and the Affiliated Plans, respectively; and (b) the boards of directors (trustees) of the Funds (including a majority of their disinterested members) find that the interests of the existing shareholders of the Funds will not be diluted as a result of the proposed transactions. These determinations and the basis on which they are made will be recorded fully in the records of the Funds and the Plans, respectively.

3. In order to comply with the policies underlying rule 17a–8, any conversion will have to be approved by the board of directors (trustees) of the Funds and any Affiliated Plan's independent fiduciaries who would be required to find that the interests of beneficial owners would not be diluted.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 96–7543 Filed 3–27–96; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–37009; File No. S7–8–96]

Study and Report on Protections for Senior Citizens and Qualified Retirement Plans

AGENCY: Securities and Exchange Commission.

ACTION: Request for comments.

SUMMARY: The Private Securities Litigation Reform Act of 1995 directs the Securities and Exchange Commission (the ''Commission'') to determine whether investors that are senior citizens or qualified retirement plans require greater protection against securities fraud than is currently provided under the federal securities laws; and whether investors that are senior citizens or qualified retirement plans have been adversely impacted by abusive or unnecessary securities fraud litigation, and whether the current provisions of the federal securities laws are sufficient to protect them from such litigation. The Commission is soliciting comment on these questions and on the more general question of the role of senior citizens and qualified retirement plans in our securities markets.

DATES: Comments must be received no later than April 30, 1996.

ADDRESSES: Persons wishing to respond should file three copies of their written comments with Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Comments may also be submitted electronically at the following E-mail address: rule-commentssec.gov. All written comments should refer to File No. S7–8–96; this file number should be included on the subject line if E-mail is used. The comments will be available for public inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Electronically submitted comments will be posted on the Commission's Internet web site (http://www.sec.gov).

FOR FURTHER INFORMATION CONTACT: John W. Avery, Office of the General Counsel, at (202) 942–0816; or Ann M. Gerg, Office of the General Counsel, at (202) 942–0857.

SUPPLEMENTARY INFORMATION:

I. Introduction

On December 22, 1995, Congress overrode the President's veto and enacted the Private Securities Litigation Reform Act of 1995 (the ''Act''). Section 106 of the Act requires the Commission to:

(1) Determine whether investors that are senior citizens or qualified retirement plans require greater protection against securities fraud than is provided in the Act and the amendments made by the Act; and

(2) Determine whether investors that are senior citizens or qualified retirement plans have been adversely impacted by abusive or unnecessary securities fraud litigation, and whether the provisions in the Act or amendments made by the Act are sufficient to protect their investments from such litigation.

If the Commission determines that greater protections are necessary, it must submit a report to the Congress by June 19, 1996.

For purposes of section 106 of the Act, the term ''senior citizen'' means an individual who is 62 years of age or older, and the term ''qualified retirement plan'' has the same meaning as in section 4974(c) of the Internal Revenue Code of 1986.

II. Background

Senior citizens and qualified retirement plans are substantial participants in our financial markets and play a vital role in capital formation. As the population ages, the importance of seniors and qualified retirement plans to our markets will increase. Many employers are moving away from traditional pension plans in which the plan participants have little, if any, investment discretion, to defined contribution plans in which the participants have significant investment discretion. Thus, seniors and qualified retirements plans may be more vulnerable to securities fraud and to the effects of abusive securities fraud litigation.

The Commission believes that it would be valuable to examine generally

the role of senior citizens and qualified retirement plans as investors and their importance to our markets and to capital formation, and to consider whether the federal securities laws provide adequate protections to senior citizens and qualified retirement plans against securities fraud and abusive securities litigation. The Commission also believes that it would be appropriate to consider the special needs of senior citizens and qualified retirement plans and whether changes to the federal securities laws or to the commission's rules or regulations are necessary or desirable to address those needs.

III. Solicitation of Public Comment

The Commission seeks comment on the issues and questions described above and, more particularly, on the following questions with respect to investors that are senior citizens or qualified retirement plans:

1. What is the rule and importance of senior citizens and qualified retirement plans as investors in our financial markets, and how is that role and importance changing?

2. What are their special needs as investors, and what changes to the federal securities laws or to the Commission's rules or regulations may be necessary or desirable to address those needs?

3. Do they require greater protection against securities fraud than is provided in the Act and the amendments made by the Act, or than is provided under the federal securities laws?

4. Have they been adversely impacted by abusive or unnecessary securities fraud litigation? Are the provisions in the Act or amendments made by the Act sufficient to protect their investments from such litigation, or, more generally, are the provisions of the federal securities laws sufficient to protect their investments from such litigation?

5. What changes to the federal securities laws or to the Commission's rules or regulations may be necessary or desirable to thoroughly protect senior citizens and qualified retirement plans against securities fraud and abusive or unnecessary securities fraud litigation?

Commenters are requested to direct their comments to the special needs and circumstances of senior citizens and qualified retirement plans. Comments should not simply voice support for, or criticism of, the Act generally.

By the Commission.

Dated: March 21, 1996.

Jonathan G. Katz,

Secretary.

[FR Doc. 96–7538 Filed 3–27–96; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–36996; File No. SR–CBOE–96–10]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to Multiple Representation

March 20, 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 March 6, 1996, the Chicago Board Options Exchange, Inc. (''CBOE'' or ''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 self-regulatory organization. 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

Currently, CBOE Rule 6.55, ''Multiple Orders Prohibited,'' provides that no CBOE member, for any account in which he has an interest or on behalf of a customer, shall maintain with more than one broker orders for the purchase or sale of the same option contract or other security, or the same combination of option contracts or other securities, with knowledge that such orders are for the account of the same principal. The CBOE proposes to amend CBOE Rule 6.55 by adding paragraph (b), which will provide that, except in accordance with procedures established by the appropriate Floor Procedure Committee, or with such Floor Procedure Committee's permission in individual cases, no market maker shall enter or be present in a trading crowd while a floor broker present in the trading crowd is holding an order on behalf of the market maker's individual account or an order initiated by the market maker for an account in which the market maker has an interest. The proposal will also add Interpretation and Policy .01, which will provide three procedures under which a market maker may enter a trading crowd in which a floor broker is present who holds an order on behalf of the market marker's individual account or an order initiated by the market maker for an account in which the market maker has an interest, and Interpretation and Policy .02, which will advise CBOE members to consult Exchange regulatory circulars concerning joint accounts for procedures government the simultaneous presence in a trading crowd of participants in and orders for the same joint account.

The text of the proposal is available at the Office of the Secretary, 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 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 IV 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

According to the CBOE, the purpose of CBOE Rule 6.55 is to prevent a person from being disproportionately represented in a trading crowd. In furtherance of this purpose, CBOE Rule 6.55 currently provides that no Exchange member, for a customer or for any account in which the member has an interest, shall maintain with more than one broker orders for the purchase or sale of the same option contract or other security, or the same combination of option contracts or other securities, with the knowledge that such orders are for the account of the same principal.

The CBOE states that, in addition to this prohibition and in furtherance of the same purpose, the Exchange also has had a long-standing policy of prohibiting market makers, except in accordance with procedures established by the appropriate Floor Procedure Committee or with such Floor Procedure Committee's permission in individual cases, from entering or being present in a trading crowd while a floor broker present in the trading crowd is holding an order on behalf of the market maker's individual account or an order initiated by the market maker for an account in which the market maker has an interest.[1] This policy, which is

[1] Exceptions to this policy which have been approved by a Floor Procedure Committee are contained in Exchange Regulatory Circular RG95–64 which concerns the trading activities of joint account participants in the Standard & Poor's (''S&P'') 100 (''OEX'') and S&P 500 (''SPX'') index option classes. *See also* Securities Exchange Act

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