

because applicant's beneficial interests were issued solely in private placement transactions that did not involve any public offering within the meaning of section 4(2) of the Securities Act.

3. Applicant's sole feeder fund terminated its operations and, therefore, applicant is doing the same. On November 20, 1995, applicant's Board of Trustees unanimously approved the liquidation of applicant, effective January 31, 1996. No shareholder approval was required by the Declaration of Trust of Applicant, or by applicable law.

4. By March 7, 1996, applicant redeemed both of its beneficial interests which were held by Eaton Vance Virginia Limited Maturity Municipals Fund, a series of Eaton Vance Investment Trust, and Eaton Vance Management. Each interest holder received cash equal to the net asset value of its interest in applicant.

5. Applicant has no security holders, liabilities or assets. Applicant is not a party to any litigation or administrative proceeding. Applicant is not now engaged, nor does it propose to engage, in any business activities other than those necessary for the winding up of its affairs.

6. Applicant will take all required actions to terminate its existence as a New York trust upon receipt of an order from the SEC that it has ceased to be an investment company.

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

Margaret H. McFarland,

Deputy Secretary.

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[Release No. 34-37612; File No. SR-CBOE-96-51]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the Chicago Board Options Exchange, Incorporated Relating to Eligibility Requirements for Participation on the RAES System in SPX Options

August 27, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4² thereunder, notice is hereby given that on July 26, 1996, the Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") filed with the Securities and Exchange Commission

("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. On August 22, 1996, the Exchange filed with the Commission Amendment No. 1 to the proposed rule change.³ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to grant accelerated approval of the proposed rule change, as amended.

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

The Exchange proposes to conform the qualifications that members participating through joint accounts must meet in order to participate on the Retail Automatic Execution System ("RAES") in Standard & Poor's 500 options ("SPX") to those qualifications that must be met by market-makers trading on RAES through their individual accounts.⁴ Pursuant to the change, members of joint accounts who execute at least 50%, instead of 75% (as Rule 24.16 currently states), of their market-maker contracts for the preceding calendar month in SPX may participate on RAES. The text of the proposed rule change 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

1. Purpose

The purpose of the proposed rule change is to amend the qualifications for members of joint accounts to participate in SPX RAES.⁵ Specifically, the Exchange is proposing to specify that market-makers participating in RAES through joint accounts must meet the same eligibility requirements for market-makers participating through individual accounts. Currently, the one difference in the requirements is that each member of a joint account that participates on RAES must execute at least 75% of his or her market-maker contracts for the preceding month in SPX, while those participating through individual accounts have a 50% requirement, as recently approved by the Commission.⁶

The Exchange notes that at the time it proposed to change the eligibility requirements for market-makers participating in RAES through individual accounts, the Exchange intended to make the same eligibility change for market-makers participating in RAES through joint accounts. Through an oversight, however, the Exchange did not revise the Rule 24.16(c)(i) language describing the eligibility requirements for market-makers participating in joint accounts.

The Exchange believes that the rationale for minimum eligibility requirements is the same for market-makers participating through individual accounts and those participating through joint accounts. Accordingly, the Exchange believes that the minimum eligibility requirements for individual and joint accounts should be set at the same threshold. In both cases, the eligibility requirements generally ensure that those market-makers who are satisfying the public customer orders at the prevailing bid or offer are the same market-makers who have made a commitment to make markets on a regular basis at the SPX post.

The Exchange notes that whether a particular market-maker participates in

⁵ RAES is the Exchange's automatic execution system for small (generally less than 10 contracts) public customer market or marketable limit orders. When an order is entered through RAES, the system automatically attaches to the order its execution price, determined by the prevailing market quote at the time or the order's entry into the system. A buy order pays the offer; a sell order sells at the bid. An eligible SPX market-maker who is signed onto the system at the time the order is received will be designated to trade with the public customer order at the assigned price.

⁶ See Release No. 34-37348, *supra* note 4.

³ Amendment No. 1 is a technical amendment clarifying the term "preceding month" as used in Rules 24.16 and 24.17. See letter from Timothy Thompson, Senior Attorney, CBOE to John Ayanian, Attorney, Office of Market Supervision, Division of Market Regulation, Commission, dated August 20, 1996.

⁴ See Securities Exchange Act Release No. 37348 (June 21, 1996), 61 FR 33788 (June 28, 1996) (File No. SR-CBOE-96-19).

¹ 15 U.S.C. § 78s(b)(1).

² 17 CFR 240.19b-4.

RAES through an individual or a joint account is a business decision of the market-maker, and should not affect that market-maker's eligibility to participate in RAES. The Exchange believes that without making this change to equalize the eligibility requirements, those market-makers who, for business reasons, have decided to participate through joint accounts would have stricter eligibility requirements than those market-makers participating on RAES through individual accounts.

2. Statutory Basis

By equalizing the eligibility requirements of all market-makers to participate on SPX RAES, the CBOE believes that the proposed rule change will treat all market-makers more fairly. As such, the Exchange believes the rule proposal is consistent with and furthers the objectives of Section 6(b)(5) of the Act, in that it is designed to perfect the mechanisms of a free and open market and to protect investors and the public interest.

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

The proposed rule change will impose no 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. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

The Exchange has requested that the proposed rule change be given accelerated effectiveness pursuant to Section 19(b)(2) of the Act. The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange and, in particular, with the requirements of Section 6(b) of the Act. Specifically, the Commission believes that the proposal is consistent with the Section 6(b)(5) requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, and, in general, to protect investors and the public interest.

The Commission believes that the presence of an adequate number of market-makers protects investors and contributes to the maintenance of a fair and orderly market. The Commission also believes it is reasonable for the

Exchange to apply the same minimum eligibility requirements for participation in SPX RAES through joint accounts as apply to participation through individual accounts. The Commission believes that the Exchange's proposal help ensure continued availability of RAES for SPX options, thereby contributing to the effective and efficient execution of public investor orders at the best available prices. The Commission believes that requiring market-makers, whether participating through joint or individual accounts, to execute at least 50% of their contracts in SPX in the preceding month to participate in SPX RAES is a reasonable means for achieving this goal.

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice thereof in the Federal Register. Specifically, as stated above, the Commission believes that the presence of an adequate number of market-makers protects investors and contributes to the maintenance of a fair and orderly market. The Commission also believes that the CBOE proposal to conform its rules for eligibility requirements for market-makers participating on RAES through joint accounts with the eligibility requirements for those participating through individual accounts raises no new regulatory issues. Additionally, as noted above, the Exchange recently proposed the same minimum SPX RAES eligibility requirements for individual accounts. The proposal regarding SPX RAES eligibility for individual accounts was published in the Federal Register,⁷ and was subject to a full notice and comment period. No comments were received on the proposal. Accordingly, the Commission believes, consistent with Section 6(b)(5) of the Act, that good cause exists to approve the proposed rule change on an accelerated basis.

The Commission also finds good cause for approving Amendment No. 1 to the proposed rule change prior to the thirtieth day after the day of publication of notice hereof in the Federal Register. Specifically, Amendment No. 1 clarifies that the "preceding month" reviewed by the Exchange to determine both SPX and OEX RAES eligibility is the preceding calendar month. The Commission believes that the Amendment further clarifies and strengthens the rule language, and raises no new regulatory issues. Accordingly, the Commission believes, consistent with Section 6(b)(5) of the Act, that good cause exists to approve

Amendment No. 1 to the proposed rule change on an accelerated basis.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. 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-CBOE-96-51 and should be submitted by September 24, 1996.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁸ that the proposed rule change (SR-CBOE-96-51), as amended, is hereby approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority:⁹

Margaret McFarland,

Deputy Secretary.

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[Release No. 34-37608; File No. SR-DTC-96-11]

Self-Regulatory Organizations; The Depository Trust Company; Order Approving a Proposed Rule Change Seeking Authority To Release Clearing Data Relating to Participants

August 26, 1996.

On May 28, 1996, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") a proposed rule change (File No. SR-DTC-96-11) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").¹ Notice of the proposal was published in the Federal Register on July 19, 1996.² No

⁸ 15 U.S.C. § 78s(b)(2).

⁹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. § 78s(b)(1) (1988).

² Securities Exchange Act Release No. 37433 (July 12, 1996), 61 FR 37783.

⁷ See Release No. 34-37348, *supra* note 4.