

shared funding on terms and conditions materially different from any exemptions granted in the order requested in the application, then the Insurance Product Funds and/or Participating Insurance Companies and Participating Plans, as appropriate, shall take such steps as may be necessary to comply with such Rules 6e-2 and 6e-3(T), as amended, or proposed Rule 6e-3(T), as adopted, to the extent that such Rules are applicable.

12. The Participating Insurance Companies and Participating Plans and/or the Advisor, at least annually, will submit to each Board such reports, materials or data as the Board may reasonably request so that the Board may fully carry out obligations imposed upon it by the conditions contained in the application. Such reports, materials and data will be submitted more frequently if deemed appropriate by the applicable Board. The obligations of the Participating Insurance Companies and Participating Plans to provide these reports, materials and data to the Board, when the Board so reasonably requests, shall be a contractual obligation of all Participating Insurance Companies and Participating Plans under their agreements governing participation in the Insurance Product Funds.

13. If a Plan should ever become a holder of ten percent or more of the assets of an Insurance Product Fund, such Plan will execute a participation agreement with the Insurance Product Fund that includes the conditions set forth herein to the extent applicable. A Plan will execute an application containing an acknowledgment of this condition upon such Plan's initial purchase of the shares of any Insurance Product Fund.

Conclusion

For the reasons summarized above, Applicants submit that the exemptive relief requested is necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-25733 Filed 9-24-98; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act 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 September 28, 1998.

A closed meeting will be held on Tuesday, September 29, 1998, at 2:30 p.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, September 29, 1998, at 2:30 p.m., will be:

Institution and settlement of injunctive actions.

Institution and settlement of administrative proceedings of an enforcement nature.

At times, changes in Commission priorities require alternations 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: September 23, 1998.

Jonathan G. Katz,

Secretary.

[FR Doc. 98-25824 Filed 9-23-98; 11:54 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40451; File No. SR-CBOE-98-21]

Self-Regulatory Organizations; Order Approving Proposed Rule Change by the Chicago Board Options Exchange, Incorporated Relating to Minimum Opening Transaction Size in FLEX Equity Options

September 18, 1998.

I. Introduction

On May 18, 1998, the Chicago Board Options Exchange, Incorporated ("CBOE or Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ a proposed rule change which was published for comment in Securities Exchange Act Release No. 40221 (July 16, 1998).² No comments were received on the proposal. For the reasons discussed below, the Commission is approving the proposed rule change.

II. Description of the Proposal

The Exchange proposes to change the minimum value size for opening transactions (other than FLEX Quotes responsive to a FLEX Request for Quotes) in any FLEX Equity Option³ series in which there is no open interest at the time the Request for Quotes is submitted. The proposal will change CBOE Rule 24A.4 from requiring a minimum value size for these opening transactions from 250 contracts to the lesser of 250 contracts or the number of contracts overlying \$1 million of the underlying securities. According to the CBOE, the rule was originally put in place with a minimum of 250 contracts in order to limit participation in FLEX Equity options to sophisticated, high net worth individuals. The Exchange believes the dollar value of the securities underlying the FLEX Equity Options, if set at the right limit, can also prevent the participation of investors who do not have adequate resources. The CBOE notices that the limitation on the minimum value size for opening transactions in FLEX Index Options is

¹ 15 U.S.C. 78s(b)(1).

² 63 FR 39610 (July 23, 1998).

³ FLEX equity options are flexible exchange-traded options contracts which overlie equity securities. In addition, FLEX equity options provide investors with the ability to customize basic option features including size, expiration date, exercise style, and certain exercise prices.

tied to the same type of standard, the underlying equivalent value.⁴

III. Discussion

The Commission believes that the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with Section 6(b)(5) which requires, among other things, that the rules of an exchange be designed to promote just and equitable principles of trade, to remove impediments to and to perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.⁵

The Commission believes that changing the requisite minimum value size of opening transactions in FLEX Equity Options to include a minimum dollar amount as an alternative to the existing 250 contract opening size requirement will promote just and equitable principles of trade and facilitate transactions in securities while continuing to foster the public interest and investor protection. In particular, the Commission notes that the minimum size requirement for opening transactions in FLEX equity options was originally designed to ensure that FLEX equity options were primarily used by sophisticated, high net worth individuals rather than retail investors. While it appears that the minimum contract size fulfilled its purpose, the Commission agrees with the CBOE that the result of the existing rule is to require a much greater dollar investment for options on higher priced stocks than for options lower priced stocks. For example, an investor can purchase 250 contracts in a Flex Equity series on low priced stocks (*i.e.*, those worth less than \$40) meeting the minimum requirement without even investing a minimum of \$1 million, while an investor prepared to invest \$1 million may be unable to purchase contracts in a Flex Equity series in higher priced stocks (*i.e.*, those worth more than \$40). An opening transaction in a Flex Equity series on a stock priced at \$40.01 or more would reach this \$1 million limit before it would reach the contract size limit, *i.e.*, 250 contracts times the multiplier (100) times the

stock price (\$40.01) totals \$1,000,250. million in underlying value.

Based on the above, the Commission believes it appropriate to provide, as an alternative to the 250 fixed contract amount, an opening minimum size for FLEX equity options of \$1 million. In approving the dollar value as an alternative to the fixed number of contracts, the Commission recognizes that the investment for FLEX equity options on lower priced stocks may still be considerably low. Nevertheless, the Commission believes the alternative requirements are appropriate because they will provide flexibility to investors and will not unduly restrict access to the FLEX equity options market. In summary, the Commission believes that the proposed rule change could result in improved liquidity for FLEX equity options while preserving the investor protections inherent in CBOE Rule 24A.4.

IV. Conclusion

For the foregoing reasons, the Commission believes that the CBOE's proposal is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.⁶

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁷ that the proposed rule change (SR-CBOE-98-21) be, and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁸

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-25657 Filed 9-24-98; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[Public Notice: #2895]

Advisory Committee on Historical Diplomatic Documentation; Notice of Meeting

The Advisory Committee on Historical Diplomatic Documentation will meet in the Department of State, 2201 "C" Street NW., Washington, DC, October 8-9, 1998, in Conference Room 1951. Prior notification and a valid photo are mandatory for entrance into the building. One week before the meeting the public must notify Gloria Walker, Office of Historian (202-663-

1124) providing their date of birth, social security number and telephone number.

The Committee will meet in open session from 9:00 a.m. through 12:00 p.m. on the morning of Thursday, October 8, 1998. The remainder of the Committee's sessions from 1:45 p.m. on Thursday, October 8, 1998 until 5:00 p.m. on Friday, October 9, 1998 will be closed in accordance with Section 10(d) of the Federal Advisory Committee Act (P.L. 92-463). The agenda calls for discussions involving consideration of matters not subject to public disclosure under 5 U.S.C. 552b(c)(1), and that the public interest requires that such activities be withheld from disclosure.

Questions concerning the meeting should be directed to William Z. Slany, Executive Secretary, Advisory Committee on Historical Diplomatic Documentation, Department of State, Office of the Historian, Washington, DC, 20520, telephone (202) 663-1123, (e-mail pahistoff@panet.us-state.gov).

Dated: August 28, 1998.

William Z. Slany,
Executive Secretary.

[FR Doc. 98-25711 Filed 9-24-98; 8:45 am]

BILLING CODE 4710-11-M

DEPARTMENT OF STATE

[Public Notice 2896]

Bureau of Oceans and International Environmental and Scientific Affairs (OES); Notice of a Public Meeting Regarding Government Activities on International Harmonization of Chemical Classification and Labeling Systems

SUMMARY: This public meeting will provide an update on current activities related to international harmonization since the previous public meeting, conducted August 5, 1998. (See Department of State Public Notice 2862, on pages 39926-39927 of the **Federal Register** of July 24, 1998). The meeting will also offer interested organizations and individuals the opportunity to provide information and views for consideration in the development of United States Government policy positions. For more complete information on the harmonization process, please refer to State Department Public Notice 2526, pages 15951-15957 of the **Federal Register** of April 3, 1997.

The meeting will take place from 1:30 p.m. until 3:30 p.m. on October 7 in Room N 3437 A&B, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, D.C. Attendees should use the entrance at C and Third Streets NW.

⁴ The term "underlying equivalent value" is defined in CBOE Rule 24A.1(r) for FLEX Index options, but it is not a defined term for FLEX Equity options. As noted in CBOE's filing, however, the amount of the "underlying equivalent value" for FLEX equity options is calculated by multiplying the number of contracts times the multiplier (100) times the stock price.

⁵ 15 U.S.C. 78f(b)(5).

⁶ In addition, in approving this rule, the Commission notes that it has also considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁷ 15 U.S.C. 78s(b)(2).

⁸ 17 CFR 200.30-3(a)(12).