

The Board further determined that public access to the discussion would likely disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy, not only in regard to the privacy of the person immediately affected, but also in regard to the privacy of others who might be discussed.

Accordingly, the Board determined that in accordance with section 552b(c)(2) and (6) of title 5, United States Code; and section 7.3 (b) and (f) of title 39, Code of Federal Regulations, discussion of the matters were properly closed to public observation.

Requests for information concerning the meeting should be addressed to the Secretary of the Board, Thomas J. Koerber, at (202) 268-4800.

Thomas J. Koerber,
Secretary.

[FR Doc. 96-16768 Filed 6-26-96; 3:54 pm]

BILLING CODE 7710-12-M

SECURITIES AND EXCHANGE COMMISSION

Proposed Collection; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension:

Rule 17f-2(c)—SEC File No. 270-35, OMB Control No. 3235-0029;

Rule 17f-2(d)—SEC File No. 270-36, OMB Control No. 3235-0028;

Rule 17f-2(e)—SEC File No. 270-37, OMB Control No. 3235-0031

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") is publishing the following summaries of collections for public comment.

Rule 17f-2(c) allows persons required to be fingerprinted, pursuant to Section 17(f)(2) of the Securities Exchange Act of 1934 (Exchange Act), to submit their fingerprints through a national securities exchange or a national securities association in accordance with a plan submitted to and approved by the Commission. Plans have been approved for the American, Boston, Chicago, New York, Pacific, and Philadelphia stock exchanges and for the National Association of Securities Dealers and the Chicago Board Options Exchange.

It is estimated that 8,500 registered broker-dealers submit approximately 275,000 fingerprint cards to exchanges

or a registered security association on an annual basis. It is approximated that it should take 15 minutes to comply with Rule 17f-2(c). The total reporting burden is estimated to be 68,750 hours.

Rule 17f-2(d), requires that records produced, pursuant to the fingerprinting requirements of section 17(f)(2) of the Exchange Act, be maintained; permits the designated examining authorities of broker-dealers or members of exchanges, under certain circumstances, to store and to maintain records required to be kept by this rule; and permits the required records to be maintained on microfilm.

Approximately 10,025 respondents are subject to the recordkeeping requirements of the rule. Each respondent keeps approximately 32 new records per year, which take approximately 2 minutes per record for the respondent to maintain, for an annual burden of 64 minutes per respondent. All records subject to the rule must be retained for the term of employment plus 3 years.

Rule 17f-2(e) requires entities claiming an exemption from the fingerprinting requirements to prepare and maintain a notice supporting their claim for exemption and exempts certain small transfer agents from the requirement.

While the Commission no longer receives notices pursuant to Rule 17f-2(e), the covered entities are still required to prepare and retain such notices. Based on the indications of several covered entities, most notices require one-half hour to prepare. Approximately 75 respondents will prepare notices each year. The total average annual burden to covered entities is approximately 37.5 hours of preparation and maintenance time.

Written comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Direct your written comments to Michael E. Bartell, Associate Executive Director, Office of Information

Technology, Securities and Exchange Commission, 450 5th Street, N.W. Washington, DC 20549.

Dated: June 18, 1996.
Margaret H. McFarland,
Deputy Secretary.
[FR Doc. 96-16573 Filed 6-27-96; 8:45 am]
BILLING CODE 8010-01-M

[Rel. No. IC-22037; 812-10114]

Nations Fund Trust, et al., Notice of Application

June 24, 1996.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Exemption under the Investment Company Act of 1940 (the "Act").

APPLICANTS: Nations Fund Trust ("NFT"), Nations Fund, Inc. ("NFI"), Nations Fund Portfolios, Inc. ("NFPI"), Nations Institutional Reserves ("NIR"), NationsBanc Advisors, Inc. ("NBAI"), TradeStreet Investment Associates, Inc. ("TradeStreet"), and Stephens Inc. ("Stephens").

RELEVANT ACT SECTIONS: Order requested under section 6(c) granting an exemption from section 12(d)(1), and under sections 6(c) and 17(b) granting an exemption from section 17(a).

SUMMARY OF APPLICATION: Applicants request an order to permit Nations to create a "fund of funds" that would purchase shares of affiliated open-end investment companies in excess of the percentage limitations of section 12(d)(1).

FILING DATES: The application was filed on April 29, 1996, and was amended on June 13, 1996.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on July 19, 1996 and should be accompanied by proof of service on the applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants: One NationsBank Plaza, 101

South Tryon Street, Charlotte, North Carolina 28255.

FOR FURTHER INFORMATION CONTACT:

Sarah A. Buescher, Staff Attorney, at (202) 942-0573, or Robert A. Robertson, Branch Chief, at (202) 942-0564 (Office of Investment Company Regulation, Division of Investment Management).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch.

Applicants' Representations

1. Applicants propose to create several series of a new open-end management investment company (the "Funds") that would invest substantially all of their assets in shares of the open-end management investment companies in the Nations Fund Family. The "Nations Fund Family" is defined to include NFT, NFI, NFPI, NIR, and each open-end management investment company or series thereof that is or becomes a member of the same "group of investment companies" as defined in rule 11a-3 under the Act.

The "Underlying Portfolios" are defined to include NFT, NFI, NFPI, NIR, and other funds or series thereof in the Nations Fund Family in which the Funds will invest.

2. NBAI and TradeStreet are both wholly-owned subsidiaries of NationsBank, N.A., which is in turn a wholly-owned subsidiary of NationsBank Corporation. NBAI will serve as investment adviser to the Funds and the Underlying Portfolios. TradeStreet serves as subadviser to NFT, NFI, and NIR, and it will serve as subadviser to the Funds. Stephens, a registered broker-dealer, will serve as the distributor and administrator for the Funds. Stephens currently provides those services for NFT, NFI, NFPI, and NIR.

3. The Funds initially will consist of three separate series with distinct investment objectives. Additional series may be added in the future. The three initial Funds will be intended primarily for long-term investors. The first Fund will invest in a variety of equity market segments, the second Fund will invest in a balanced portfolio of equity and fixed income securities, and the third Fund will seek to provide investors with current income and modest growth as a hedge against inflation. Asset allocation decisions for each Fund will be made by NBAI and TradeStreet.

4. Applicants propose that, subject to the conditions to the requested order, the Funds be permitted to purchase and

redeem shares of the Underlying Portfolios, and that each Underlying Portfolio be permitted to sell and redeem shares from each of the Funds. The Funds generally will invest substantially all of their assets in shares of the Underlying Portfolios. Any assets that are not invested in Underlying Portfolios will be invested directly in stocks, bonds, and other securities, although it is not currently contemplated that there will be a substantial amount of direct investing in individual securities by the Funds.

5. The Funds and the Underlying Portfolios will pay investment advisory fees to NBAI, and NBAI will compensate TradeStreet for providing subadvisory services out of these fees. The Funds and the Underlying Portfolios also will pay other service providers for their services. It is currently contemplated that the Funds will invest in a class of shares of the Underlying Portfolios that will not be subject to sales loads, distribution fees, or shareholder servicing fees.

Applicants' Legal Analysis

1. Section 12(d)(1)(A) of the Act provides that no registered investment company may acquire securities of another investment company if such securities represent more than 3% of the acquired company's outstanding voting stock, more than 5% of the acquiring company's total assets, or if such securities, together with the securities of other acquired investment companies, represent more than 10% of the acquiring company's total assets. Section 12(d)(1)(B) provides that no registered open-end investment company may sell its securities to another investment company if the sale will cause the acquiring company to own more than 3% of the acquired company's voting stock, or if the sale will cause more than 10% of the acquired company's voting stock to be owned by investment companies.

2. Section 6(c) of the Act provides that the SEC may exempt persons or transactions from any provision of the Act if the exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants request an order under section 6(c) exempting them from section 12(d)(1) to permit the Funds to acquire shares of the Underlying Portfolios in excess of the percentage limitations of section 12(d)(1).

3. The restrictions in section 12(d)(1) were intended to prevent certain abuses perceived to be associated with the pyramiding of investment companies,

including: (a) Unnecessary duplication of costs, e.g., sales loads, advisory fees, and administrative costs; (b) a lack of appropriate diversification; (c) undue influence by the fund holding company over its underlying funds; (d) the threat of large scale redemptions of the securities of the underlying investment companies; and (e) unnecessary complexity. For the following reasons, applicants believe that the proposed arrangement does not entail the type of abuse that Congress adopted section 12(d) to prevent.

4. The proposed arrangement would contain no improper layering of fees. The proposed arrangement will not involve the improper layering of advisory fees since, before approving any advisory contract for the Funds under section 15(a) of the Act, the board of trustees of the Funds, including a majority of the trustees who are not "interested persons," as defined in section 2(a)(19) of the Act, must find that the advisory fees charged under the contract are based on services provided that are in addition to, rather than duplicative of, services provided under any Underlying Portfolio advisory contract.

5. While applicants currently do not anticipate that the Funds will be subject to sales loads, distribution fees, or shareholder servicing fees, any sales charges or service fees relating to the shares of the Funds will not exceed the limits set forth in Article III, section 26 of the NASD's Rules of Fair Practice, when aggregated with any sales charges or service fees that the Funds may pay relating to the Underlying Portfolio shares. The aggregate sales charges at both levels, therefore, will not exceed the limit that otherwise lawfully could be charged at any single level. Applicants believe that there will not be a redundancy of administrative fees and expenses because distinct services would be provided to the Funds and the Underlying Portfolios.

6. Applicants believe that the concern over potential large scale redemptions is not present in the context of the Funds. Because the Funds will only acquire shares of Underlying Portfolios that are in the Nations Fund Family, a redemption from one Underlying Portfolio will simply lead to the investment of the proceeds in another Underlying Portfolio. Applicants also believe that the proposed arrangement will not result in disruptive redemptions because the Funds will be designed for intermediate and long-term investors. This will reduce the possibility of the Funds being used as short-term trading vehicles and further protect the Funds and the Underlying

Portfolios from unexpected large redemptions.

7. Section 17(a) makes it unlawful for an affiliated person of a registered investment company to sell securities to, or purchase securities from, the company. The Funds and the Underlying Portfolios may be considered affiliated persons because they share a common adviser. Thus, purchases or sales of securities between a Fund and an Underlying Portfolio may be prohibited by section 17(a).

8. Section 17(b) provides that the SEC shall exempt a proposed transaction from section 17(a) if evidence establishes that: (a) The terms of the proposed transaction are reasonable and fair and do not involve overreaching; (b) the proposed transaction is consistent with the policies of the registered investment company concerned; and (c) the proposed transaction is consistent with the general provisions of the Act. Applicants request an exemption under sections 6(c) and 17(b) to permit the Funds to purchase shares of an Underlying Portfolio, and an Underlying Portfolio to redeem such shares.¹ Applicants believe that the proposed transactions meet the standards of sections 6(c) and 17(b).

Applicants' Conditions

Applicants expressly consent to the imposition of the following conditions in connection with this request for exemptive relief:

1. The Funds and each Underlying Portfolio will be part of the same "group of investment companies," as defined in rule 11a-3 under the Act.

2. No Underlying Portfolio will acquire securities of any other investment company in excess of the limits contained in section 12(d)(1)(A) of the Act.

3. A majority of the directors of the Funds will not be "interested persons," as defined in section 2(a)(19) of the Act.

4. Any sales-related charges or service fees relating to the shares of the Funds, when aggregated with any charges or service fees paid by the Funds with respect to the securities of the Underlying Portfolio, will not exceed the limits set forth in Article III, section 26, of the NASD's Rules of Fair Practice.

5. Before approving any advisory contract under section 15 of the Act, the board of directors of the Funds, including a majority of the directors who are not "interested persons," as

defined in section 2(a)(19), will find that the advisory fees charged under the contract are based on services provided that are in addition to, rather than duplicative of, services provided under any Underlying Portfolio advisory contract. This finding, and the basis upon which the finding was made, will be recorded fully in the minute books of the Funds.

6. Applicants agree to provide the following information, in an electronic format, to the Chief Financial Analyst of the SEC's Division of Investment Management: monthly average total assets for the Funds and Underlying Portfolios; monthly purchases and redemptions (other than by exchange) for the Funds and each Underlying Portfolio; monthly exchanges into and out of the Funds and each Underlying Portfolio; month-end allocations of the Funds' assets among the Underlying Portfolios; annual expense ratios for the Funds and each Underlying Portfolio; and a description of any vote taken by the shareholders of any Underlying Portfolio, including a statement of the percentage of votes cast for and against the proposal by the Funds and by the other shareholders of the Underlying Portfolio. The information will be provided as soon as reasonably practicable following each fiscal year-end of the Funds (unless the Chief Financial Analyst notifies applicants in writing that the information need no longer be submitted).

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-16572 Filed 6-27-96; 8:45 am]

BILLING CODE 8010-01-M

Agency 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 July 1, 1996.

A closed meeting will be held on Tuesday, July 2, 1996, at 10:00 a.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 Johnson, 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, July 2, 1996, at 10:00 a.m., will be:

Institution and settlement of administrative proceedings of an enforcement nature.

Institution of injunctive actions.

Settlement of injunctive action.

Opinion.

At times, changes in Commission priorities require alterations 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: June 25, 1996.

Jonathan G. Katz,
Secretary.

[FR Doc. 96-16675 Filed 6-26-96; 12:57 pm]

BILLING CODE 8010-01-M

[Release No. 34-37356; File No. SR-Amex-96-21]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange, Inc. Relating to Dissemination of Indications in Connection With Circuit Breaker Trading Halts Under Rule 117

June 24, 1996.

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 June 17, 1996, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") 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

The Amex proposes to implement guidelines for dissemination of indications to the consolidated tape in connection with the resumption of trading following a "circuit breaker" trading halt pursuant to the Amex's Rule 117.³

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The Commission notes that Rule 117—the Exchange's "circuit breaker" rule—provides that

¹ Section 17(b) applies to specific proposed transactions, rather than an ongoing series of future transactions. See *Keystone Custodian Funds*, 21 S.E.C. 295, 298-99 (1945). Section 6(c) frequently is used to grant relief from section 17(a) to permit an ongoing series of future transactions.