

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

**APPLICANT:** PaineWebber/Kidder, Peabody Premium Account Fund.

**RELEVANT ACT SECTION:** Order requested under section 8(f).

**SUMMARY OF APPLICATION:** Applicant requests an order declaring that it has ceased to be an investment company.

**FILING DATES:** The application was filed on December 9, 1996, and amended on March 26, 1997.

**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 applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on April 28, 1997, and should be accompanied by proof of service on applicant, 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, NW., Washington, DC 20549. Applicant, 1285 Avenue of the Americas, New York, NY 10019.

**FOR FURTHER INFORMATION CONTACT:** Lisa McCrea, Staff Attorney (202) 942-0562, or Mercer E. Bullard, Branch Chief, (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

#### Applicant's Representations

1. Applicant is an open-end management investment company organized as a Massachusetts business trust. On January 13, 1982, applicant filed a Notification of Registration under the Act. On January 15, 1982, applicant filed a Registration Statement under the Act and the Securities Act of 1933, which became effective on May 7, 1982, and the initial public offering of shares commenced thereafter. On January 30, 1995, applicant's name was changed from "Kidder, Peabody Premium Account Fund" to its current name.

2. On July 20, 1995, the Board of Trustees of applicant ("Board") adopted resolutions approving an Agreement and Plan of Reorganization and

Termination ("Plan") between applicant and PaineWebber RMA Money Fund, Inc. ("PW Corporation"), on behalf of its series, PaineWebber RMA Money Market Portfolio ("PW Fund"). Pursuant to rule 17a-8 under the Act,<sup>1</sup> applicant's Board determined that the proposed reorganization was in the best interests of applicant and that the interests of its securityholders would not be diluted as a result of the reorganization. The Board considered the following factors: compatibility of investment objectives, policies and restrictions; the effect of the reorganization on the expense ratio of PW Fund relative to its and applicant's current expense ratios; possible alternatives to the reorganization, including continued operation on a stand-alone basis or liquidation.

3. Applicant distributed a combined prospectus and proxy statement to securityholders of applicant on or about January 5, 1996, and filed definitive materials with the SEC on January 23, 1996. On February 13, 1996, the securityholders of applicant approved the Plan.

4. Pursuant to the Plan, PW Corporation, on behalf of PW Fund, acquired all right, title and interest in and to the assets of applicant in exchange for shares of common stock in PW Fund (collectively, the "Closing Shares") and the assumption of the liabilities of applicant. On February 20, 1996 (the "Closing Date"), applicant distributed to its securityholders the Closing Shares of PW Fund received by applicant in exchange for such securityholders' holdings of applicant's shares. Also on the Closing Date, applicant paid its securityholders a dividend to distribute its investment company taxable income for the current taxable year through the Closing Date. The number of shares of PW Fund issued to applicant had an aggregate net asset value equal to the aggregate value of applicant's assets transferred to PW Fund as of the Closing Date. As of the Closing Date, there were 528,420,026 shares of applicant outstanding, having an aggregate net asset value of \$528,254,922 and a per share net asset value of \$1.00. The liquidation and distribution were accomplished by opening accounts on the books of PW Fund in the names of the securityholders of applicant and transferring the Closing Shares credited

<sup>1</sup> Rule 17a-8 provides an exemption from section 17(a) of the Act for certain reorganizations among registered investment companies that may be affiliated persons, or affiliated persons of an affiliated person, solely by reason of having a common investment adviser, common directors, and/or common officers.

to the accounts of applicant on the books of PW Fund. Each such account was credited with the securityholder's respective, *pro rata* number of Closing Shares. There are no securityholders of applicant to whom distributions in complete liquidation of their interests have not been made.

5. The expenses incurred in connection with the Plan were approximately \$65,000 for legal expenses, \$30,000 for printing and mailing communications to securityholders, \$182,157 for SEC registration fees, and miscellaneous accounting and administrative expenses. These expenses totalled approximately \$300,000, and were borne by the applicant and PW Fund in proportion to their respective net assets. No brokerage commissions were paid in connection with the reorganization.

6. Applicant has no securityholders, assets, debts, or liabilities. Applicant is not a party to any litigation or administrative proceedings. Applicant is not now engaged, and does not propose to engage, in any business activities other than those necessary for winding-up of its affairs.

7. Applicant intends to file an Officer's Certificate with the Office of the Secretary of the Commonwealth of Massachusetts to terminate its existence.

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

**Margaret H. McFarland,**  
Deputy Secretary.

[FR Doc. 97-8930 Filed 4-7-97; 8:45 am]

BILLING CODE 8010-01-M

#### SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-22591; 811-2928]

#### PaineWebber/Kidder, Peabody Cash Reserve Fund, Inc.; Notice of Application

April 1, 1997.

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

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

**APPLICANT:** PaineWebber/Kidder, Peabody Cash Reserve Fund, Inc.

**RELEVANT ACT SECTION:** Order requested under section 8(f).

**SUMMARY OF APPLICATION:** Applicant requests an order declaring that it has ceased to be an investment company.

**FILING DATES:** The application was filed on December 9, 1996 and amended on March 26, 1997.

**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 applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on April 28, 1997, and should be accompanied by proof of service on applicant, 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. Applicant, 1285 Avenue of the Americas, New York, NY 10019.

**FOR FURTHER INFORMATION CONTACT:** Lisa McCrea, Staff Attorney (202) 942-0562, or Mercer E. Bullard, Branch Chief, (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.

#### **Applicant's Representation**

1. Applicant is an open-end management investment company, organized as a Maryland corporation. On June 6, 1979, applicant filed a Notification of Registration under the Act and a Registration Statement under the Act and Securities Act of 1933, which became effective on August 17, 1979. Applicant's initial public offering of shares commenced thereafter. On January 30, 1995, applicant's name was changed from "Kidder, Peabody Cash Reserve Fund, Inc." to its current name.

2. On July 20, 1995, the Board of Trustees of applicant ("Board") adopted resolutions approving an Agreement and Plan of Reorganization and Dissolution ("Plan") between applicant and PaineWebber RMA Money Fund, Inc. ("PW Corporation"), on behalf of its series, PaineWebber RMA Money Market Portfolio ("PW Fund"). Pursuant to rule 17a-8 under the Act,<sup>1</sup> applicant's Board determined that the proposed reorganization was in the best interests

of applicant and that the interests of its securityholders would not be diluted as a result of the reorganization. The Board considered the following factors: compatibility of investment objectives, policies and restrictions; the effect of the reorganization on the expense ratio of PW Fund relative to its and applicant's current expense ratios; possible alternatives to the reorganization, including continued operation on a stand-alone basis or liquidation.

3. Applicant distributed a combined prospectus and proxy statement to securityholders of applicant on or about January 5, 1996, and applicant filed definitive materials with the SEC on January 23, 1996. On February 13, 1996, the securityholders of applicant approved the Plan.

4. Pursuant to the Plan, PW Corporation, on behalf of PW Fund, acquired all right, title and interest in and to the assets of applicant in exchange for shares of common stock in PW Fund (collectively, the "Closing Shares") and the assumption of the liabilities of applicant. On February 20, 1996 (the "Closing Date"), applicant distributed to its securityholders the Closing Shares of PW Fund received by applicant, in exchange for such securityholders' holdings of applicant's shares. Also on the Closing Date, applicant paid its securityholders a dividend to distribute its investment company taxable income for the current taxable year through the Closing Date. The number of shares of PW Fund issued to applicant had an aggregate net asset value equal to the aggregate value of applicant's assets transferred to PW Fund as of the Closing Date. As of the Closing Date, there were 881,401,323 shares to applicant outstanding, having an aggregate net asset value of \$881,308,148 and a per share net asset value of \$1.00. The liquidation and distribution were accomplished by opening accounts on the books of PW Fund in the names of the securityholders of applicant and transferring the Closing Shares credited to the accounts of applicant on the books of PW Fund. Each such account so opened was credited with the securityholder's respective, *pro rata* number of Closing Shares. There are no securityholders of applicant to whom distributions in complete liquidation of their interests have not been made.

5. The expense incurred in connection with the Plan were approximately \$65,000 for legal expenses, \$100,000 for expenses of printing and mailing communications to securityholders, \$304,000 for SEC registration fees, and miscellaneous

accounting and administrative expenses. These expenses totalled approximately \$475,000, and were borne by the applicant and PW Fund in proportion to their respective net assets. No brokerage commissions were paid in connection with the reorganization.

6. Applicant has no securityholders, assets, debts, or liabilities. Applicant is not a party to any litigation or administrative proceedings. Applicant is not now engaged, and does not propose to engage, in any business activities other than those necessary for winding-up of its affairs.

7. Applicant filed Articles of Transfer ("Articles") with the Maryland State Department of Assessments and Taxation ("Department"). The Department received and approved the Articles on February 20, 1996. Applicant intends to file Articles of Dissolution with the Department.

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

**Margaret H. McFarland,**  
*Deputy Secretary.*

[FR Doc. 97-8932 Filed 4-7-97; 8:45 am]

BILLING CODE 8010-01-M

#### **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-38457; File No. S7-24-89]

#### **Joint Industry Plan; Solicitation of Comments and Order Approving Request To Extend Temporary Effectiveness of Reporting Plan for Nasdaq/National Market Securities Traded on an Exchange on an Unlisted or Listed Basis, Submitted by the National Association of Securities Dealers, Inc., and the Boston, Chicago and Philadelphia Stock Exchanges**

March 31, 1997.

On March 27, 1997, the National Association of Securities Dealers, Inc., on behalf of itself and the Boston, Chicago, and Philadelphia Stock Exchanges (collectively, "Participants")<sup>1</sup> submitted to the Commission a request<sup>2</sup> to extend the

<sup>1</sup> The signatories to the Plan, i.e., the National Association of Securities Dealers, Inc. ("NASD"), and the Chicago Stock Exchange, Inc. ("Chx") (previously, the Midwest Stock Exchange, Inc.), Philadelphia Stock Exchange, Inc. ("Phlx"), and the Boston Stock Exchange, Inc. ("BSE"), are the "Participants." The BSE, however, joined the Plan as a "Limited Participant," and reports quotation information and transaction reports only in Nasdaq/NM (previously referred to as "Nasdaq/NMS") securities listed on the BSE. Originally, the American Stock Exchange, Inc. ("Amex"), was a Participant to the Plan, and withdrew from participation in the Plan in August 1994.

<sup>2</sup> See letter from Robert E. Aber, Vice President and General Counsel, Nasdaq, to Jonathan G. Katz,

<sup>1</sup> Rule 17a-8 provides an exemption from section 17(a) of the Act for certain reorganizations among registered investment companies that may be affiliated persons, or affiliated persons of an affiliated person, solely by reason of having a common investment adviser, common directors, and/or common officers.