their separate accounts calculates voting privileges in a manner consistent with all other Participating Insurance Companies. The obligation to calculate voting privileges in a manner consistent with all other separate accounts investing in the Company will be a contractual obligation of all participating Insurance Companies under the agreements governing participation in the Company. Each Participating Insurance Company will vote shares for which it has not received voting instructions as well as shares it owns in the same proportion as it votes shares for which it has received instructions.

7. All reports of potential or existing conflicts of interest received by a Board, and all Board action with regard to determining the existence of a conflict, notifying Participating Parties of a conflict, and determining whether any proposed action adequately remedies a conflict, will be properly recorded in the minutes of the appropriate Board or other appropriate records, and such minutes or other records shall be made available to the Commission upon request.

8. The Company will notify all Participating Insurance Companies that separate account prospectus disclosure regarding potential risks of Mixed and Shared Funding may be appropriate. The Company shall disclose in its prospectus that: (a) Its shares are offered to Plans and to separate accounts that fund all types of Contracts offered by various insurance companies; (b) material irreconcilable differences may arise; and (c) the Board will monitor events in order to identify any material conflicts of interest and determine what action, if any, should be taken.

9. The Company will comply with all provisions of the 1940 Act requiring voting by shareholders (which for these purposes, shall be the persons having a voting interest in the shares of the Company) and in particular, the Company will either provide for annual meetings (except insofar as the Commission may interpret section 16 of the 1940 Act not to require such meetings) or, if annual meetings are not held, comply with section 16(c) of the 1940 Act (although the Company is one of the trusts described in section 16(c) of the 1940 Act), as well as with section 16(a) and, if and when applicable, section 16(b) of the 1940 Act. Further, the Fund will act in accordance with the Commission's interpretation of the requirements of section 16(a) with respect to periodic elections of directors (or trustees) and with whatever rules the Commission may promulgate with respect thereto.

10. If an to the extent Rule 6e–2 or Rule 6e–3(T) is am emended, or Rule 6e–3 is adopted, to provide exemptive relief from any provision of the 1940 Act or the rules thereunder with respect to Mixed and Shared Funding on terms and conditions materially different from any exemptions granted in the order requested by Applicants, then the Company and/or the Participating Parties, as appropriate, shall take such steps as may be necessary to comply with Rule 6e–2 or Rule 6e–3(T), as amended, and Rule 6e–3, as adopted, to the extent such rules are applicable.

11. No less than annually, the Participating Parties shall submit to the Board such reports, materials, or data as the Board may reasonable request so that it may carry out fully the obligations imposed upon them by the conditions stated in the application. Such reports, materials, and data shall be submitted more frequently if deemed appropriate by the Board. The obligations of Participating Parties to provide these reports, materials, and data to the Board shall be a contractual obligation of all Participating Parties under the agreements governing their participation in the Company.

12. In the event that a Plan shareholder should ever become an owner of 10 percent or more of the assets of the Company, that Plan shareholder will execute a fund participating agreement with the Company. A Plan shareholder will execute an application containing an acknowledgement of this condition at the time of the initial purchase of shares of the Company.

Conclusion

For the reasons summarized above, Applicants assert that the requested exemptions are 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. 97–1160 Filed 1–16–97; 8:45 am]

BILLING CODE 8010–01–M

[Investment Company Act Release No. 22458; 811–4394]

TrustFunds Institutional Funds; Notice of Application

January 10, 1997.

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

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

APPLICANT: TrustFunds Institutional Funds.

RELEVANT ACT SECTION: Section 8(f).

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

FILING DATE: The application was filed on December 30, 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 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 February 4, 1997, and should be accompanied by proof of service on the 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 may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW., Washington, DC 20549. Applicant, 28 State Street, Boston, Massachusetts 02109.

FOR FURTHER INFORMATION CONTACT:

Diane L. Titus, Paralegal Specialist, at (202) 942–0584, or Mary Kay Frech, Branch Chief, at (202) 942–0564 (Division of Investment Management, Office of Investment Company Regulation).

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

Applicant's Representations

1. Applicant is an open-end, diversified management investment company organized as a Massachusetts business trust. On August 23, 1985, applicant registered under the Act and filed a registration statement of Form N–1A under the Act and the Securities Act of 1933. Applicant has never commenced operations.

2. Applicant has no securityholders, debts, 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.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–1158 Filed 1–16–97; 8:45 am]

BILLING CODE 8010–01–M

[Investment Company Act Release No. 22457; 811–4353]

TrustFunds Mortgage + Plus Trust; Notice of Application

January 10, 1997.

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

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

APPLICANT: TrustFunds Mortgage + Plus Trust.

RELEVANT ACT SECTION: Section 8(f).

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

FILING DATE: The application was filed on December 30, 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 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 February 4, 1997, and should be accompanied by proof of service on the 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 may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicant, 28 State Street, Boston, Massachusetts 02109.

FOR FURTHER INFORMATION CONTACT: Diane L. Titus, Paralegal Specialist, at (202) 942–0584, or Mary Kay Frech, Branch Chief, at (202) 942–0564 (Division of Investment Management, Office of Investment Company Regulation).

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

Applicant's Representations

1. Applicant is an open-end, non-diversified management investment company organized as a Massachusetts business trust. On July 15, 1985, applicant registered under the Act and filed a registration statement of Form N–1A under the Act and the Securities Act of 1933. Applicant has never commenced operations.

2. Applicant has no securityholders, debts, 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.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–1157 Filed 1–16–97; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–38152; File No. SR–CBOE–96–79]

January 10, 1997.

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to the Elimination of Position and Exercise Limits for FLEX Equity Options

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 December 27, 1996, the Chicago Board Options Exchange, Inc. (''CBOE'' or ''Exchange'') filed with the Securities and Exchange Commission (''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

The CBOE, pursuant to Rule 19b–4 of the Act, proposes to revise Exchange Rules 4.11, 4.12, and 24A.7 to eliminate position and exercise limits for FLEX Equity Options.

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 CBOE 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 CBOE 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 eliminate position and exercise limits for FLEX Equity Options. Currently, Exchange Rule 24A.7(b) sets forth position limits for FLEX Equity Options[3] equal to three times the positions limits for corresponding Non-FLEX Equity Options. Generally, position limits are set forth in Exchange Rule 4.11 and exercise limits are set forth in Exchange Rule 4.12.

The Exchange believes that the elimination of such limits is appropriate given the institutional nature of the market for FLEX Equity Options. According to the Exchange, many large investors find the use of exchange-traded options impractical because of the constraints imposed by position limits. The Exchange believes that the elimination of position limits will attract additional investors to exchange-traded options, thereby reducing transaction costs as well as improving price efficiency for all exchange-traded option market participants.

The Exchange also believes that FLEX Equity Options, after the elimination of position limits, may become an important part of large investors' investment strategies. In the absence of position limits, investors will be able to use options to implement specific viewpoints regarding the underlying common stock.

The Exchange also anticipates that issuers of stocks underlying FLEX Equity Options will use these options, primarily through the sale of puts, as part of their stock repurchase programs.[4] In many cases, the size of announced buy-back programs significantly exceeds the number of shares that could be repurchased under the position limits currently imposed on FLEX Equity Options. While the Exchange does not expect that corporate

[1] 15 U.S.C. § 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] In general, FLEX Equity Options provide investors with the ability to customize basic option features including size, expiration date, and exercise style.

[4] The Commission notes that issuers would, of course, need to comply with all applicable provisions of the federal securities laws in conducting their share repurchase programs.