Library, 601 S. College Road, Wilmington, North Carolina 27602.

Dated at Rockville, Maryland, this 15th day of January 1997.

For the Nuclear Regulatory Commission.

Mark Reinhart,

Acting Director, Project Directorate II–1, Division of Reactor Projects—I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 97–1722 Filed 1–23–97; 8:45 am]

BILLING CODE 7590–01–P

POSTAL SERVICE

United States Postal Service Board of Governors; Sunshine Act Meeting

TIME AND DATES: 1:00 p.m., Monday, February 3, 1997; and 9:00 a.m., Tuesday, February 4, 1997.

PLACE: Albuquerque, New Mexico, at the Wyatt Regency Hotel, 330 Tijeras N.W. Avenue, in Pavilion VI.

STATUS: February 3 (Closed); February 4 (Open).

MATTERS TO BE CONSIDERED:

Monday, February 3—1:00 p.m. (closed)
1. FY 1997 Variable Pay Program.
2. Inspector General Functions and Compensation.
3. Postal Rate Commission Docket No. C96–1, Pack & Send.
4. Changes to FY 1997 Advertising Budget.

Tuesday, February 4—9:00 a.m. (Open)
1. Minutes of the Previous Meeting, January 6–7, 1997.
2. Remarks of the Postmaster General/Chief Executive Officer.
3. Appointment of Members to Board Committees.
4. Fiscal Year 1996 Comprehensive Statement on Postal Operations.
5. Quarterly Report on Service Performance.
6. Quarterly Report on Financial Performance.
7. Report on the Albuquerque District.
8. Tentative Agenda for the March 3–4, 1997, meeting in Washington, D.C.

CONTACT PERSON FOR MORE INFORMATION: Thomas J. Koerber, Secretary of the Board, U.S. Postal Service, 475 L'Enfant Plaza, S.W., Washington, D.C. 20260–1000. Telephone (202) 268–4800..

Thomas J. Koerber,

Secretary.

[FR Doc. 97–1895 Filed 1–22–97; 2:20 pm]

BILLING CODE 7710–12–M

SECURITIES AND EXCHANGE COMMISSION

Proposed Collections; Request For Public Comment

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

Extension:

Rule 17a–8, SEC File No. 270–225, OMB Control No. 3235–0235

Form N–8F, SEC File No. 270–136, OMB Control No. 3235–0157

Form N–23C–1, SEC File No. 270–230, OMB Control No. 3235–0230

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 for public comment the following summaries of previously approved information collection requirements.

Rule 17a–8 exempts certain mergers and similar business combinations (''mergers'') of affiliated registered investment companies (''funds'') from section 17(a)'s prohibitions on purchases and sales between a fund and its affiliates. The rule requires fund directors to consider certain issues and to record their findings in board minutes. The average annual burden of meeting the requirements of Rule 17a–8 is estimated to be 1.5 hours for each fund. The Commission estimates that about seventeen funds rely each year on the rule. The total average annual burden for all respondents is therefore twenty-six hours.

For N–8F is the form prescribed for use by registered investment companies in certain circumstances to request orders of the Commission declaring that they have ceased to be investment companies. The form takes approximately 6 hours to complete. It is estimated that approximately 160 investment companies file Form N–8F annually, for a total annual burden of 960 hours.

For N–23C–1 assists the Commission and the public in monitoring repurchases by closed-end investment companies (''closed-end funds'') of their own securities under Rule 23c–1, which permits such repurchases in limited circumstances subject to certain safeguards. The form, which must be filed within the first 10 days of the calendar month following any month in which securities are repurchased, requires the closed-end fund to report certain information including the date, amount, and price of repurchases and other information. It is estimated that four closed-end funds are affected by the rule each year, and that they file approximately 23 reports in total each year (based on the average of 0 to 12 reports filed annually by each fund) requiring one hour per report, for a total of 23 annual burden hours.

Written comments are requested on: (a) Whether the collections of information are necessary for the proper performance of the functions of the Commission, including whether the information has practical utility; (b) the accuracy of the Commission's estimate of the burdens of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information 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, NW., Washington, DC 20549.

Dated: January 16, 1997.

Jonathan G. Katz,

Secretary.

[FR Doc. 97–1679 Filed 1–23–97; 8:45 am]

BILLING CODE 8010–01–M

[Investment Company Act Release No. 22473; 812–10470]

Cityfed Financial Corp.; Notice of Application

January 17, 1997.

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

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

APPLICANT: Cityfed Financial Corp.

RELEVANT ACT SECTIONS: Order requested under sections 6(c) and 6(e) of the Act.

SUMMARY OF APPLICATION: Applicant requests an order that would exempt it from all provisions of the Act, except sections 9, 17(a) (modified as discussed herein), 17(d) (modified as discussed herein), 17(e), 17(f), 36 through 45, and 47 through 51 of the Act and the rules thereunder, until the earlier of two years from the date of the requested order or such time as applicant would no longer be required to register as an investment company under the Act. The requested exemption would extend an exemption granted until February 21, 1997.

FILING DATE: The application was filed on December 18, 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 11, 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, 4 Young's Way, P.O. Box 3126, Nantucket, MA 02584.

FOR FURTHER INFORMATION CONTACT: Harry Eisenstein, Staff Attorney, at (202) 942–0552, 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 at the SEC's Public Reference Branch.

Applicant's Representations

1. Applicant was a savings and loan holding company that conducted its savings and loan operations through its wholly-owned subsidiary, City Federal Savings Bank (''City Federal''). During the five year period ending December 31, 1988, City Federal was the source of substantially all of applicant's revenues and income. As a result of substantial losses in its mortgage banking and real estate operations, City Federal was unable to meet its regulatory capital requirements. Accordingly, on December 7, 1989, the Office of Thrift Supervision (the ''OTS'') placed City Federal into receivership and appointed the Resolution Trust Corporation (the ''RTC'') as City Federal's receiver. City Federal's deposits and substantially all of its assets and liabilities were acquired by a newly created federal mutual savings bank, City Savings Bank, F.S.B. (''City Savings''). The OTS appointed the RTC as receiver of City Savings.

2. Once City Federal was placed into receivership, applicant no longer conducted savings and loan operations through any subsidiary and substantially all of its assets consisted of cash that has been invested in money market instruments with a maturity of one year or less and money market mutual funds. As of September 30, 1996, applicant held cash and securities of approximately $8.8 million. Because of its asset composition, applicant may be deemed to be an investment company under the Act. Rule 3a–2 under the Act provides a one-year safe harbor to issuers that meet the definition of an investment company but intend to engage in a business other than investing in securities. Because of various claims against applicant and certain of its officers and directors, applicant could not acquire an operating company within the one year safe harbor. In 1996, applicant was granted an exemption from all provisions of the Act until the earlier of February 21, 1997 or such time as it would no longer be required to register as an investment company.[1]

3. While applicant's board of directors has considered from time to time whether to engage in an operating business, the board has determined not to engage in an operating business at the present time because of the claims filed against applicant, whose liability thereunder cannot be reasonably estimated and may exceed its assets.

4. On June 2, 1994, the OTS issued a Notice of Charges and Hearing for Cease and Desist Order to Direct Restitution and Other Appropriate Relief and Notice of Assessment of Civil Money Penalties (''Notice of Charges'') against applicant and certain current or former directors and, in some cases, officers of applicant and City Federal. The Notice of Charges requests that an order be entered by the Director of the OTS requiring applicant to make restitution, reimburse, indemnify or guarantee the OTS against loss in an amount not less than $118.4 million, which the OTS alleges represents the regulatory capital deficiency reported by City Federal in the fall of 1989. On November 30, 1995, the OTS issued an Amended Notice of Charges and Hearing for Cease and Desist Order to Direct Restitution and Other Appropriate Relief and Notice of Assessment of Civil Money Penalties (''Amended Notice of Charges'') that is identical to the Notice of Charges, except that the Amended Notice of Charges includes a reference to a federal statutory provision not referred to in the Notice of Charges that the OTS asserts provides an additional basis for the issuance of a Cease and Desist Order against applicant and certain current or former directors and, in some cases, officers of applicant and of City Federal (''Respondents''). On February 1, 1996, an administrative law judge (''ALJ'') issued a prehearing order (''Prehearing Order'') granting the OTS's motion for partial summary disposition with respect to applicant and denying both applicant's motion for partial summary disposition of the OTS's assessment of civil money penalties and its cross-motion for summary adjudication. On June 12, 1996, applicant moved for interlocutory review by the acting director of the OTS of the conclusions in the Prehearing Order and, if necessary, will seek appellate review of any adverse decision. If the conclusions in the Prehearing Order are not ultimately reversed, applicant may be required to turn over to the OTS all or substantially all of its assets.

5. Also on June 2, 1994, the OTS issued a Temporary Order to Cease and Desist (''Temporary Order'') against applicant. The Temporary Order required applicant to post $9.0 million as security for the payment of the amount sought by the OTS in its Notice of Charges. Applicant unsuccessfully petitioned the district court for an injunction against the Temporary Order. Applicant and the Respondents filed notices of appeal from the D.C. Court's Order to the United States Court of Appeals for the District of Columbia Circuit (''D.C. Circuit''), and the Respondents filed a motion in the D.C. Circuit for an expedited appeal and an order enjoining the enforcement of the Temporary Order during the pendency of the appeal. The D.C. Circuit denied the Respondents' motion for injunction on October 21, 1994. On July 11, 1995, the D.C. Circuit affirmed the denial by the D.C. Court of the motions by applicant and the Respondents for a temporary restraining order and an injunction against the Temporary Order. On October 26, 1994, applicant and the OTS entered into an Escrow Agreement (''Escrow Agreement'') with CoreStates Bank, N.A. (''CoreStates'') pursuant to which applicant transferred substantially all of its assets to CoreStates for deposit into an escrow account to be maintained by CoreStates. Applicant's assets in the escrow account continue to be invested in money market instruments with a maturity of one year or less and money market mutual funds. Withdrawals or disbursements from the escrow account are not permitted without the written authorization of the OTS, other than for (a) monthly transfers to applicant in the amount of $15,000 for operating expenses, (b) the disbursement of funds on account of purchases of securities by applicant, and (c) the payment of the escrow fee and expenses to CoreStates. The Escrow Agreement also provides that CoreStates will restrict the escrow account in such a manner as to implement the terms of the Escrow Agreement and to prevent a change in

[1] *Cityfed Financial Corp.*, Investment Company Act Release Nos. 21710 (January 26, 1996) (notice) and 21761 (February 21, 1996) (order).

status or function of the escrow account unless authorized by applicant and the OTS in writing.

6. On December 7, 1992, the RTC filed suit against applicant and two former officers of City Federal seeking damages of $12 million for failure to maintain the net worth of City Federal (''First RTC Action''). In light of the filing by the OTS of the Notice of Charges on June 2, 1994, the RTC and applicant agreed to dismiss without prejudice the RTC's claim against applicant in the First RTC Action.

7. In addition, the RTC filed suit against several former directors and officers of City Federal alleging gross negligence and breach of fiduciary duty with respect to certain loans (''Second RTC Action''). The RTC seeks in excess of $200 million in damages. Under its bylaws, applicant may be obligated to indemnify these former officers and directors and advance their legal expenses. Applicant generally has agreed to advance expenses in connection with these requests. Because of the Temporary Order and the Escrow Agreement, however, applicant is not continuing to advance expenses in connection with these requests. Applicant is unable to determine with any accuracy the extent of its liability with respect to these indemnification claims, although the amount may be material.

8. On August 7, 1995, applicant, acting in its own right and as shareholder of City Federal, filed a civil action in the United States Court of Federal Claims seeking damages for loss of ''supervisory goodwill.'' Applicant's goodwill suit is presently pending in that court.

9. Currently, applicant's stock is traded sporadically in the over-the-counter market. Applicant has one employee who is president, chief executive officer, and treasurer. Applicant's secretary does not receive any compensation for her service.

Applicant's Legal Analysis

1. Section 3(a)(1) defines an investment company as any issuer of a security who ''is or holds itself out as being engaged primarily * * * in the business of investing, reinvesting or trading in securities.'' Section 3(a)(3) further defines an investment company as an issuer who is engaged in the business of investing in securities that have a value in excess of 40% of the issuer's total assets (excluding government securities and cash).

2. Section 6(c) of the Act provides that the Commission may exempt any person from any provision of the Act ''if and to the extent that such exemption is necessary or appropriate in the public interest.'' Section 6(e) provides that in connection with any SEC order exempting an investment company from any provision of section 7, certain specified provisions of the Act shall be applicable to such company, and to other persons in their transactions and relations with such company, as though such company were registered under the Act, if the SEC deems it necessary or appropriate in the public interest or for the protection of investors.

3. Applicant acknowledges that it may be deemed to fall within one of the Act's definitions of an investment company. Accordingly, applicant requests an exemption under sections 6(c) and 6(e) from all provisions of the Act, subject to certain exceptions described below. Applicant requests an exemption until the earlier of two years from the date of the requested order or such time as it would no longer be required to register as an investment company under the Act.

4. In determining whether to grant an exemption for a transient investment company, the SEC considers such factors as whether the failure of the company to become primarily engaged in a non-investment business or excepted business or liquidate within one year was due to factors beyond its control; whether the company's officers and employees during that period tried, in good faith, to effect the company's investment of its assets in a non-investment business or excepted business or to cause the liquidation of the company; and whether the company invested in securities solely to preserve the value of its assets. Applicant believes that it meets these criteria.

5. Applicant believes that its failure to become primarily engaged in a non-investment business by February 21, 1997 is due to factors beyond its control. Applicant asserts that the amount required to resolve its currently outstanding claims cannot be reasonably estimated and could exceed its assets. If applicant is unable to resolve these claims successfully, it states that it may seek protection from the bankruptcy courts or liquidate. Applicant also asserts that it probably will not be in a position to determine what course of action to pursue until most, if not all, of its contingent liabilities are resolved. Additionally, applicant states that its circumstances are unlikely to change over the requested two-year period in light of the number of claims currently pending against it and because of the existence of the Escrow Agreement. Since the filing of its initial application for exemptive relief under sections 6(c) and 6(e) on October 19, 1990, applicant has invested in money market instruments and money market mutual funds solely to preserve the value of its assets.

6. During the term of the proposed exemption, applicant will comply with sections 9, 17(a) and (d) (subject to the exception below and the modifications described in condition 3, below), 17(e), 17(f), 36 through 45, and 47 through 51 of the Act and the rules thereunder. With respect to section 17(d), applicant represents that it established a stock option plan when it was an operating company. Although the plan has been terminated, certain former employees of City Federal have existing rights under the plan. Applicant believes that the plan may be deemed a joint enterprise or other joint arrangement or profit-sharing plan within the meaning of section 17(d) and rule 17d–1 thereunder. Because the plan was adopted when applicant was an operating company and to the extent there are existing rights under the plan, applicant seeks an exemption to the extent necessary from section 17(d).

Applicant's Conditions

Applicant agrees that the requested exemption will be subject to the following conditions, each of which will apply to applicant from the date of the requested order until it no longer meets the definition of an investment company or during the period of time that it is exempt from registration under the Act:

1. Applicant will not purchase or otherwise acquire any additional securities other than securities that are rated investment grade or higher by a nationally recognized statistical rating organization, or, if unrated, deemed to be of comparable quality under guidelines approved by applicant's board of directors, subject to two exceptions:

a. Applicant may make an equity investment in issuers that are not investment companies as defined in section 3(a) of the Act (including issuers that are not investment companies because they are covered by a specific exclusion from the definition of investment company under section 3(c) of the Act other than section 3(c)(1)) in connection with the possible acquisition of an operating business as evidenced by a resolution approved by applicant's board of directors; and

b. Applicant may invest in one or more money market mutual funds that limit their investments to ''Eligible Securities'' within the meaning of rule 2a–7(a)(5) promulgated under the Act.

2. Applicant's Form 10–KSB, Form 10–QSB and annual reports to

shareholders will state that an exemptive order has been granted pursuant to sections 6(c) and 6(e) of the Act and that applicant and other persons, in their transactions and relations with applicant, are subject to sections 9, 17(a), 17(d), 17(e), 17(f), 36 through 45, and 47 through 51 of the Act, and the rules thereunder, as if applicant were a registered investment company, except insofar as permitted by the order requested hereby.

3. Notwithstanding sections 17(a) and 17(d) of the Act, an affiliated person (as defined in section 2(a)(3) of the Act) of applicant may engage in a transaction that otherwise would be prohibited by these sections with applicant:

(a) if such proposed transaction is first approved by a bankruptcy court on the basis that (i) the terms thereof, including the consideration to be paid or received, are reasonable and fair to applicant, and (ii) the participation of applicant in the proposed transaction will not be on a basis less advantageous to applicant than that of other participants; and

(b) in connection with each such transaction, applicant shall inform the bankruptcy court of (i) of the identity of all of its affiliated persons who are parties to, or have a direct or indirect financial interest in, the transaction;

(ii) the nature of the affiliation; and (iii) the financial interests of such persons in the transaction.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–1737 Filed 1–23–97; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–38181; File No. SR–CSE–97–02]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the Cincinnati Stock Exchange, Inc., Relating to Limit Order Exposure Requirements

January 16, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''), 15 U.S.C. § 78s(b)(1), notice is hereby given that on January 10, 1997, the Cincinnati Stock Exchange, Inc. (''CSE'' 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. On January 15, 1997, the Exchange submitted to the Commission Amendment No. 1 to the proposed rule change.[1] The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to grant accelerated approval to the proposed rule change.

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

The Exchange hereby proposes to amend Rule 12.10 to delete Interpretation .01 concerning customer limit order exposure. The Exchange believes that recently enacted Commission order handling rules have rendered this interpretation obsolete.

The text of the proposed rule change is available at the CSE and 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 III 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

As part of its order approving the Exchange's preferencing program, on March 29, 1996, the Commission approved Exchange Rule 12.10, Interpretation .01, which sets forth the Exchange's limit order exposure policy. On September 6, 1996, the Commission approved new order handling rules, including new Rule 11Ac1–4, the Limit Order Display Rule.[2] As a result, the CSE believes that its limit order exposure requirements are now obsolete. The Exchange proposes to delete these obsolete requirements from its Rules, and to insert a reference to the Commission's new limit Order Display Rule. The Exchange believes this reference will assist CSE members in complying with the Commission's new limit order display requirements.

2. Statutory Basis

The basis under the Act for the proposed rule change is the requirement under Section 6(b)(5) that an Exchange have rules that are designed to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general, 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. 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 Section, 450 Fifth Street, N.W., Washington, D.C. 20549. 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–CSE–97–02 and should be submitted by February 14, 1997.

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

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

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[1] *See* letter from Adam W. Gurwitz, Director of Legal Affairs, CSE, to Ivette Lopez, Assistant Director, Division of Market Regulation, SEC, dated January 15, 1997. Amendment No. 1 clarifies that Interpretation .01 of Rule 12.10 applies to customer *limit* orders.

[2] *See* Securities Exchange Act Release No. 37619A (September 6, 1996), 61 FR 48290 (September 12, 1996) (''Order Handling Rules Adopting Release'').