exchanges.[3] However, for purposes of estimating the overall burden, the staff has assumed that the number of responses would be evenly distributed among the exchanges. The Commission estimates a total annual burden of 48 hours to comply with Rule 12d2–1. This estimate is based on eight respondents with 12 responses per year for a total of 96 responses requiring on average one-half hour per response.

Based on information acquired in an informal survey of the exchanges and the staff's experience in administering related rules, the Commission staff estimates that the respondents' cost of compliance with Rule 12d2–1 may range from less than $25 to as much as $100 per response. The staff has computed the average related cost per response to be approximately $29, representing one-half reporting hour. The estimated total annual related cost of responding to the requirements of Rule 12d2–1 is approximately $2,748, *i.e.*, eight exchanges filing 12 responses at $29 each.

Rule 12d2–2, Removal from Listing and Registration, 17 CFR 240.12d2–2, and Form 25, 17 CFR 249.25, were adopted in 1935 and 1952, respectively, pursuant to sections 12 and 23 of the Act. Rule 12d2–2 sets forth the conditions and procedures under which a security may be delisted. Rule 12d2–2 also requires, under certain circumstances, that an exchange file with the Commission a Form 25 to remove a security from listing and registration on the exchange and to serve as notification of such delisting. Form 25 provides the Commission with the name of the affected security and issuer, the effective date of the delisting, and the date and type of event predicating the delisting.

Delisting notices and applications for delisting serve a number of purposes. First, the reports and notices required under paragraphs (a) and (b) of Rule 12d2–2 (which do not require Commission action) inform the Commission that a security previously traded on an exchange is no longer traded there. In addition, the applications for delisting required under paragraphs (c) and (d) of the Rule (which require Commission approval) provide the Commission with the information necessary for it to determine that a delisting has been promulgated in accordance with the rules of the exchange, and to determine whether the delisting is subject to any terms or conditions necessary for the protection of investors. Further, notice of a delisting application submitted by an issuer pursuant to subparagraph (d) of Rule 12d2–2 is made available to members of the public who may wish to comment or submit information to the Commission regarding such application. Without Rule 12d2–2 and Form 25, as applicable, the Commission would be unable to fulfill these statutory responsibilities.

There are eight national securities exchanges which are subject to Rule 12d2–2 and Form 25. Additionally, any issuer whose security is listed on a national securities exchange which seeks to remove such security from listing and registration on that exchange would be subject to the requirements of subparagraph (d) of Rule 12d2–2. Since the reporting hour burdens incurred in responding to the various requirements of Rule 12d2–2 and Form 25 are not uniform (it generally takes an exchange less time to complete Form 25, when required by subparagraph (a) of Rule 12d2–2, than it does to prepare an application under subparagraph (c) thereof, for example), the Commission staff has, for purposes of its estimation of overall burden, averaged the various reporting burdens and then weighted reporting hours by respondent group, ascribing proportionately smaller burdens (and related costs) to the exchanges, which prepare and file both Forms 25 and applications under Rule 12d2–2 in the routine course of business, while ascribing greater individual burdens (and related costs) to affected issuers, who are subject only to the application requirements of subparagraph (d) of Rule 12d2–2 (and not Form 25), though issuers becoming so subject would likely only be obligated to respond once.[4] Finally, although the burdens of complying with Rule 12d2–2 and Form 25 are not evenly distributed among the exchanges, since there are many more securities listed on the New York Stock Exchange and the American Stock Exchange than on the other national securities exchanges, the staff has assumed, solely for the purpose of making these estimates, that the number of responses would be evenly distributed among the exchanges.

Based on information acquired in an informal survey of the exchanges and issuers obligated to respond, and based further on the staff's experience in administering related rules, the Commission staff estimates that in complying with Rule 12d2–2 and Form 25 all exchanges would incur an aggregate reporting hour burden of 350 hours. The Commission estimates the costs associated with these burden hours to be $20,300 in the aggregate. For issuers obligated to respond to Rule 12d2–2, the staff estimates it receives approximately 50 responses annually from issuers wishing to remove their securities from listing and registration on exchanges. Assuming an average of two reporting hours per response, the Commission estimates an aggregate annual reporting hour burden for those issuers of 100 burden hours, and a related aggregate cost of approximately $8,300.

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 will have practical utility; (b) the accuracy of the agency's estimate of the burden 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 thorough 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.

Please 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: June 8, 1999.

Margaret H. McFarland,

Deputy Secretary.

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[3] In fact, some exchanges do not file any trading suspension reports in a given year.

[4] An issuer is only obliged to file an application under Rule 12d2–2 when it is voluntarily seeking to withdraw its securities from listing and registration on an exchange. Teh most common situation in which this occurs in when an issuer has listed its securities on multiple exchanges and then, in an effort to reduce costs and/or market fragmentation attributable to such multiple listing, elects to confine listing of securities to the exchange it deems to be the primary marketplace.

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–23869; 812–11318]

Strategic Global Income Fund, Inc.; Notice of Application

June 10, 1999.

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

ACTION: Notice of an application for an order under section 6(c) of the Investment Company Act of 1940 (the ''Act'') for an exemption from section

19(b) of the Act and rule 19b–1 under the Act.

SUMMARY OF APPLICATION: The Strategic Global Income Fund, Inc. (the ''Fund'') requests an order to permit it to make up to twelve distributions of net long-term capital gains in any one taxable year, so long as it maintains in effect a distribution policy with respect to its common stock calling for monthly distributions of a fixed percentage of its net asset value (''NAV'').

FILING DATES: The application was filed on September 23, 1998 and amended on February 26, 1999.

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 July 6, 1999, 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 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. 20549–0609. Fund, c/o Dianne E. O'Donnell, Vice President and Secretary, 1285 Avenue of the Americas, 18th floor, New York, NY 10019.

FOR FURTHER INFORMATION CONTACT: John K. Forst, Attorney Advisor, at (202) 942–0569, or Michael W. Mundt, 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, 450 Fifth Street, N.W., Washington, D.C. 20549–0102 (tel. 202–942–8090).

Applicant's Representations

1. The Fund is organized as a Maryland corporation and registered under the Act as a closed-end, non-diversified management investment company. The Fund's primary investment objective is to maintain a high level of current income, primarily through investment in income producing securities of issures in at least three different countries. The Fund's shares are listed on the New York Stock Exchange and have historically traded at a discount to NAV. Mitchell Hutchins Asset Management Inc. is the investment adviser to the Fund and is registered under the Investment Advisers Act of 1940.

2. On May 13, 1998, the Fund's board of directors adopted a distribution policy (''Distribution Policy'') that calls for regular monthly distributions at an annualized rate of 8% of the Fund's NAV. Any amount paid under the Distribution Policy which exceeds the sum of the Fund's investment income and net realized capital gains will be treated as a return of capital. The Fund states that the Distribution Policy provides a steady cash flow to the Fund's shareholders and, during periods when its per share NAV is increasing, a means for the shareholders to receive, on a periodic basis, some of the appreciation in the value of their shares. The Fund states that a distribution policy can have a moderating effect on market discounts to NAV and is in the best interests of its shareholders.

3. The Fund requests relief to permit it, so long as it maintains in effect the Distribution Policy, to make up to twelve capital gains distributions in any one taxable year.

Applicant's Legal Analysis

1. Section 19(b) of the Act provides that a registered investment company may not, in contravention of such rules, regulations, or orders as the SEC may prescribe, distribute long-term capital gains more often than once every twelve months. Rule 19b–1(a) under the Act permits a registered investment company, with respect to any one taxable year, to make one capital gains distribution, as defined in section 852(b)(3)(C) of the Internal Revenue Code of 1986, as amended (the ''Code''). Rule 19b–1(a) also permits a supplemental distribution to be made pursuant to section 855 of the Code not exceeding 10% of the total amount distributed for the year. Rule 19b–1(f) permits one additional long-term capital gains distribution to be made to avoid the excise tax under section 4982 of the Code.

2. The Fund asserts that rule 19b–1, by limiting the number of net long-term capital gains distributions the Fund may make with respect to any one year, would prohibit the Fund from including available net long-term capital gains in certain of its fixed monthly distributions. As a result, the Fund states that it could be required to fund these monthly distributions with returns of capital (to the extent net investment income and net realized short-term capital gains are insufficient to cover a monthly distribution). The Fund further asserts that, in order to distribute all of its long-term capital gains within the limits in rule 19b–1, the Fund may be required to make total distributions in excess of the annual amount called for by the Distribution Policy or retain and pay taxes on the excess amount. The Fund asserts that the application of rule 19b–1 to the Fund's Distribution Policy may create pressure to limit the realization of long-term capital gains based on considerations unrelated to investment goals.

3. The Fund submits that the concerns underlying section 19(b) and rule 19b–1 are not present in the Fund's situation. One of the concerns leading to the adoption of section 19(b) and rule 19b–1 was that shareholders might be unable to distinguish between frequent distributions of capital gains and dividends from investment income. The Fund states that its Distribution Policy has been described in the Fund's periodic communications to its shareholders. The Fund states that, in accordance with rule 19a–1 under the Act, a separate statement showing the source of the distribution accompanies each distribution. In addition, a statement showing the amount and source of each monthly distribution during the year will be included with the Fund's IRS Form 1099–DIV report sent to each shareholder who received distributions during the year (including shareholders who have sold shares during the year).

4. Another concern underlying section 19(b) and rule 19b–1 is that frequent capital gains distributions could facilitate improper distribution practices including, in particular, the practice of urging an investor to purchase shares of a fund on the basis of an upcoming dividend (''selling the dividend''), when the dividend results in an immediate corresponding reduction in NAV and is, in effect, a return of the investor's capital. The Fund submits that this concern does not arise with regard to closed-end management investment companies, such as the Fund, that do not continuously distribute their shares.

5. The Fund states that increased administrative costs also are a concern underlying section 19(b) and rule 19b–1. The Fund asserts that this concern is not present because the Fund will continue to make fixed distributions regardless of whether the capital gains are included in any particular distribution.

6. Section 6(c) of the Act provides that the SEC may exempt any person or transaction from any provision of the Act or any rule under the Act to the extent that such 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. For the reasons stated above, the Fund believes that the requested relief satisfies this standard.

Applicant's Condition

The Fund agrees that the order granting the requested relief will terminate upon the effective date of a registration statement under the Securities Act of 1933 for any future public offering by the Fund of its common shares other than: (i) A non-transferable rights offering to shareholders of the Fund, provided that such offering does not include solicitation by brokers or the payment of any commissions or underwriting fee; and (ii) an offering in connection with a merger, consolidation, acquisition or reorganization; unless the Fund has received from the staff of the SEC written assurance that the order will remain in effect.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99–15360 Filed 6–16–99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–41503; File No. SR–Amex–99–10]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change and Amendment No. 1 Thereto by the American Stock Exchange LLC Relating to the Listing and Trading of Options on the Credit Suisse First Boston Technology Index

June 9, 1999.

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 March 10, 1999, the American Stock Exchange LLC (''Exchange'' or ''Amex'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange filed with the Commission Amendment No. 1 to the proposal on April 15, 1999.[3] The Commission is publishing this notice and order to solicit comments on the proposed rule change from interested persons and to grant accelerated approval of the proposed rule change, as amended.

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

The Exchange proposes to list for trading options on the Credit Suisse First Boston Technology Index (''Index''), a new index developed by Credit Suisse First Boston Corporation (''CSFB'').[4] that measures the stock performance of companies primarily engaged in the computer and communications technology industry. In addition, the Exchange seeks to make two conforming changes to its rules. First, the Exchange proposes to amend Commentary .01 of Exchange Rule 901C, ''Designation of Stock Index Options,'' to indicate that 90% of the Index's numerical value will be accounted for by stocks that meet the current criteria and guidelines set forth in Exchange Rule 915.[5] Second, the Exchange proposes to amend Exchange Rule 902C, ''Rights and Obligations of Holders and Writers of Stock Index Option Contracts,'' to include CSFB in the disclaimer provisions of that rule.

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 Exchange 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 Exchange 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 the Statutory Basis for, the Proposed Rule Change

I. Purpose

The Exchange proposes to list for trading options on the Index. The Index is designed to reflect and measure the performance of companies engaged in the computer and communications technology industry. Each of the companies included in the Index derives more than 50% of its revenues from the computer and communications technology industry.[6] The Exchange believes that options on the Index will provide investors with an investment vehicle to participate in the appreciation of the component securities, and a means to reduce the risk involved in selecting individual securities in the Index.

The Exchange has represented that except for the Index's calculation methodology, which is modified equal-dollar weighted, the proposal meets all the critria set forth in Commentary .02 of Exchange Rule 901C and the Commission's order approving that rule[7] (collectively, the ''generic listing criteria'').

a. Eligibility Criteria for Index Components

CSFB has established objective criteria to select companies for the Index. Specifically, companies eligible for inclusion in the Index will: (1) Derive more than 50% of their revenues from the computer and communications technology industry; (2) have a minimum market capitalization greater than $500 million; and (3) have a

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] In Amendment No. 1, the Exchange updated the list of component securities for the Credit Suisse First Boston Technology Index (''Index'') and provided revised market and trading data for all component securities. In addition, the Exchange clarified the formula used to calculate the value of the Index and identified the sub-sectors that comprise the technology sector. The Exchange also described in greater detail the annual rebalancing process. *See* Letter from Scott G. Van Hatten, Legal Counsel, Derivative Securities, Exchange, to Richard Strasser, Assistant Director, Division of Market Regulation (''Division''), Commission, dated April 12, 1999 (''Amendment No. 1'').

[4] In its filing, the Exchange characterized CSFB as a ''leading global investment banking firm that provides comprehensive financial advisory, capital raising, sales and trading, and financial products for users and suppliers of capital around the world.''

[5] Exchange Rule 915, ''Criteria for Underlying Securities,'' contains the criteria that securities underlying options contracts must satisfy. *See infra* note 9 for a description of those criteria.

[6] Exhibit 3B to the Exchange's proposed rule change identifies the 75 companies making up the Index. The component companies are: ADA Telecommunications, Advanced Micro Devices, Altera, Amazon.com, Amdocs, America Online, Analog Devices, Apple Computer, Applied Materials, At Home, BMC Software, Broadcom, Cadence Design, Cisco Systems, Citrix Systems, 3Com, Compaq Computer, Computer Associates, Computer Sciences, Compuware, Dell Computer, Earthlink Network, eBay, Electronic Arts, Electronic Data Systems, EMC, E*TRADE Group, First Data, Gartner Group, Gateway 2000, General Instrument, Hewlett-Packard, i2 Technologies, IBM, Ingram Micro, Inktomi, Intel, Intuit, KLA-Tencor, Lexmark International Group, Linear Technology, Lucent Technologies, Maxim Integrated Products, Microchip Technology, Micron Technology, Microsoft, Motorola, Network Associates, Newbridge Networks, Nokia, Northern Telecom, Novell, Oracle, Parametric Technology, PeopleSoft, QUALCOMM, Rambus, Sanmina, SAP, Sapient, Seagate Technology, Siebel Systems, Solectron, STMicroelectronics, Storage Technology, Sun Microsystems, Tellabs, Teradyne, Texas Instruments, Uniphase, Unisys, Veritas Software, Vitesse Semiconductor, Xilinx, and Yahoo.

[7] *See* Securities Exchange Act Release No. 34157 (June 3, 1994), 59 FR 30062 (June 10, 1994).