

underwriters aside from placing its own bid for the Contracts.

7. The Trustees of each Trust, including a majority of noninterested Trustees, have or will have approved the Trust's participation in transactions conducted pursuant to the exemption and have or will have determined that such participation by the Trust is in the best interests of the Trust and its unitholders. The minutes of the meeting of the Board of Trustees at which this approval was or will be given reflect or will reflect in detail the reasons for the Trustee's determination.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

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[Rel. No. IC-21224; 811-7806]

MYA Tombstone Fund, Inc.; Notice of Application for Deregistration

July 21, 1995.

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

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

APPLICANT: MYA Tombstone Fund, Inc. (formerly MuniYield Arizona Fund, Inc.).

RELEVANT ACT SECTION: Section 8(f).

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

FILING DATES: The application was filed on June 1, 1995 and amended on July 14, 1995.

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 August 15, 1995, 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, 800 Scudders Mill Road, Plainsboro, New Jersey 08536.

FOR FURTHER INFORMATION CONTACT:

Marc Duffy, Senior Attorney, (202) 942-0565, or C. David Messman, Branch Chief, (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 References Branch.

Applicant's Representations

1. Applicant is a closed-end non-diversified management investment company organized as a Maryland corporation. On June 15, 1993, applicant registered under section 8(a) of the Act. On this same date, applicant filed a registration statement under section 8(b) of the Act and the Securities Act of 1933, whereby it registered 2,472,000 shares of its common stock. One July 23, 1993, applicant filed a pre-effective amendment to its registration statement registering an additional 58,000 shares of common stock. The registration statement was declared effective on July 23, 1993, and applicant commenced its initial public offering on that date.

2. On and after August 5, 1993, applicant filed a registration statement and pre-effective amendments thereto (the "AMPS Registration Statement") whereby it registered 347 shares of its auction market preferred stock ("AMPS") with a liquidation preference of \$50,000 per share and an aggregate liquidation preference of \$17,350,000.¹ The AMPS Registration Statement, as amended, was declared effective on August 25, 1993, and applicant commenced its initial public offering on that date.

3. On June 17, 1994, applicant's Board of Directors approved a plan of reorganization whereby MuniYield Arizona Fund II, Inc. ("Arizona II") would acquire substantially all of applicant's assets and assume substantially all of applicant's liabilities in exchange for shares of Arizona II common stock and shares of Arizona II Auction Market Preferred Stock, Series B ("Arizona II AMPS"). Applicant's Board of Directors determined that the reorganization could benefit applicant's shareholders by achieving lower expenses per share of common stock, greater efficiency and flexibility in

portfolio management, and a more liquid trading market.

4. In accordance with rule 17a-8 of the Act, applicant's Board of Directors determined that the sale of applicant's assets to Arizona II was in the best interest of applicant's shareholders, and that the interests of the existing shareholders would not be diluted as a result.²

5. On October 6, 1994, Arizona II filed a registration statement on Form N-14, which contained proxy materials soliciting the approval of the reorganization by applicant's shareholders. The registration statement was declared effective on January 4, 1995. On or about January 24, 1995, proxy materials were distributed to each of applicant's shareholders of record as of December 14, 1994. At a special meeting held on March 10, 1995, shareholders of applicant approved the reorganization, in accordance with Maryland law.

6. As of the close of business on March 24, 1995, applicant had outstanding 2,519,982 shares of common stock and 694 shares of AMPS. On that date, the net asset value of applicant's common stock was \$12.72 per share and applicant's aggregate net asset value attributable to the common stock was \$32,044,460. Also on that date, the liquidation preference per share of AMPS was \$25,000, and the aggregate liquidation preference of the AMPS was \$17,350,000.

7. Pursuant to the reorganization, on March 27, 1995, applicant transferred securities and cash valued at \$49,394,460 to Arizona II and received in exchange 2,562,282 shares of Arizona II common stock and 694 shares of Arizona II AMPS. Each holder of applicant's common stock received the number of shares of Arizona II common stock received by applicant with a net asset value equal to the net asset value of applicant's common stock owned by such shareholder. Each holder of applicant's AMPS received the number of shares of Arizona II AMPS received by applicant with an aggregate liquidation preference equal to the aggregate liquidation preference of applicant's AMPS owned by such shareholder.

¹ The AMPS are shares of preferred stock sold principally at auction that entitle the holders thereof to receive dividends at a rate that may vary for successive dividend periods. On December 1, 1994, a 2-for-1 stock split of the AMPS was effected thereby increasing to 694 the number of shares of AMPS outstanding. Pursuant to the terms of the stock split, each of the 694 shares of AMPS has a liquidation preference of \$25,000. The aggregate liquidation preference of the AMPS was unchanged by the stock split.

² Applicant and Arizona II may be deemed to be affiliated persons of each other by reason of having a common investment adviser, common directors, and common officers. Although purchases and sales between affiliated persons generally are prohibited by section 17(a) of the Act, rule 17a-8 provides an exemption for certain purchases and sales among investment companies that are affiliated persons of one another solely by reason of having a common investment adviser, common directors, and/or common officers.