

8. Applicant and Arizona II incurred approximately \$219,139 in expenses in connection with the reorganization. These expenses included filing, legal, and audit fees, printing expenses, and portfolio transfer taxes (if any). All expenses of the applicant incurred in connection with the reorganization were borne by Arizona II. In addition, expenses incurred in connection with the deregistration, dissolution, and liquidation of applicant will be borne by Arizona II.

9. At the time of filing the application, applicant had no shareholders, assets, or liabilities. Applicant is not a party to any litigation or administrative proceeding. Applicant is not engaged in, and does not propose to engage in, any business activities other than those necessary for the winding up of its affairs.

10. On March 23, 1995, applicant filed Articles of Transfer with the Department of Assessments and Taxation of the State of Maryland. Applicant intends to file Articles of Dissolution with such office as soon as practical following its deregistration.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 95-18474 Filed 7-26-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36002; File No. SR-Philadep-95-01]

**Self-Regulatory Organizations; The Philadelphia Depository Trust Company; Notice of Filing and Order Granting Temporary Accelerated Approval of Proposed Rule Change Relating to the Modification of Procedures To Implement Rule 17Ad-16**

July 20, 1995.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> notice is hereby given that on January 17, 1995, the Philadelphia Depository Trust Company ("Philadep") 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 primarily by Philadep. Philadep filed amendments to the proposed rule change on March 7, 1995, and on April 11, 1995.<sup>2</sup> The Commission is

publishing this notice and order to solicit comments from interested persons and to grant accelerated approval to the proposed rule change through February 6, 1996.

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

Philadep proposes to modify its procedures to implement the requirements of Commission Rule 17Ad-16.

**II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, Philadep 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. Philadep has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.<sup>3</sup>

**A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

On December 1, 1994, the Commission adopted Rule 17Ad-16<sup>4</sup> which requires a registered transfer agent to provide written notice to the "appropriate qualified registered securities depository."<sup>5</sup> when terminating or assuming transfer agent services on behalf of an issuer or when changing its name or address.<sup>6</sup> The rule also requires the appropriate qualified registered securities depository that receives such a notice from a transfer

agent to deliver within twenty-four hours a copy of such notice to all "qualified registered securities depositories" and each qualified registered securities depository that receives such a notice to notify its participants of such transfer agent change within twenty-four hours.

To foster a timely and efficient means of disseminating such notices, Philadep has requested that the Commission designate DTC as the appropriate qualified registered securities depository to receive such transfer agent notices on behalf of Philadep.<sup>7</sup> Philadep and DTC have agreed that such transfer agent notices will be forwarded by DTC to Philadep using facsimile transmissions on a daily basis. To assure complete and accurate records of such transmissions, Philadep upon receipt of the notice by DTC will verify a common control number used for record-keeping purposes. Philadep will forward notice of such transfer agent changes to its participants by hand delivery, facsimile transmission, electronic means, or as Philadep and its participants may mutually agree.

Philadep's computer system currently is not able to process information, including notices of transfer agent changes, concerning issues which are not eligible for deposit at Philadep. Therefore, in order to comply with Rule 17Ad-16 during the temporary approval period, Philadep participants which are members only of Philadep and not of any other securities depository<sup>8</sup> will be contacted by Philadep in order that they may elect to either accept or to waive receiving such transfer agent notices.<sup>9</sup> As Philadep performs its daily updating of its security masterfile to reflect transfer agent changes for issues that are depository eligible at Philadep, it will make transfer agent information for issues that are not depository eligible at Philadep available to participants that have elected to receive transfer agent notices from Philadep.

<sup>3</sup> The Commission has modified the texts of the statement submitted by Philadep.

<sup>4</sup> 17 CFR 240.17Ad-16. Rule 17Ad-16 took effect on February 6, 1995.

<sup>5</sup> Rule 17Ad-16 defines "appropriate qualified registered securities depository" to mean the qualified registered securities depository that the Commission so designates by order or in the absence of such designation the qualified securities depository that is the largest holder of record of all qualified registered securities depositories as of the most recent record date. Rule 17Ad-16 defines "qualified registered securities depository" to mean a clearing agency registered under Section 17A of the Act that performs clearing agency functions and that has rules and procedures concerning its responsibility for maintaining, updating, and providing appropriate access to the information it receives pursuant to Rule 17Ad-16. Philadep, The Depository Trust Company ("DTC"), and the Midwest Securities Trust Company ("MSTC") and the three qualified registered securities depositories.

<sup>6</sup> Securities Exchange Act Release No. 35039 (December 1, 1994), 59 FR 63656 (December 8, 1994) (order adopting Rule 17Ad-16).

<sup>7</sup> Securities Exchange Act Release No. 35378 (February 15, 1995), 60 FR 9875.

<sup>8</sup> A majority of Philadep participants are also members of DTC and/or MSTC and will receive notices of transfer agent changes from DTC and/or MSTC. Approximately twenty of Philadep's participants are members only of Philadep. Letter from Sharon Metzker, Esq., Philadep, to Ester Saverson, Special Counsel, Division of Market Regulation, Commission (March 7, 1995).

<sup>9</sup> Philadep has informed the Commission that all of its participants that are not members of any other securities depository have been contacted in writing and have made their election of whether to receive or to waive receipt of notices of transfer agent changes. Letter from Sharon Metzker, Staff Counsel, Philadep, to Ester Saverson, Special Counsel, Division of Market Regulation, Commission (April 11, 1995).

<sup>1</sup> 15 U.S.C. 78s(b)(1) (1988).

<sup>2</sup> Letters from Sharon S. Metzker, Staff Counsel, Philadep, to Ester Saverson, Special Counsel, Division of Market Regulation, Commission (March 7, 1995, and April 11, 1995).