that broker-dealer for selling fund shares, rather than solely on investment merit. Applicant believes that this concern does not arise in connection with its application because neither applicant nor the Sponsor has discretion in choosing the portfolio securities or percentage amount purchased. The security must first be included in the Financial Times Index or the Hang Seng Index, which indexes are unaffiliated with the Sponsor and applicant, and must also qualify as one of the ten highest dividend yielding securities.

4. Applicant also believes that the effect of a Trust's purchase on the stock of parents of broker-dealers would be de minimis. Applicant asserts that the common stocks of securities related issuers represented in the Financial Times Index of the Hang Seng Index are widely held, have active markets, and that potential purchases by any Trust would represent an insignificant amount of the outstanding common stock and the trading volume of any of these issues. Accordingly, applicant believes that it is highly unlikely that Trust purchases of these securities would have any significant impact on the securities' market value.

5. Another potential conflict of interest could occur if an investment company directed brokerage to a brokerdealer in which the company has invested to enhance the broker-dealer's profitability or to assist it during financial difficulty, even though that broker-dealer may not offer the best price and execution. To preclude this type of conflict, applicant and each Series agree, as a condition of this application, that no company held in the portfolio of a Trust nor any affiliate thereof will act as a broker for any Trust in the purchase or sale of any security for its portfolio. In light of the above, applicant believes that its proposals meets the section 6(c) standards.

Condition

Applicant and each Series agree that any order granted under this application may be conditioned upon no company held in a Trust's portfolio nor any affiliate thereof acting as broker for any Trust in the purchase or sale of any security for a Trust's portfolio.

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

Margaret H. McFarland,

Deputy Secretary. [FR Doc. 95–30 Filed 1–3–95; 8:45 am] BILLING CODE 8010–01–M [Release No. 34-35142; File No. SR-Amex-94-58]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the American Stock Exchange, Inc. Relating to Its Options Floor Brokerage Fee and Bond Charge

December 23, 1994.

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 December 14, 1994, the American Stock Exchange, Inc. ("Amex") or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") 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 Amex proposes to increase two charges imposed on members and member organizations—its options floor brokerage fee and its bond charge. The schedule of fee changes is available at the Office of the Secretary, Amex, and at 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 IV 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

The Exchange proposes to increase two charges imposed on members and member organizations—its options floor brokerage fee and its bond charge. The options floor brokerage fee payable by clearing firms of \$.015 per contract side for all customer and non-market making member firm principal activity would be increased to \$.03. The bond charge of \$.00005 (per dollar face value of the bond) on bonds up to a face value of \$1 million would be increased to \$.0001 (per dollar face value on the bond) with no cap on the face value of the bond. In addition, the charge, previously imposed only on corporate bonds, would now be imposed on government bonds as well. These two fee increases are scheduled to take effect on January 3, 1995.

2. Statutory Basis

The fee change is consistent with Section 6(b) of the Act in general and furthers the objectives of Section 6(b)(4) in particular in that it is intended to assure the equitable allocation of reasonable dues, fees and other charges among members, issuers and other persons using the Exchange's facilities.

B. Self-Regulatory organization's Statement on Burden on Competition

The fee 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 fee change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change establishes or changes a due, fee, or other charge imposed by the Exchange and therefore has become effective pursuant to Section 19(b)(3)(A) of the Act and subparagraph (e) of Rule 19b–4 thereunder. At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. 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