

client transactions consistent with the best interests of its clients;

(b) explain that the information contained in the report is provided on a firm-wide basis, that the report does not include specific information about the brokerage of any particular client or the extent to which services obtained are used for the benefit of any particular client, and that clients should refer to the confirmations or quarterly account statements provided by their brokers or contact the adviser for information about the brokers used to execute their transactions;

(c) explain, if applicable, that the report does not include information about many transactions executed on a "principal" basis, that, in principal transactions, transaction costs typically are included in the price of the securities purchased or sold and are not charged as separate commissions, and that transactions in certain types of securities typically are executed on a principal basis; and

(d) provide an address or phone number at which a client can contact the adviser to request more information.

*Item 2. Information Regarding the Twenty Most Frequently Used Brokers*

Using the captions and tabular format illustrated below, provide the required information for the twenty brokers (other than "execution-only" brokers as defined in Item 3) to which the investment adviser directed the greatest amount of client commissions. If no or fewer than twenty such brokers were used, state either "no brokers used that provided services other than execution" after the title or "no additional brokers used" after the last broker listed.

THE TWENTY BROKERS TO WHICH THE GREATEST AMOUNTS OF CLIENT COMMISSIONS WERE DIRECTED

Name of broker	Aggregate amount of discretionary commissions paid to broker (in dollars)	Commissions paid to broker (as a percentage of adviser's discretionary commissions)	Average commission rate (in cents/share)	Description of services obtained (other than execution services)
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*Instructions*

1. For the purposes of this Form, brokers include broker-dealers registered under the Securities Exchange Act of 1934, banks, and, as set forth in Item 3, automated trading systems.

2. "Discretionary commissions" are those commissions, mark-ups and mark-downs that are disclosed on the transaction confirmations required under rule 10b-10 under the Securities Exchange Act of 1934 and that are paid in connection with transactions for which the investment adviser had the authority to determine, without obtaining specific client consent, the broker or dealer to be used or the commission rates paid.

3. Commissions include sales loads paid in connection with transactions in investment company shares, although sales loads should not be considered in calculating the average commission rate. If the adviser directed transactions in investment company shares to a broker other than the principal underwriter of the investment company, that broker, rather than the principal underwriter, should be considered to have executed the transaction.

4. For purposes of this Form, commissions do not include fees for brokerage services that are based upon a specified percentage of the assets managed (i.e., fees paid under "wrap fee" programs).

5. Calculate average commission rates on a "share-weighted" basis (i.e., by dividing the total amount of client commissions that the investment adviser directed to the broker by the total number of shares, exclusive of investment company shares, purchased or sold by the broker for the adviser's clients).

6. For the purposes of determining commission amounts and average commission rates, convert any commission charged in foreign currency to dollars (and

cents per share). The investment adviser may use any reasonable means and times for determining the applicable exchange rate as long as those means and times are used on a consistent basis.

7. Under "Description of Services Obtained," products or services obtained by the investment adviser from each broker, including computer hardware, software, databases, and on-line services, publications available by subscription, and services falling outside the scope of Section 28(e) of the Securities Exchange Act of 1934, generally should be identified separately and specifically. Research reports and contacts with securities analysts or professionals, however, may be described generally by the following terms: (i) analyses and reports on specific securities, issuers, or industries, (ii) general political or economic analyses or reports, or (iii) contacts with securities analysts. The party that produced a specifically identified product or service should also be identified unless the producer's name is evident from the name of the product or service. An adviser should report all products or services received from a broker, even if some of the services could be deemed to have been received as a result of principal transactions the costs of which are not required to be reported in the table.

*Item 3. Information Regarding Three Most Frequently Used Execution-Only Brokers*

Using the captions specified under Item 2 (except "Description of Services Obtained"), provide a table titled "The Three Execution-Only Brokers to Which the Greatest Amounts of Client Commissions were Directed" that includes the required information for the three execution-only brokers to which the investment adviser directed the greatest amount of client commissions. If no or fewer than three execution-only brokers were used,

state either "no execution-only brokers used" after the title or "no additional execution-only brokers used" after the last broker listed.

*Instruction*

For the purposes of this Item, a broker should be considered an execution-only broker if substantially all of the services that it provides to the adviser are execution services (see the definition in Instruction 2 of the General Instructions). An automated trading system should be considered an execution-only broker if substantially all of the services received by the adviser in connection with using the system are execution services and if a fee is charged for using the system, regardless of the basis for the fee (e.g., a flat usage fee or transaction-based charges).

*Item 4. Information Regarding Brokerage Business Directed by Clients*

Provide the following information under the following captions:

Percentage of Total Commissions Directed to Brokers Providing Research and Other Services in Addition to Execution:

Percentage of Total Commissions Directed to Execution-only Brokers:

Percentage of Total Commissions Directed by Clients:

*Instruction*

For the purposes of this Item, commissions directed by clients are those commissions paid by accounts managed by the adviser that were directed pursuant to client requests or instructions. Total commissions equal the sum of the adviser's discretionary commissions, as defined in Item 2, and the commissions directed by clients.

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