

information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through 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.

Direct your written comments to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 5th Street, N.W. Washington, DC 20549.

Dated: June 11, 1996.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-15450 Filed 6-18-96; 8:45 am]

BILLING CODE 8010-01-M

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available
From: Securities and Exchange
Commission, Office of Filings and
Information Services, Washington, DC
20549

Extension:

Rule 17a-11

SEC File No. 270-94

OMB Control No. 3235-0085

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget requests for approval of extension on the following rule:

Rule 17a-11 requires broker-dealers to give notice when certain specified events occur. Specifically, the rule requires broker-dealers to send notice promptly (but within 24 hours) after the broker-dealer's aggregate indebtedness is in excess of 1,200 percent of its net capital, its net capital is less than 5 percent of aggregate debt items or its total net capital is less than 120 percent of the broker-dealer's required minimum net capital. In addition, broker-dealers are required to give notice if they fail to make and keep current books and records required by Rule 17a-3 or if they discover any material inadequacy as defined in Rule 17a-5(g).

The notice required by the rule alerts the Commission and self-regulatory organizations ("SROs"), which have oversight responsibility over broker-dealers, to those firms having financial or operational problems.

Because broker-dealers are required to file pursuant to Rule 17a-11 only when certain specified events occur, it is difficult to develop a meaningful figure for the cost of compliance with Rule 17a-11. It is anticipated that approximately 650 broker-dealers will spend 1 hour per year complying with Rule 17a-11. The total cost is estimated to be approximately 650 hours. With respect to those broker-dealers that must give notice under Rule 17a-11, the cost is approximately \$10 per response for a total annual expense for all broker-dealers of \$6,500.

General comments regarding the estimated burden hours should be directed to the Desk Officer for the Securities and Exchange Commission at the address below. Any comments concerning the accuracy of the estimated average burden hours for compliance with Commission rules and forms should be directed to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549 and Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, D.C. 20503.

Dated: June 11, 1996.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-15574 Filed 6-18-96; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-22014; No. 812-9968]

Fortis Benefits Insurance Company, et al.; Notice of Application for an Order Pursuant to the Investment Company Act of 1940

June 13, 1996.

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

ACTION: Notice of application for an order pursuant to the Investment Company Act of 1940 (the "1940 Act").

APPLICANTS: Fortis Benefits Insurance Company ("Fortis Benefits"), Variable Account C of Fortis Benefits Insurance Company ("Fortis Benefits Account") and Fortis Investors, Inc. ("Investors").

RELEVANT 1940 ACT SECTIONS: Order requested pursuant to Section 6(c) of the

1940 Act granting exemptions from the provisions of Sections 2(a)(32), 22(c), 27(a)(3), 27(c)(1) and 27(d) thereof, and Rules 22c-1, 6e-3(T)(b)(12), 6e-3(T)(b)(13) and 6e-3(T)(d)(1)(ii) thereunder.

SUMMARY OF APPLICATION: Applicants seek exemptive relief to the extent necessary to permit them to issue flexible premium survivorship variable life insurance policies ("Policies") that enable Fortis Benefits to: (1) credit the Policy owner's account with "premium based bonuses" and "Policy value bonuses"; (2) include in the surrender charge of the Policies any premium tax charge not previously recovered; and (3) deduct sales charges in a manner that may result in such deductions taken in one period being considered to be higher than those taken in a prior period.

FILING DATE: The application was filed on January 30, 1996, and amended on June 11, 1996.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Secretary of the Commission and serving Applicants with a copy of the request, personally or by mail. Hearing requests must be received by the Commission by 5:30 p.m. on July 8, 1996, and must be accompanied by proof of service on Applicants 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 may request notification of a hearing by writing to the Secretary of the Commission.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 5th Street, N.W., Washington, D.C. 20549. Applicants, c/o Douglas R. Lowe, Esq., Fortis Benefits Insurance Company, 500 Bielenberg Drive, Woodbury, Minnesota 55125.

FOR FURTHER INFORMATION CONTACT: Kevin M. Kirchoff, Senior Counsel, or Patrice M. Pitts, Special Counsel, Office of Insurance Products (Division of Investment Management), at (202) 942-0670.

SUPPLEMENTARY INFORMATION: Following is a summary of the application; the complete application is available for a fee from the Public Reference Branch of the Commission.

Applicants' Representations

1. Fortis Benefits, a Minnesota corporation, is qualified to sell life insurance in the District of Columbia and in all states except New York. It is

an indirect, wholly-owned subsidiary of Fortis, Inc., which is itself indirectly owned by N.V. AMEV (50 percent) and by Compagnie Financière et de Reassurance de Group AG (50 percent).

2. Fortis Benefits established the Fortis Benefits Account under the laws of the State of Minnesota as a segregated investment account for the purpose of funding variable life insurance policies, including the Policies. The Fortis Benefits Account is registered as a unit investment trust under the 1940 Act, and currently consists of twelve subaccounts ("Subaccounts"), each of which invests exclusively in shares of a corresponding portfolio of Fortis Series Fund, Inc., a registered management investment company.

3. Investors, an indirect wholly-owned subsidiary of Fortis, Inc., is the principal underwriter for the Policies. Investors is registered as a broker-dealer under the Securities Exchange Act of 1934, and is a member of the National Association of Securities Dealers, Inc.

4. The Policies are last survivor flexible premium variable life insurance policies. Under the Policy a death benefit is payable upon the death of the second to die of two insured persons named in the application for the Policy. The Policy permits the Policy owner to select between, and change from time to time, two death benefit options. Under one of these options ("Option B"), but not the other, the amount at work earning a return for the Policy owner (the "Policy value") is added to the Policy's "face amount" of insurance coverage for purposes of computing the death benefit. The Policy owner also may change the face amount from time to time, subject to certain restrictions.

5. The Policy owner may allocate the Policy value to one or more of the Subaccounts and/or to the general account of Fortis Benefits.

6. The Policy may be fully surrendered at any time for its "surrender value," and, generally after the first Policy year, the Policy owner may make a partial withdrawal of surrender value once a year. The Policy owner also may take out Policy loans

and has considerable flexibility to vary the frequency and amount of premium payments.

7. The Policy generally is guaranteed not to lapse until 10 years, 20 years, or the Policy anniversary following the younger insured's age 85 (subject to certain limitations if the younger insured is age 65 or more at issue or if either insured is in a substandard mortality risk class), if certain minimum premium payments are made.

8. Unless prohibited by applicable state insurance law, Fortis Benefits intends to pay a premium based bonus on the last day of the 7th and each subsequent Policy year. The amount of the bonus is a percentage of the lesser of (a) or (b) (below), the result divided by the number of years that the Policy has been in force, where, as of the date of the credit:

(a) is the sum of all premiums paid under the Policy less any withdrawals and loans taken out by the Policy owner; and

(b) is the sum of all "Maximum Bonus Premiums" to date.

For this purpose, a Maximum Bonus Premium generally is the hypothetical estimated monthly premium payment that would keep the Policy in force to the younger insured's age 85, without regard to substandard risks or riders. A face amount increase or decrease requested by the Policy owner will cause an increase or decrease, respectively, in the size of future Maximum Bonus Premiums.

9. The applicable percentage depends on the age of the younger insured at issue and the number of years the Policy has been in force. The current percentages and durations are as follows:

Age of younger insured at issue	End of policy year			
	0-6	7	8	9+
Percentages				
18-50	0	2	4	4
51-60	0	2	4	7
61-70	0	5	7	10
71-85	0	5	5	5

Premium based bonuses at the foregoing rates are not guaranteed, and Fortis Benefits reserves the right to reduce them, subject to guaranteed minimum rates. The guaranteed rates are as follows, and are guaranteed only to the extent allowed by state insurance law:

Age of younger insured at issue	End of policy year			
	0-6	7	8	9+
Percentages				
18-50	0	2	4	4
51-60	0	2	4	7
61-70	0	2	4	7
71-85	0	2	4	5

No further premium based bonuses are credited to a Policy subsequent to the time that the younger insured reaches age 100.

10. All premium based bonuses will be allocated among the general account and the Subaccounts on a pro rata basis: i.e., in proportion to the amount of Policy value in each, exclusive of amounts transferred to the general account as a result of Policy loans. This is referred to hereinafter as the "unloaded policy value." Following such allocation, these amounts will be credited with investment performance, and otherwise will be treated the same as any other amounts of Policy value.

11. Unless prohibited in a state by applicable insurance law, each Policy will be credited with an increase in Policy value in the form of a "Policy value bonus" paid by Fortis Benefits on each monthly Policy anniversary. The Policy value bonus is computed as a percentage of the unloaded policy value after the "Monthly Deduction," described below. The percentage depends on the face amount "band," the death benefit option in effect, the amount of surrender value, and the length of time the Policy has been in force as of the date of the bonus. The percentages, expressed as annual rates, are as follows:

ANNUAL RATE OF POLICY VALUE BONUSES AS A PERCENT OF UNLOADED POLICY VALUE ¹

Surrender value on date of monthly bonus	Band 1 & 2		Band 3		Band 4	
	Policy years 1-19	Years 20 and later	Policy years 1-19	Years 20 and later	Policy years 1-19	Years 20 and later
\$0-\$9,999 .....	.00	.35	.00	.35	.00	.35
\$10,000-\$49,000 .....	.00	.35	.05	.40	.05	.40
\$50,000-\$99,000 .....	.05	.40	.10	.45	.10	.45
\$100,000 or more .....	.10	.45	.15	.50	.20	.55

¹ If the Option B death benefit is in effect under the Policy, .30 percent of the applicable unloaded Policy value is added to the otherwise applicable bonus, regardless of the band or Policy year of the Policy, provided that the surrender value on the date of the bonus is at least \$10,000.

12. There are four face amount bands for the Policies. Policies with a minimum face amount of \$5,000,000 are band 4 Policies; Policies with a minimum face amount of \$1,000,000 but less than \$5,000,000 are band 3 Policies; Policies with a minimum face amount of \$500,000 but less than \$1,000,000 are band 2 Policies and Policies with a minimum face amount of less than \$500,000 are band 1 Policies. For purposes of calculating the Policy value bonus percentage, the average face amount of the Policy from issuance to the point of the bonus payment will be used to determine the Policy band. Policy value bonuses at the foregoing rates are guaranteed, to the extent such guarantees are allowed by the state in which the Policy is issued, except that after the 19th Policy year, Fortis Benefits reserves the right, in its sole discretion, to reduce the otherwise applicable bonus by an amount equal to up to .35 percent of the unloaned policy value. All Policy value bonuses will be allocated among the general account and the subaccounts on a pro-rata basis. These amounts will be credited with investment performance and otherwise will be treated the same as any other amounts of Policy value.

13. Fortis Benefits has designed premium based bonuses and Policy value bonuses and their method of operation so as to address certain state regulatory concerns. All sales illustrations used by Fortis Benefits specifically will disclose the rates of any premium based bonuses and Policy value advances that are assumed by any illustrations.

14. A premium tax charge in the amount of 2.2 percent of all premium payments is assessed through monthly and daily deductions from Policy value under the Policy. Any portion of such amount that is not recovered by Fortis Benefits pursuant to the monthly and daily deductions may be deducted as part of the surrender charge.

15. A sales charge in the amount of 9 percent of all premium payments is also assessed through the monthly and daily deductions from Policy value under the Policy. Any amount of this sales charge that is not recovered by Fortis Benefits through these monthly and daily deductions may be deducted as a contingent deferred sales charge that would be assessed as part of the surrender charge.

16. The monthly deduction under the Policy for premium tax and sales charges totals \$4.00 per month (deducted as part of the "Monthly Deduction" referred to below), and the daily deduction for these purposes is at an aggregate annual rate of .35 percent

of the value of the Policy's net assets in the Fortis Benefits Account. These deductions will be waived to the extent that the cumulative amount of all such deductions, plus any premium tax or sales charges that may in the future be deducted from premiums would exceed 11.2 percent (9 percent for sales charges and 2.2 percent for premium tax charges) of all premium payments made to date. This maximum may be slightly less in any state that limits premium tax charges to less than 2.2 percent.

17. Fortis Benefits reserves the right to increase the premium tax charge to not more than 3 percent, in which the case the 11.2 percent maximum for the monthly and daily deductions would be increased by a corresponding amount up to a maximum of 12 percent. Fortis Benefits also reserves the right to deduct a premium tax charge or a sales charge directly from premium payments. The maximum amount of such deductions from premium payments will be 7.5 percent (a maximum of 2.5 percent for premium tax charges and 5 percent for sales charges), in which case the 11.2 percent maximum referred to above for monthly and daily deductions would be decreased by at least a corresponding amount.

18. A monthly charge for Policy issuance expenses at the rate set out below is imposed and deducted as part of the Monthly Deduction for the first ten Policy years following issuance of the Policy.

Face amount	Monthly rate per \$1,000 of face amount at issue (or face amount increase)
Band 1	0.10
Band 2	0.08
Band 3	0.05
Band 4	0.03

This charge will also be imposed for the first ten Policy years following a face amount increase. Any uncollected charges are deducted, if at all, only as part of the surrender charge, discussed below. Applicants represent that this charge will not exceed the amount permitted by Rule 6e-3(T)(b)(13)(iii)(A).

19. A surrender charge may be assessed on lapse or full surrender of a Policy before the tenth Policy anniversary (or the tenth anniversary of a face amount increase requested by the Policy owner). The surrender charge equals any portion of the Policy issuance expense charge, premium tax charge and the sales charge that has not yet been collected through the monthly and daily deductions therefor (or, in the

case of premium tax or sales charges, deducted from premiums, as described above). No surrender charge is deducted upon a partial withdrawal of Policy value or a face amount decrease.

20. The entire surrender charge is subject to an overall upper limit or "cap" as set forth in the table below.

Adjusted age at time of policy issuance or face amount increase	Overall "cap" on surrender charge (per thousand dollars of face amount or face amount increase)
18-24 years	1.90
25-29	3.30
30-34	4.50
35-39	6.00
40-44	8.25
45-49	10.75
50-54	14.25
55-59	19.00
60-64	25.20
65-69	33.60
70-85	41.00

The "Adjusted Age" referred to in the foregoing table is the age of the younger insured plus $\frac{1}{3}$ of the lesser of (a) the difference in age between the younger and older insured or (b) 20. If both insureds are over age 80, the maximum surrender charge is \$33 per thousand. The overall cap (and each amount of increase therein) decreases at a constant rate on the first and each subsequent Policy anniversary (or anniversary of a face amount increase, as the case may be) until it is zero for surrenders and lapses as of the tenth Policy anniversary (or increase anniversary). There will be no surrender charge on surrenders or lapses as of the later of the tenth Policy anniversary or the tenth anniversary of any face amount increase.

21. The Monthly Deduction from Policy value includes: (a) the above-described monthly premium tax, sales charges and Policy issue expense deductions; (b) cost of insurance charge; (c) a charge for any optional insurance benefits added by rider; and (d) a monthly administrative expense charge of \$6.00 per Policy. Fortis Benefits reserves the right to raise the monthly administrative expense charge to not more than \$7.50 per month, and to impose an additional monthly administrative expense charge of up to \$.13 per thousand dollars of face amount then in force. Applicants represent that the administrative charges under the Policies will not exceed the amount permitted by Rule 6e-3(T)(b)(13)(iii)(A). After the tenth Policy year, the Monthly Deduction under a Policy as to which the no-lapse

guarantee is still in effect will also include a charge for that guarantee.

22. A daily charge at an annual rate of 1.00 percent of the average daily value of the net assets in the Fortis Benefits Account that are attributable to the Policy is made for mortality and expense risks assumed by Fortis Benefits.

23. Fortis Benefits reserves the right to deduct: (a) charges to defray its administrative expenses in effecting transfers of Policy value or partial withdrawals; and (b) charges for any federal income taxes that it may incur.

Applicants' Request for Relief and Legal Analysis

1. Section 6(c) of the 1940 Act, in pertinent part, provides that the Commission may, by order upon application, conditionally or unconditionally exempt any person, security or transaction, or any classes thereof from any provisions of the 1940 Act or rules thereunder, if and 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 1940 Act.

Exemptive Relief To Permit Deduction of Remaining Premium Taxes in Surrender Charge

2. Applicants request exemptions from Sections 2(a)(32), 22(c), 27(c)(1) and 27(d) of the 1940 Act and Rules 6e-3(T)(b)(12), 6e-3(T)(b)(13) and 22c-1 thereunder to the extent necessary to permit the amount of any premium tax charges that have not been previously collected by means of a deduction from Policy value to be included in the surrender charge.

3. Sections 2(a)(32), 27(c)(1) and 27(d) of the 1940 Act prohibit Applicants from selling interests under a Policy unless they are redeemable securities, entitling a Policy owner, upon surrender, to receive approximately his or her proportionate share of the Fortis Benefits Account's current net assets. Section 27(c)(1) provides that no issuer of a periodic payment plan certificate shall sell such certificate unless the certificate is a "redeemable security." Section 2(a)(32) defines a "redeemable security" as any security which entitles the holder, upon its presentation to the issuer, to receive approximately a proportionate share of the issuer's current net asset value, or the cash equivalent thereof. Section 27(d) requires that the holder of a periodic payment plan certificate be able to surrender the certificate under certain

circumstances and recover certain amounts of sales charges.

4. Rule 22c-1 prohibits Applicants from redeeming interests under a Policy except at a price based on the current net asset value that is next computed after receipt of the request for full or partial redemption of interests under the Policy.

5. Rule 6e-3(T)(b)(13) provides an exemption from Section 27(d), and like Rule 6e-3(T)(b)(12) provides exemptions from Sections 22(c) and 27(c)(1) and Rule 22c-1 to the extent necessary for the payment of a flexible contract's cash value to be regarded as satisfying the requirements of those provisions, if specified conditions are satisfied. Applicants represent that the Policy satisfies all of such conditions.

6. Applicants assert that contingent deferred sales charges for premium taxes were not contemplated at the time the 1940 Act was enacted and are not specifically contemplated by any of the rule provisions referenced in the preceding paragraph. Accordingly, Sections 2(a)(32), 22(c), 27(c)(1) and 27(d) and Rules 22c-1, 6e-3(T)(b)(12) and 6e-3(T)(b)(13) may be deemed to be inconsistent with the deduction of a contingent deferred charge for premium taxes from the cash proceeds that are, in effect, required by those provisions to be paid to Policy owners under various circumstances.

7. Applicants assert that the method adopted under the Policy for deducting all or part of the charges for premium taxes on a basis other than from premium payments is more favorable to investors because more Policy value is available to earn a return for the investor. Applicants represent that:

- (a) no premium tax charge will be designed to yield a profit;
- (b) the total amount charged for premium taxes, including any amount of premium tax charge that Fortis Benefits may in the future decide to deduct from premium payments, will be no greater than if all such charges were taken from premiums when paid; and
- (c) the premium tax charges will not take into account the "time value" of money, which would increase the charge to factor in the investment cost to Fortis Benefits of deferring collection of the charge.

Exemptive Relief From "Stair Step" Requirements

8. Applicants also request an exemption from the "stair step" requirements of Section 27(a)(3) of the 1940 Act and Rules 6e-3(T)(b)(13)(ii) and 6e-3(T)(d)(1)(ii) thereunder.

9. Section 27(a)(3) prohibits the sale of the Policy if the sales load deducted

from any one of the first twelve monthly payments thereon "exceeds proportionately the amount deducted from any other such payment, or the amount deducted from any subsequent payment exceeds proportionately the amount deducted from any other subsequent payment."

10. Rule 6e-3(T)(b)(13)(ii) provides an exemption from Section 27(a)(3), "provided that the proportionate amount of sales load deducted from any payment shall not exceed the proportionate amount deducted from any prior payment." Rule 6e-3(T)(d)(1)(ii)(A) provides, in pertinent part, that, with respect to sales charges deducted other than from premiums (excluding asset-based sales charges), Rule 6e-3(T)(b)(13)(ii) is deemed satisfied if "the amount of sales load deducted pursuant to any method * * * does not exceed the proportionate amount of sales load deducted prior thereto pursuant to the same method." Rule 6e-3(T)(d)(1)(ii)(B) provides comparable relief for asset-based sales charges, provided that "the percentage of assets taken as sales load does not exceed any of the percentages previously taken pursuant to the same method."

11. Applicants request an exemption from these "stair step" requirements because of the following three aspects of the Policies. First, part of the \$4.00 monthly charge deducted pursuant to each Policy is a sales charge. While this charge will not change from month-to-month, it will vary from month-to-month as a percentage of premiums paid and as a percentage of the Policy value. Applicants assert that assessing part of the sales charge as a flat monthly deduction rather than deducting it from premium payments is beneficial to Policy owners because: (a) a greater amount is available to earn an investment return; (b) deductions will be more predictable than deducting the entire sales charge through a daily percentage charge; and (c) Policy owners will have an enhanced ability to plan based on expected amounts of sales charge deductions.

12. Second, the monthly and/or daily sales charge deductions may cease for certain periods of time and subsequently be resumed. These charges are suspended when the maximum amount of such charges, as a percentage of premium payments, has been reached. Such charges also will cease if additional deductions would cause sales charges to exceed permitted maximums, as a percentage of premiums actually paid. This creates a question regarding compliance with the requirements in Rule 6e-3(T)(d)(1)(ii) (A) and (B) that

the proportionate or percentage amount of sales charges deducted not exceed the proportionate or percentage amount previously deducted pursuant to the same method.

13. Applicants assert that, if Section 27(a)(3) and the related provisions of Rule 6e-3(T) were interpreted to prevent the resumption of sales charge deductions from contract assets once the deduction of such charges has ceased for any reason, the utility of policy designs that deduct sales charges from contract assets would be greatly reduced. Applicants submit that deducting part of the sales charges from Policy value, rather than from premium payments, is advantageous to Policy owners because more assets are put to work as Policy value with the potential of earning a return for the Policy owner's benefit.

14. Third, Rule 6e-3(T)(c)(4) defines "sales load" for any contract period as the excess of premium payments over changes in "cash value" (other than from investment performance) and certain enumerated charges. Applicants submit that because premium based bonuses and Policy value bonuses affect the Policy's cash value in the contract period during which they are credited, such bonuses could be deemed to result in sales charges that vary from one contract period to the next, relative to the amount of premium payments paid in such periods. The stair step provisions could apply to the extent that the sales load, as a percentage of premium payments made in a contract period, were thereby deemed to be more than that in a prior contract period. Applicants submit that the Policy's charge structure complies with the spirit and apparent purposes of Rule 6e-3(T)(b)(13)(ii) and 6e-3(T)(d)(1)(ii).

15. The stair step issues under the Policies result from the imposition of deferred sales charges in the form of monthly and/or daily deductions and, in the case of Policies that are surrendered or lapse before a certain time, the surrender charge. The stair step issues under the Policies do not result from early deduction of front-end charges. Although sales charges will be deducted through several different types of deductions, the rate of these charges will not increase.

Conclusion

For the reasons summarized above, Applicants represent that the exemptions requested are necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-15509 Filed 6-18-96; 8:45 am]

BILLING CODE 8010-01-M

Issuer Delisting; Notice of Application to Withdraw From Listing and Registration (Medicare, Inc., Common Stock, \$.01 Par Value); File No. 1-9167

June 12, 1996.

Medicare, Inc. ("Company") has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act") and Rule 12d2-2(d) promulgated thereunder, to withdraw the above specified security ("Security") from listing and registration on the American Stock Exchange, Inc. ("Amex").

The reasons alleged in the application for withdrawing the Security from listing and registration include the following:

According to the Company, its Board of Directors unanimously approved resolutions on May 6, 1996 to withdraw the Security from listing on the Amex and instead, to list the Security on the National Association of Securities Dealers Automated Quotations National Market System ("Nasdaq/NMS").

The decision of the Board followed a thorough study of the matter and was based upon the belief that listing the Security on the Nasdaq/NMS will be more beneficial to the Company's stockholders than the present listing on the Amex because:

The Board of Directors has determined as per the resolutions dated May 6, 1996 of which this withdrawal statement is a part, to withdraw its security from listing on the Amex to provide its Security with what the Board believes to be a broader base of trading and greater liquidity, all to the benefit of its shareholders and investors.

The Company has had good relations with the Amex and its staff, but believes in its evaluation of its trading market over the years and discussions with other investment banking firms, that it is in the best interest of the Company and its shareholders to withdraw its listing of its Security from the Amex and list the Security on the Nasdaq National Market. It is the opinion of the Board that the Company will be provided with greater visibility and that its Security with a broader base of trading and more liquidity for shareholders and investors in the

decentralized market place of the Nasdaq National Market.

Over the years, the Company has held discussions with the staff of the Amex and the specialist dealing with the Company's Security as to the depth of trading, volume, block transactions and pricing, resulting in ultimately a new specialist being appointed for trading the Company's Security. The Board, after full evaluation, has determined that the Nasdaq National Market, a major trading market with very significant national and international corporations having listed their securities for trading on the Nasdaq National Market, will provide a more liquid, efficient and broader market for the Company's securities. Further, the Board, based on discussions with other broker/dealers over the years, is of the opinion that the Company will have more broker-dealers involved with it and its securities, with greater exposure in the financial community and such will, to the extent necessary, facilitate further capital formation. All of the above factors will certainly be beneficial to the Company's shareholders and investors.

Any interested person may, on or before July 3, 1996 submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549, facts bearing upon whether the application has been made in accordance with the rules of the exchanges and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Jonathan G. Katz,
Secretary.

[FR Doc. 96-15449 Filed 6-18-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Rel. No. 22016; 812-10058]

Sirrom Capital Corporation; Notice of Application

June 13, 1996.

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

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