on February 19, 1993, applicant's shareholders approved the Reorganization.

4. As of February 26, 1993, applicant had 571,544.854 shares of common stock outstanding, $1.00 par value. The net asset value per share of applicant was $9.56 and the aggregate net asset value was $5,463,396.82.

5. On March 1, 1993, applicant transferred assets valued at $5,463,396.82 and received in exchange 571,544.854 shares of common stock of Sentinel World. Such shares were distributed to applicant's shareholders on the date in proportion to each shareholder's interest in the assets transferred.

6. Applicant and the Company each bore their allocable share of the appropriate expenses of the Reorganization, up to a total of $200,000 for all of the ProvidentMutual Funds. Expenses of all the ProvidentMutual Funds, including applicant, in excess of $200,000 were borne by Provident Mutual Life Insurance Company of Philadelphia and/or National Life Insurance Company. These expenses included preparation of the Reorganization documents and the registration statement, filing fees, and legal and audit fees.

7. Applicant has no securityholders and no remaining assets, debts, or liabilities as of the date of the application.

8. Applicant is not a party to any litigation or administrative proceeding. Applicant is not now engaged, and does not propose to engage, in any business activities other than those necessary for the winding up of its affairs.

9. Applicant was dissolved under Delaware law on December 3, 1993.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 96–32146 Filed 12–18–96; 8:45 am]

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[Release No. 34–38046; File No. SR–CSE–96–05; Amendment No. 1]

Self-Regulatory Organizations; Notice of Filing of Amendment No. 1 to Proposed Rule Change by The Cincinnati Stock Exchange Relating to Day Trading Margin Requirements

December 13, 1966.

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 5, 1996, the Cincinnati Stock Exchange (''CSE'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') Amendment No. 1 to 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

On August 15, 1996, the CSE submitted to the Commission a proposing to implement Rule 6.2, Day Trading Margin.[1] Amendment No. 1 supplements proposed Rule 6.2 to add specific required maintenance margin for margin accounts. In addition, Amendment No. 1 amends Rule 6.1(b) to make clear that the Exchange is only permitted to grant extensions of time under Regulation T of the Board of Governors of the Federal Reserve System[2] for those firms for which the Exchange is the designated examining authority.[3] The text of the proposed rule change, as revised by Amendment No. 1, is set forth below [new text is italicized; deleted text is bracketed]:

Rule 6.1. (a) No change.

(b) In Instances where the Exchange has been designated the appropriate examining authority, t[T]he Exchange is authorized to grant extensions of time under sections 220.4(c)(3)(ii) and 220.8(d) of Regulation T adopted by the Board of Governors of the Federal Reserve System as well as under Commission Rule 15c3–3(n).

(c) The Margin which must be maintained in margin accounts of customers shall be as follows:

(1) 25% of the current market value of all securities ''long'' in the account; plus

(2) $2.50 per share or 100% of the current market value, whichever amount is greater, of each stock ''short'' in the account selling at less than $5.00 per share; plus

(3) $5.00 per share or 30% of the current market value, whichever amount is greater, of each stock ''short'' in the account selling at $5.00 per share or above; plus

(4) 5% of the principal amount of 30% or the current market value, whichever amount is greater, of each bond ''short'' in the account.

Rule 6.2. Day Trading Margin

(a) The term ''day trading'' means the purchasing and selling of the same security on the same day. A ''day trader'' is any customer whose trading shows a pattern of day trading.

(b) Whenever day trading occurs in a customer's margin account the margin to be maintained shall be the margin on the ''long'' or ''short'' transaction, whichever occurred first, as required pursuant to Exchange Rule 6.1(c). When day trading occurs in the account of a day trader, the margin to be maintained shall be the margin on the ''long'' or ''short'' transaction, which ever occurred first, as required for initial margin by Regulation T of the Board of Governors of the Federal Reserve System, or as required pursuant to Exchange Rule 6.1(c), whichever amount is greater.

(c) No member shall permit a public customer to make a practice, directly or indirectly, of effecting transactions in a cash account where the cost of securities purchased is met by the sale of the same securities. No member shall permit a public customer to make a practice of selling securities which them in a cash account which are to be received against payment from another broker-dealer where such securities were purchased and are not yet paid for.

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 CSE 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 CSE 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

The purpose of the proposed rule change is to enhance the financial protections and therefore the integrity of the Exchange's markets by ensuring that customers maintain adequate margin reserves in their accounts. The proposed rule change requires day traders to maintain margins sufficient to cover their intraday ''long'' or ''short'' positions, depending upon which occurred first, for a particular day.

In amendment No. 1 the Exchange sets forth the specific maintenance requirement for margin accounts. In addition, Amendment No. 1 revises the

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[1] *See* Securities Exchange Act Release No. 37653 (September 6, 1996), 61 FR 48185 (September 12, 1996).

[2] *See* 12 CFR 220.4(c)(3)(ii); and 12 CFR 220.8(d).

[3] The Commission notes that presently there are no firms for which the CSE is the designated examining authority.

Exchange's margin rules to conform with more recent amendments to Regulation T of the Board of Governors of the Federal Reserve System.

Because the proposed rule change will enhance the financial protections and the integrity of the Exchange's markets, the Exchange believes that the proposed rule change, as amended, is consistent with Section 6 of the Act in general and with Section 6(b)(5) in particular in that it is designed to promote just and equitable principles of trade and to protect investors and the public interest.

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

The Exchange believes the proposed rule change will impose no inappropriate burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

One written comment was received with respect to the original proposed rule change. The Exchange believes that Amendment No. 1 adequately addresses the concerns expressed in that written comment.

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

Within 35 days of the publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve the proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

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 proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the CSE. All submissions should refer to File No. SR–CSE–96–05 and should be submitted by January 9, 1997.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[4]

Jonathan G. Katz,

Secretary.

[FR Doc. 96–32233 Filed 12–18–96; 8:45 am]

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[Release No. 34–38047; File No. SR–NYSE–96–38]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the New York Stock Exchange, Inc. Relating to Amendments to Exchange Rule 80B (''Trading Halts Due to Extraordinary Market Volatility'')

December 13, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on December 11, 1996, the New York Stock Exchange, Inc. (''NYSE'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'' or ''SEC'') the proposed rule change relating to certain market-wide circuit breaker provisions as described in Items I, II and III below, which Items have been prepared by the Exchange. 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 Exchange proposes to amend its Rule 80B (Trading Halts Due to Extraordinary Market Volatility— ''circuit breakers'') to increase the trigger levels for its circuit breakers. The existing circuit breakers would be triggered if the Dow Jones Industrial Average (''DJIA'')[3] declines by 250 and 400 points, respectively, from its previous day's close. A 250 points decline would result in a one-half hour trading halt, while a 400 points decline would cause trading to halt for an additional hour. The Exchange proposes establishing new thresholds of 350 and 550 points decline in the DJIA before the respective one-half hour and one hour circuit breakers are triggered. The Exchange seeks to effect these changes on a one-year pilot basis.

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. 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

Rule 80B (Trading Halts Due to Extraordinary Market Volatility) is the Exchange's codification of the several recommendations for ''circuit breakers'' which were made in the wake of the market break of 1987. The current rule, which is due to expire April 30, 1997, provides that if the DJIA falls 250 or more points below its previous trading day's closing value, trading in all stocks on the Exchange shall halt for one-half hour. Further, the rule provides for an additional one hour trading halt if on that same day the DJIA declines by 400 points or more below its previous trading day's closing value.[4] Although the Rule was amended in July 1996 to shorten the time periods for market-wide trading halts, the levels of the circuit breakers themselves have not been adjusted since the rule was first adopted.[5] The Exchange believes that, at this time, it is appropriate to amend Rule 80B to raise the circuit breakers from 250 points to 350 points and from 400 points to 550 points.

Rule 80B was approved by the Commission in October 1988 as a one-year pilot and has been extended on a year to year basis since then, except for

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[4] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] ''Dow Jones Industrial Average'' is a service mark of Dow Jones & Company, Inc.

[4] *See* Securities Exchange Act Release No. 37890 (Oct. 29, 1996) 61 FR 56983.

[5] *See supra* note 4. *See also,* Securities Exchange Act Release Nos. 36563 (December 7, 1995), 60 FR 64084; 36414 (Oct. 25, 1995) 60 FR 55630; 26440 (January 10, 1989) 54 FR 1830; 26368 (December 16, 1988), 53 FR 51942; and 26198 (October 19, 1988), 53 FR 41637.