

engaged nor does it propose to engage in business activities other than those necessary for the winding-up of its affairs. All expenses incurred in connection with the liquidation of the Trust have been, and will be, paid by Federated Advisers, the investment adviser to the portfolios of the Trust. There will be no allocation of these expenses to the Trust.

6. If the order sought herein is granted, the trust will shortly thereafter file with the Secretary of State of the Commonwealth of Massachusetts the documents necessary to dissolve itself as a Massachusetts Business Trust, thereby ceasing to exist as a legal entity.

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

Margaret H. McFarland,  
Deputy Secretary.

[FR Doc. 96-31958 Filed 12-16-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-38042; File No. SR-NASD-96-42]

**Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the National Association of Securities Dealers, Inc.**

December 11, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> Notice is hereby given that on November 15, 1996, the National Association of Securities Dealers Regulation, Inc. ("NASD Regulation") 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 by the self-regulatory organization. The Commission is publishing this notice to solicit comment on the proposed rule change from interested persons.

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

NASD Regulation proposes to amend Rule 11580 of the Conduct Rules of the National Association of Securities Dealers, Inc. ("NASD" or "Association"), the grant authority to NASD Regulation staff to provide exemptions to the provisions of NASD Rule 11580. The text of the proposed rule change is set forth below [next text is italicized; deleted text is bracketed]:

**Uniform Practice Code**

**11500. Delivery of Securities With Restrictions**

\* \* \* \* \*

**11580. Transfer of Limited Partnership Securities**

(a) Each member who participates in the transfer of limited partnership securities, as defined in Rule 2810, shall use standard transfer forms in the same form as set forth in IM-11580. This rule shall not apply to limited partnership securities which are traded on the Nasdaq Stock Market or a registered national securities exchange.

(b) *The Corporate Financing Department may, pursuant to a written request for good cause shown, grant an exemption from the requirements of subparagraph (a) to permit a member to modify the standard transfer forms for the transfer of limited partnership securities where necessary to meet other legal or regulatory requirements or to otherwise facilitate the transfer of the securities.*

**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. NASD Regulation has prepared summaries, set forth in Section 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**

**Background**

On January 29, 1996, the Commission approved an amendment to the NASD's Uniform Practice Code requiring members to use standardized transfer, registration confirmation, and distribution allocation forms ("Forms") when transferring limited partnership securities.<sup>2</sup> Prior to the amendment, NASD members were confronted with limited partnership transfer requirements that varied widely as to the type of information and documents necessary for a valid transfer of a

partnership interest. In addition, non-standardized distribution payment provisions required by partnerships caused or contributed to delays or mistakes in the allocation of cash distributions between buyers and sellers of partnership securities, often leading to disputes over distributions that were settled by broker-dealers at their own expense or through arbitration or litigation. The Forms were developed in order to provide a uniform way for members to assist in the transfer of limited partnership interest and the allocation of partnership distributions. Use of the Forms became mandatory for NASD members on May 15, 1996.

After the amendment became effective, transfer agents, member firms, and securities attorneys raised a number of questions concerning the applicability of the Forms to certain types of transfers. For example, it was suggested that the distribution allocation form be modified to provide additional options for specific treatment of capital transactions, capital distributions, sale or refinancing proceeds, special distributions, liquidating distributions, and distributions with respect to terminating transactions.

In another case, a NASD member stated that in order to satisfy certain legal and operating requirements of partnerships sold by it, modifications to both the transfer and distribution allocation forms were necessary to satisfy certain conditions of purchase imposed by its limited partnership secondary transaction department.

In addition, while the Forms were intended to be used for all purchases, sales, exchanges, and transfers of limited partnership interests, many member firms have developed standard one page documents for transfers that are "not for consideration," such as transfers related to a change of trustee or custodian or transfers resulting from death, divorce, or gift. These previously developed documents fulfill the same purpose as the new Standardized Transfer Forms, *i.e.*, permitting a fast and efficient transfer of the security.

Finally, other miscellaneous issues have been raised in connection with the use of the Forms, including a request to meet a requirement that each investor demonstrate U.S. citizenship.

**Description of Proposed Amendment**

NASD Regulation believes it will continue to receive requests for permission to modify the Forms in order to meet differing requirements. NASD Regulations is, therefore, proposing to add new paragraph (b) to NASD Rule 11580 to grant authority to NASD

<sup>2</sup> Securities Exchange Act Release No. 36783 (Jan. 29, 1996), 61 FR 3955 (approving File No. SR-NASD-95-53).

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

Regulation's Corporate Financing Department, pursuant to a written request for good cause shown, to allow an exemption from the requirements of paragraph (a) to NASD Rule 11580 to permit a member to modify the standard transfer forms for the transfer of limited partnership securities where necessary to meet other legal or regulatory requirements or to otherwise facilitate the transfer of the securities. Thus, the proposed rule change would grant NASD Regulation staff the authority to issue exemptions from the requirement to use the Forms. Such exemptions would allow members to modify the Forms in certain situations where, for example, other regulatory or legal requirements may present a conflict or would impede the transfer process.

NASD Regulation recognizes that it may not be possible to bring specific uniformity to every transfer due to the uniqueness and variety of partnership products, but also believes that the proposed rule change will not have an adverse impact on the standardized nature of the Forms. Moreover, the proposed rule change will allow the staff to provide the flexibility sometimes necessary to facilitate a more efficient transfer of partnership interests in particular cases where a rigid "form over substance" requirement might hinder the transfer process.

## 2. Statutory Basis

NASD Regulation believes the proposed rule change is consistent with the provisions of Section 15A(b)(6)<sup>3</sup> of the Act, which require that the Association adopt and amend its rules to promote just and equitable principles of trade, and generally provide for the protection of investors and the public interest, in that the proposed rule change maintains the standardization of the process and means by which limited partnership securities are transferred in the secondary markets, while providing the needed flexibility to allow members to comply with modified requirements of the transfer forms as needed, thus eliminating specific delays and inefficiencies in the transfer process in particular circumstances.

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

NASD Regulation believes the proposed rule change will impose no burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

NASD Regulation has neither solicited nor received written comments.

### 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 Room. Also, copies of such filing will be available for inspection and copying at the principal office of the NASD. All submissions should refer to File No. SR-NASD-96-42 and should be submitted by January 7, 1997.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>4</sup>

Margaret H. McFarland,  
Deputy Secretary.

[FR Doc. 96-31890 Filed 12-16-96; 8:45 am]

BILLING CODE 8010-01-M

## DEPARTMENT OF STATE

[Public Notice No. 2483]

### Advisory Committee on International Law; Notice of Meeting

A meeting of the Advisory Committee on International Law will take place on Tuesday, January 14, 1997, from 2:00 to approximately 5:00 p.m., as necessary, in Room 1207 of the United States Department of State, 2201 C Street, N.W., Washington, D.C. The meeting will be chaired by the Acting Legal Adviser of the Department of State, Michael J. Matheson, and will be open to the public up to the capacity of the meeting room. The meeting will focus on developments involving the International Court of Justice and the International Law Commission, work on an International Criminal Court, the International Criminal Tribunals for the former Yugoslavia and Rwanda, and other current developments.

Entry to the building is controlled and will be facilitated by advance arrangements. Members of the public desiring access to the session should, by January 10, 1997, notify the Office of the Assistant Legal Adviser for United Nations Affairs (telephone (202) 647-2767) of their name, Social Security number, date of birth, professional affiliation, address and telephone number in order to arrange admittance. This includes both government and non-government attendees. All attendees must use the "C" Street entrance. One of the following valid IDs will be required for admittance: any U.S. driver's license with photo, a passport, or a U.S. Government agency ID.

Dated: December 2, 1996.

John R. Crook,

Assistant Legal Adviser for United Nations Affairs; Executive Director, Advisory Committee on International Law.

[FR Doc. 96-31917 Filed 12-16-96; 8:45 am]

BILLING CODE 4710-08-M

[Public Notice No. 2482]

### U.S. State Department Overseas Security Advisory Council Renewal

The Department of State has renewed the Charter of the Overseas Security Advisory Council. This advisory council will continue to interact on overseas security matters of mutual interest between the U.S. Government and the American private sector. The Council's initiatives and security publications provide a unique contribution to protecting American private sector interests abroad. The Under Secretary

<sup>3</sup> 15 U.S.C. 78o-3(b)(6).

<sup>4</sup> 17 CFR 200.30-3(a)(12).