

Corporation, a registered holding company, has filed a post-effective amendment to its declaration under sections 6(a) and 7 of the Act and rule 54 thereunder.

By order dated October 7, 1992 (HCAR No. 25649) ("Order"), WTU was authorized, among other things, to issue and sell up to an aggregate principal amount of \$150 million of First Mortgage Bonds ("Bonds"), in one or more series, from time to time through December 31, 1994. WTU was authorized to use the proceeds from the sale of Bonds (1) to redeem all or a portion of its then outstanding \$75 million, 8 $\frac{7}{8}$ % First Mortgage Bonds, Series N, due May 1, 2016 ("Series N Bonds"), (2) to purchase, through a tender offer, all or a portion of its then outstanding \$65 million, 9 $\frac{1}{4}$ % first mortgage bonds, Series O, due December 1, 2019 ("Series O Bonds"), and (3) to repay outstanding short-term borrowings or for other general corporate purposes. In October 1992, WTU issued \$75 million of Bonds pursuant to the Order. The net proceeds from the sale of the Bonds were used to redeem the Series N Bonds.

By order dated December 19, 1994 (HCAR No. 26194) ("First Supplemental Order"), the Commission extended from December 31, 1994 to December 31, 1996, the authorization to issue and sell the remaining \$75 million of Bonds.

In March 1995, WTU issued \$40 million of Bonds pursuant to the Order and the First Supplemental Order. The net proceeds were used to repay a portion of WTU's short-term debt and to reimburse WTU's treasury for reacquiring approximately \$10 million of its Series O Bonds.

By order dated July 26, 1995 (HCAR No. 26340) ("Second Supplemental Order"), the Commission granted WTU authority to issue and sell, through December 31, 1997, up to an additional \$95 million of first mortgage bonds which, together with the remaining \$35 million authorized to be issued and sold pursuant to the Order and the First Supplemental Order, would authorize WTU to issue and sell up to an additional aggregate principal amount of \$130 million of first mortgage bonds (collectively, "New Bonds"), which may have maturities not less than two nor more than 40 years.

As stated in the Second Supplemental Order, the proceeds from the sale of the New Bonds will be used to (1) redeem all or a portion of WTU's outstanding \$55.203 million, Series O Bonds and/or (2) to repay a portion of WTU's short-term debt, to provide working capital

and for other general corporate purposes.

WTU now proposes that the Commission extend its authority to issue the New Bonds, pursuant to the terms and conditions set forth in the Order, the First Supplemental Order and the Second Supplemental Order, through December 31, 2002.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-39253; File No. SR-Amex-97-35]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by American Stock Exchange, Inc. Relating to Amendments to Rule 120 (Units of Trading)

October 17, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934,¹ notice is hereby given that on October 1, 1997, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission 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 amend Exchange Rule 120 to provide for a unit of trading in bonds other than \$1,000 in par value. The text of the proposed rule change is available at the Office of the Secretary, the Amex and 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

Amex Rule 120 provides for a unit of trading in bonds of \$1,000 in par value, except for U.S. Government issues, for which the unit of trading is the minimum denomination in which such securities are issued. Rule 120 also provides that a unit of trading in stocks is 100 shares, unless the Exchange fixes a lesser amount.

There are instances where bond issuers and broker-dealers underwriting bond issuances desire an exchange-listing of bonds with a unit of trading greater than \$1,000 in par value. For example, an issuer or underwriter may prefer a unit of trading of \$100,000 or \$250,000 in par value per trading unit in specific cases. Such issuances, which currently trade on the New York Stock Exchange, can be expected to appeal primarily to institutional investors and to trade infrequently.

The Amex believes it is appropriate and competitively desirable to clarify its authority to allow listing and trading of such issues. Rule 120, therefore, is proposed to be amended in a manner similar to NYSE Rule 55 to specifically provide that a unit of trading of other than \$1,000 in par value may be designated by the Exchange for specific issues of bonds denominated in U.S. dollars for foreign currencies.

(2) Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act in general and furthers the objectives of Section 6(b)(5)² in particular in that it is designed to remove impediments to and perfect the mechanism of a free and open market, to promote just and equitable principles of trade and, in general, to protect investors and the public interest.

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

The Exchange does not believe that the proposed rule change will impose a burden on competition.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78(b)(5).

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 proposed rule change.

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

The Exchange has asserted that the proposed rule change (i) will not significantly affect the protection of investors or the public interest, (ii) will not impose any significant burden on competition, and (iii) will not become operative for 30 days after the date of this filing. For the foregoing reasons and because the Exchange provided at least five business days notice to the Commission of its intent to file this proposed rule change, the rule filing will become operative as a "non-controversial" rule change pursuant to Rule 19b-4(e)(6) under the Act.³

At any time within 60 days of the filing of the 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 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 in the Commission's Public Reference Room in Washington, D.C. Copies of such filing will also be available for inspection and copying at the principal office of the Amex. All submission should refer to the file number in the caption above and should be submitted by November 14, 1997.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-39249; File No. SR-CHX-97-20]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Stock Exchange, Incorporated Relating to the Exchange's BEST Rule

October 16, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on September 12, 1997, the Chicago Stock Exchange, Incorporated ("CHX" 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 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 the Substance of the Proposed Rule Change

The Exchange proposes to amend Rule 37(a) of Article XX of the Exchange's Rules to clarify that the Exchange's BEST Rule guarantee is limited to both the size and price associated with the best bid and offer.

The text of the proposed rule change is available at the Office of the Secretary, the Exchange, 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 Exchange 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 Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

⁴ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. § 78s(b)(1).

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to amend the Exchange's BEST Rule (Article XX, Rule 37) to clarify an ambiguity concerning the application of the BEST Rule. Currently, the Exchange's BEST Rule states that, subject to certain exceptions, all agency market orders are guaranteed an execution on the basis of the ITS BBO² for Dual Trading System issues and the NBBO³ for Nasdaq/NM issues.

Each best bid and offer, including the ITS BBO and NBBO, contains two components—price and size. Because the BEST Rule requires a specialist to guarantee an execution on the basis of the best bid or offer, the Exchange has consistently interpreted this guarantee as applying to both the size and price associated with that best bid or offer. In this rule change, the Exchange proposes to add the words "size and price associated with" to the beginning of the BEST Rule to clarify that the BEST Rule guarantee is limited to both the size and price associated with the best bid and offer.

This change is consistent with the Exchange's existing MAX Rule (Article XX, Rule 37(b)(11)) which states that "notwithstanding anything in this Rule to the contrary, no market order or limit order that is marketable when entered into the MAX System will be automatically executed if the size associated with the ITS BBO or NBBO, as the case may be, is of a size less than such market order or limit order."

2. Statutory Basis

The Exchange represents that proposed rule change is consistent with Section 6(b)(5)⁴ of the Act in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

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

The Exchange does not believe that the proposed rule change will impose

² The ITS BBO is the best bid/offer quote among the American, Boston, Cincinnati, Chicago, New York, Pacific, Philadelphia exchanges or the Intermarket Trading System/Computer Assisted Execution System, as appropriate.

³ The NBBO is the best bid or offer disseminated pursuant to SEC Rule 11Ac1-1.

⁴ 15 U.S.C. § 78f(b)(5).

³ 17 CFR 240.19b-4(e)(6).