

listing<sup>16</sup> and, therefore, does not raise any new regulatory issues.

Moreover, Amendment No. 1 provides that the Exchange may list longer-term LEAPS on all indexes currently approved for the trading of standardized options, regardless of whether the index was previously approved for the trading of LEAPS. For those indexes approved for trading LEAPS, the Commission believes that Amendment No. 1 clarifies the application of the proposal and minimizes the potential for investor confusion. With regard to those indexes not previously approved for trading LEAPS, the Commission believes that allowing index LEAPS on these indexes, including the proposed longer-term LEAPS, does not raise any new regulatory issues. Specifically, each of these indexes has previously been approved by the Commission for the listing of standardized index options, and LEAPS on these indexes will be subject to the limitations discussed above.

Accordingly, the Commission believes it is consistent with Section 6(b)(5) of the Act to approve Amendment No. 1 to the Phlx's proposal on an accelerated basis.

Interested persons are invited to submit written data, views and arguments concerning Amendment No. 1. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 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 Section, 450 Fifth Street, NW., Washington, DC. Copies of such filing will also be available for inspection and copying at the principal office of the Phlx. All submissions should refer to the File No. SR-Phlx-95-11 and should be submitted by May 15, 1995.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>17</sup> that the proposed rule change (File No. SR-Phlx-95-11) is approved.

<sup>16</sup> See Exchange Act Release No. 28910, *supra* note 7.

<sup>17</sup> 15 U.S.C. 78s(b)(2) (1988).

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>18</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 95-9979 Filed 4-21-95; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-21013; 811-4403]

**Smith Barney California Municipal Money Market Fund; Notice of Application**

April 17, 1995.

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

**ACTION:** Notice of application for deregistration under the Investment Company Act of 1940 (the "Act").

**APPLICANT:** Smith Barney California Municipal Money Market Fund.

**RELEVANT ACT SECTION:** Section 8(f).

**SUMMARY OF APPLICATION:** Applicant seeks an order declaring that it has ceased to be an investment company.

**FILING DATE:** The application was filed on February 22, 1995 and amended on April 5, 1995.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on May 15, 1995, and should be accompanied by proof of service on applicant, 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 SEC's Secretary.

**ADDRESSES:** Secretary, SEC, 450 5th Street, N.W., Washington, D.C. 20549. Applicant, 388 Greenwich Street, New York, New York 10013.

**FOR FURTHER INFORMATION CONTACT:** Elaine M. Boggs, Staff Attorney, at (202) 942-0572, or C. David Messman, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch.

<sup>18</sup> 17 CFR 200.30-3(a)(12) (1994).

**Applicant's Representations**

1. Applicant is an open-end management investment company that was organized as a business trust under the laws of Massachusetts. On September 4, 1985, applicant registered under the Act as an investment company, and filed a registration statement to register its shares under the Securities Act of 1933. The registration statement was declared effective on November 20, 1985, and the initial public offering commenced shortly thereafter.

2. On April 27, 1994 and May 25, 1994, applicant's board of trustees approved an agreement and plan of reorganization (the "Plan") between applicant and Smith Barney Muni Funds—California Money Market Portfolio (the "Acquiring Fund")—a registered open-end management investment company. In addition, the board of trustees made the findings required by rule 17a-8 under the Act.<sup>1</sup>

3. On August 2, 1994, applicant mailed proxy materials to its shareholders. On November 11, 1994, applicant's shareholders approved the reorganization.

4. Pursuant to the Plan, on November 18, 1994, applicant transferred all of its assets to the Acquiring Fund in exchange for shares of the Acquiring Fund and the assumption by the Acquiring Fund of certain liabilities of applicant. Immediately thereafter, applicant liquidated and distributed *pro rata* to its shareholders the shares it received from the Acquiring Fund in the reorganization. On November 18, 1994, applicant had 831,064,778 shares outstanding, having an aggregate net asset value of \$830,713,099 and a per share net asset value of \$1.00.<sup>2</sup>

5. Expenses incurred in connection with the reorganization, consisting of accounting, printing, administrative, and legal expenses, totaled \$91,857. One half of the expenses were borne by the Fund's sponsor, Smith Barney Inc., and

<sup>1</sup> Section 17(a) of the Act generally prohibits sales or purchases of securities between registered investment companies and any affiliated person of that company. Rule 17a-8 provides an exemption from section 17(a) for certain reorganizations among registered investment companies that may be affiliated persons, or affiliated persons of an affiliated person, solely by reason of having a common investment adviser, common directors, and/or common officers. Applicant and the Acquiring Fund were "affiliated persons" as defined in the Act solely by reason of having a common investment adviser.

<sup>2</sup> Dividing the number of outstanding shares by the total net assets does not yield a precise figure of \$1.00 per share. This results from both the effect on the total net assets of realized gains and losses resulting from the sale of portfolio securities prior to their stated maturity and the effect of penny rounding.