

Inspector, who may concur or comment and then send it to the Manager, Los Angeles ACO.

G. Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base in order to comply with the requirements of this AD.

All persons affected by this directive who have not already received the appropriate service documents from the manufacturer may obtain copies upon request to McDonnell Douglas Corporation, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Business Unit Manager of Publications, C1-HCO (54-60). These documents may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue S.W., Renton, Washington; or at the Los Angeles Aircraft Certification Office, 3229 East Spring Street, Long Beach, California.

This amendment supersedes Amendment 39-6684, AD 90-12-51.

This amendment becomes effective June 24, 1991.

Issued in Renton, Washington, on May 7, 1991.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 91-11498 Filed 5-14-91; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Part 39

[Docket No. 90-NM-287-AD; Amdt. 39-6999]

Airworthiness Directives; McDonnell Douglas Model DC-9-80 (MD-80) Series Airplanes and Model MD-88 Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment supersedes an existing airworthiness directive (AD), applicable to McDonnell Douglas Model DC-9-80 (MD-80) series airplane and Model MD-88 airplanes, which currently requires inspection of passenger service unit (PSU) oxygen doors for proper seating, and readjustment, if necessary. This amendment requires installation of door stops as terminating action for the required repetitive inspections. This amendment is prompted by reports of PSU oxygen doors being pushed up past the door seal, which has caused the door to jam. This condition, if not corrected, could result in passenger oxygen not being readily available for use in the event of a cabin depressurization.

EFFECTIVE DATE: June 24, 1991.

ADDRESSES: The applicable service information may be obtained from McDonnell Douglas Corporation, Post Office Box 1771, Long Beach, California

90801, Attn: Business Unit Manager, Technical Publications, C1-HCW (54-60). This information may be examined at the FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington, or the Los Angeles Aircraft Certification Office, 3229 East Spring Street, Long Beach California.

FOR FURTHER INFORMATION CONTACT:

Robert T. Razzeto, Aerospace Engineer, Los Angeles Aircraft Certification Office, ANM-131L, FAA, Transport Airplane Directorate, 3229 East Spring Street, Long Beach, California 90806-2425; telephone (213) 988-5355.

SUPPLEMENTARY INFORMATION:

A proposal to amend part 39 of the Federal Aviation Regulations by superseding AD 90-22-05, Amendment 39-6780 (55 FR 42358, October 19, 1990), applicable to McDonnell Douglas Model DC-9-80 (MD-80) series airplanes and Model MD-88 airplanes, to require modification of the PSU panel door frame by adding door stops, was published in the Federal Register on February 1, 1991 (56 FR 3984).

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the three comments received.

One commenter, the manufacturer, agreed with the rule as proposed.

Two commenters, Air Transport Association (ATA) and an operator, expressed concern with the proposed 12-month compliance time. They believe that a 12-month compliance time will create undue airplane routing and maintenance scheduling problems. These commenters suggested that the compliance time be extended to 24 months. The FAA does not concur. In developing an appropriate compliance time, the FAA considered not only the degree of urgency associated with addressing the subject unsafe condition, but the availability of required parts and the practical aspect of installing the required modifications during operators' normal maintenance schedules. The compliance time, as proposed, represents the maximum interval of time allowable wherein the modification could reasonably be accomplished, parts could be obtained, and an acceptable level of safety could be maintained.

Paragraph D. of the final rule has been revised to specify the current procedures for submitting requests for approval of alternative methods of compliance.

The economic analysis paragraph, below, has been revised to increase the specified hourly labor rate from \$40 per manhour (as cited in the preamble to the Notice) to \$55 per manhour. The FAA

has determined that it is necessary to increase this rate used in calculating the cost impact associated with AD activity to account for various inflationary costs in the airline industry.

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule with the changes previously described. The FAA has determined that these changes will neither significantly increase the economic burden on any operator nor increase the scope of the rule.

There are approximately 732 Model DC-9-80 MD-80 series and Model MD-88 airplanes of the affected design in the worldwide fleet. It is estimated that 374 airplanes of U.S. registry will be affected by this AD, that it will take approximately 30 manhours per airplane to accomplish the required actions, and that the average labor cost will be \$55 per manhour. The cost of parts to accomplish the modification is approximately \$10 per airplane. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be \$620,840.

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends 14 CFR part 39 of the Federal Aviation Regulations as follows:

PART 39—[AMENDED]

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

§ 39.13 [Amended]

2. Section 39.13 is amended by superseding Amendment 39-6780 (55 FR 42358, October 19, 1990), AD 90-22-05, with the following new airworthiness directives:

AD 91-11-03. McDonnell Douglas:
Amendment 39-6999. Docket 90-NM-287-AD.

Applicability: Model DC-9-80 (MD-80) series airplanes and Model MD-88 airplanes, certificated in any category.

Compliance: Required as indicated, unless previously accomplished.

To prevent passenger service unit (PSU) oxygen doors from being jammed closed, accomplish the following:

A. Within 45 days after November 5, 1990 (the effective date of Amendment 39-6780, AD 90-22-05), and thereafter at intervals not to exceed 45 days, inspect all PSU oxygen doors for proper closure, in accordance with McDonnell Douglas Alert Service Bulletin A25-315, Revision 1, dated August 24, 1990.

B. Any jammed PSU oxygen doors found during the inspection required by paragraph A. of this AD must be readjusted prior to further flight, in accordance with Phase I of paragraph 2 of the Accomplishment Instructions of McDonnell Douglas Alert Service Bulletin A25-315, Revision 1, dated August 24, 1990.

C. Within 12 months after the effective date of this AD install PSU oxygen door stops in accordance with Phase II of paragraph 2 of the Accomplishment Instructions of McDonnell Douglas Alert Service Bulletin A25-315, Revision 1, dated August 24, 1990. Such installation constitutes terminating action for the repetitive inspections required by paragraph A. of this AD.

D. An alternative method of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may be used when approved by the Manager, Los Angeles Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate.

Note: The request should be forwarded through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Los Angeles ACO.

Note: Previously granted approval for an alternative method of compliance to AD 90-22-05 also constitutes approval for this AD.

E. Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base in order to comply with the requirements of this AD.

All persons affected by this directive who have not already received the appropriate service documents from the manufacturer may obtain copies upon request to McDonnell Douglas Corporation, Post Office Box 1771, Long Beach, California 90801, Attn: Business Unit Manager, Technical

Publications, C1-HCW (54-60). These documents may be examined at the FAA, Northwest Mountain Region, Transport Airplane Directorate, 1801 Lind Avenue SW., Renton, Washington, or the Los Angeles Aircraft Certification Office, 3229 East Spring Street, Long Beach, California.

This amendment supersedes Amendment 39-6780, AD 90-22-05.

This amendment (39-6999, AD 91-11-03) becomes effective June 24, 1991.

Issued in Renton, Washington, on May 7, 1991.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

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SECURITIES AND EXCHANGE COMMISSION**17 CFR Parts 200, 229, 260, and 269**

[Release Nos. 33-6892, 39-2263; File No. S7-11-91, International Series Release No. 266]

RIN 3235-AE13

Rules and Forms to Implement the Trust Indenture Reform Act of 1990

AGENCY: Securities and Exchange Commission.

ACTION: Final Rules and Forms and Solicitation of Comments.

SUMMARY: The Securities and Exchange Commission ("Commission") is adopting new rules and a new form, and revising existing rules and forms, to implement amendments to the Trust Indenture Act of 1939 ("Trust Indenture Act" or "Act") effected by the Trust Indenture Reform Act of 1990 ("1990 Reform Act"). The new and revised rules and forms are to be used in applying for (a) exemptions from one or more provisions of the Act, (b) post-effective determinations of the eligibility of trustees under indentures relating to securities to be offered on a delayed basis, (c) determinations of the eligibility of foreign persons to act as sole trustee under qualified indentures, and (d) orders staying a trustee's duty to resign. The Commission also is amending current forms to conform them to amendments to the Act, which no longer authorizes refusal of qualification on the basis of pre-default conflicts of interest. The Commission is soliciting public comment on the new rules and form and the amendments to existing rules and forms adopted today. Finally, the Commission is alerting the public to an apparent drafting error in the Reform Act, concerning trustee reports under section 313 of the Act.

EFFECTIVE DATE: May 15, 1991.

DATES: Comment letters on the rules and forms being adopted should be received by July 1, 1991.

ADDRESSES: Comments should be submitted in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Mail Stop 6-9, Washington, DC 20549. Comments letters should refer to File No. S7-11-91. All comment letters received will be made available for public inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, NW., Washington, DC 20549.

FOR FURTHER INFORMATION CONTACT: Felicia Smith, (202) 272-2573, Division of Corporation Finance, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549.

SUPPLEMENTARY INFORMATION: The Commission is adopting amendments to Rules 5a-2¹ and 7a-15² and Forms T-1³ and T-2⁴ under the Act.⁵ The Commission also is adopting Rules 4d-7 and 4d-8,⁶ Rules 5b-1 through 5b-3,⁷ Rules 10a-1 through 10a-4,⁸ Rules 10b-4 through 10b-6⁹ and Form T-6¹⁰ under the Act. In addition, the Commission is adopting Rules 30-1(e)(5) through 30-1(e)(8)¹¹ relating to delegation of authority. Finally, the Commission is adopting Item 512(k)¹² of Regulation S-K under the Securities Act of 1933 (the "Securities Act").¹³

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¹ 17 CFR 260.5a-2.

² 17 CFR 260.7a-15.

³ 17 CFR 269.1.

⁴ 17 CFR 269.2.

⁵ 15 U.S.C. 77aaa et seq.

⁶ 17 CFR 260.4d-7 and 260.4d-8.

⁷ 17 CFR 260.5b-1—260.5b-3.

⁸ 17 CFR 260.10a-1—260.10a-4.

⁹ 17 CFR 260.10b-4—260.10b-6.

¹⁰ 17 CFR 269.9.

¹¹ 17 CFR 200.30-1(e)(5)—200.30-1(e)(8).

¹² 17 CFR 229.512(k).

¹³ 15 U.S.C. 77a et seq.

I. Executive Summary

The Commission is adopting a new form and new procedural rules, and amending existing forms and rules, to carry out the statutory changes enacted by the 1990 Reform Act.¹⁴ This recently enacted legislation modernizes the Trust Indenture Act in response to the significant changes in debt instruments and distribution techniques that have occurred in the five decades since passage of the Act. The 1990 Reform Act streamlines qualification procedures by providing that the indenture provisions mandated by the Act are now applicable as a matter of law. The Commission also has been granted authority to adapt the statute to accommodate new financing techniques. The Act now authorizes the Commission, acting by rule or order, to grant exemptions from the Act's provisions, to determine the eligibility of trustees under indentures for securities to be sold on a delayed basis after indenture qualification, and to permit foreign persons to act as sole trustee under qualified indentures. The Commission also has the authority to stay a trustee's duty to resign under specified circumstances.

More specifically, the Act, as amended, permits the Commission to waive or modify one or more of the statutory requirements where necessary or appropriate in the public interest and consistent with the protection of investors and statutory purposes.¹⁵ To accommodate this new exemptive authority, the Commission is adopting rules to provide procedures for making exemptive applications.¹⁶

The provisions of the 1990 Reform Act permit a registrant to delay the naming of a trustee under an indenture where the securities are to be sold on a delayed basis and authorize the Commission to determine the eligibility of such a trustee after the indenture has been qualified.¹⁷ In accordance with that grant of authority, the Commission is adopting procedural rules and amendments to Forms T-1 and T-2 that would permit those forms to be used as applications to determine the eligibility of an institutional or individual trustee designated to act as an indenture trustee in such circumstances. The Commission also is adopting a new provision under Regulation S-K that requires a registrant that intends to use the new procedure

for delayed determination of the trustee's eligibility to include in its registration statement an undertaking to file the required application.¹⁸

In light of the continuing internationalization of the securities markets, the 1990 Reform Act added a provision authorizing the Commission to permit a foreign person to act as sole trustee under a qualified indenture where specific conditions are met.¹⁹ The Commission is adopting rules setting forth the application procedure for obtaining that authorization. In addition to procedural rules, the Commission is adopting new Form T-6, which would be used by applicants to provide information to the Commission concerning trust powers and regulation in the foreign jurisdiction, as well as the eligibility of U.S. institutional trustees to act as sole indenture trustee in the foreign jurisdiction.²⁰

In connection with adoption of the post-default standard for determining whether a trustee has a disqualifying conflict of interest, the 1990 Reform Act provides that a trustee may apply for a stay of its duty to resign upon specified conditions.²¹ The Commission is adopting rules to provide an application procedure for seeking such a stay.²²

Technical revisions are being adopted to conform existing rules and forms to the statutory amendments. Existing Form T-1 is being amended to reflect its potential use by foreign trustees, and Forms T-1 and T-2 are being amended to reflect the new post-default standard for determining conflicts of interest. In this regard, so long as there has been no default, applicants will be required to provide only limited information with respect to their eligibility to act as trustee under sections 310(a)(1), 310(a)(2), and 310(a)(5).²³ Amendments to rules 5a-2 and 7a-15 make it clear that the Act's general requirements regarding forms of application are applicable to Form T-6.

The Commission is adopting rules authorizing the Director ("Director") of the Division of Corporation Finance ("Division") to grant orders for applications made in accordance with

the newly adopted rules and forms, and to accelerate the effectiveness of certain applications.

Finally, the Reform Act amended section 313(a)²⁴ of the Act, which relates to trustees' reports. Section 313(a) no longer requires an annual report of the trustee. A report now is required only on the occurrence of specified events. Late in the legislative process there was an apparent drafting error in this provision, as a result of which a report is required in certain instances where no report should be necessary and no report is required in a situation where one should be provided. The Commission intends to recommend a technical amendment of the statute to Congress. The Commission is recommending that, until such time as the amendment can be made, trustees should prepare their reports consistent with the Congressional intent as opposed to the literal language of the statute.²⁵

II. Discussion of Proposals

A. Applications for Exemption

As amended, section 304(d) of the Act permits the Commission conditionally or unconditionally to exempt "any person, registration statement, indenture, security or transaction, or any class or classes of persons, registration statements, indentures, securities, or transactions" from one or more provisions of the Act, to the extent any such exemption is "necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended" by the Act. Under the Act as amended, the Commission "may, in its sole discretion, decline to entertain any application for an order of exemption * * *."

Changes in the types of debt securities, in the methods of public financing and in the character of relations between obligors and their financial intermediaries have produced situations where the strictures of the Act did not serve its own intent.²⁶ With the broad exemptive authority granted by the 1990 Reform Act, the Commission will be able to adapt the statutory requirements to particular situations and developing market conditions under standards that look to the statute's fundamental purposes. Both exemptive rules and orders are contemplated.

¹⁴ Title IV, Public Law No. 101-550, 1990 U.S. Cong. and Ad. News [104 Stat.] 2713, 2721-32.

¹⁵ Section 304(d), 15 U.S.C. 77ddd(d).

¹⁶ See, *infra* II.A. "Applications for Exemption," for discussion of Rules 4d-7 and 4d-8.

¹⁷ Section 305(b)(2), 15 U.S.C. 77eee(b)(2).

¹⁸ See, *infra* II.B. "Applications for Determining Eligibility of a Person Designated as Trustee for an Offering on a Delayed Basis," for discussion of Rules 5b-1 *et seq.*, Item 512(j) of Regulation S-K, and the amendments to Forms T-1 and T-2.

¹⁹ Section 310(a)(1), 15 U.S.C. 77jjj(a)(1).

²⁰ See, *infra* II.C. "Applications for Determining Eligibility of a Foreign Person to Act as Sole Trustee" for a discussion of Rules 10a-1 *et seq.* and Form T-6.

²¹ Section 310(b), 15 U.S.C. 77jjj(b).

²² See, *infra* II.D. "Applications for Stay of Trustee's Duty to Resign," for a discussion of Rules 10b-4 *et seq.*

²³ 15 U.S.C. 77jjj(a)(1), 77jjj(a)(2), and 77jjj(a)(5).

²⁴ 15 U.S.C. 77mmm(a).

²⁵ See *infra*, III "Interpretation of section 313 of the Act."

²⁶ See S. Rep. No. 101-155, 101st Cong., 1st Sess. 46-47 (1989) ("Senate Report").

The Commission is adopting rules to specify procedures under which applications for exemptive orders may be made. Rules 4d-7 and 4d-8 establish procedures for the filing and content of applications for exemption from the requirements of one or more provisions of the Act.²⁷

Rule 4d-7 contains technical filing requirements. It also provides that existing procedures for incorporation by reference may be used in connection with such applications.²⁸

Rule 4d-8 requires that the application contain a statement of the relevant facts on which the request for relief is based, including a justification for exemption from any statutory protections, and a discussion of any benefits expected for security holders, trustees and obligors. An application for exemptive relief will not be entertained if it does not contain a justification for the requested relief that is adequate to permit consideration of the application; rather, a request will be made that the application either be withdrawn or amended. In addition, an applicant may be requested to furnish additional information or documents.

The authority to issue orders granting exemptive relief pursuant to application under section 304(d) has been delegated to the Director of the Division through the adoption of Commission Rule 30-1(e)(5). The rule does not provide the Division Director with delegated authority to deny an application under section 304(d), or to exercise the statutory authority to decline to entertain such an application. Accordingly, if the Division believes that a denial is appropriate or that the Commission should not entertain the application, the matter will be submitted to the Commission for its consideration.

The Commission solicits comment on the exemptive procedures adopted.

B. Applications for Determining Eligibility of a Person Designated as Trustee for an Offering on a Delayed Basis

Section 305(b)(2) of the Act, as amended, facilitates qualification of indentures used in connection with delayed offerings of debt securities pursuant to rule 415 under the Securities Act²⁹ Prior to the amendment, indenture

qualification was coordinated fully with the effectiveness of the registration statement. That procedure was based on the assumption that, as was the case when the Act became law, the indenture terms would be fixed and the trustee identified by the time the registration statement became effective. However, the indentures used in delayed offerings now permitted under rule 415 frequently do not specify business terms until the actual sale of the securities at some date later than the effective date.³⁰

Under the Act as amended, all indentures for registered debt securities will continue to be filed with the registration statement, and qualified at the time the registration statement becomes effective. However, pursuant to section 305(b)(2) and the rules being adopted today, the issuer of any securities to be sold on a delayed basis will be permitted to file an application to determine the eligibility of the trustee designated to serve under the indenture after the sale of such securities. This procedure also will be available for indentures relating to debt securities that must be included on a registration statement, although they may never be issued (e.g., equity securities exchangeable into debt or debt securities that may be issued in lieu of cash interest or dividend payments).³¹ In the event a registrant fails to file an application in a timely fashion or the designated trustee is not eligible to act as an indenture trustee and such issuer fails to file an application to designate an eligible trustee, section 309(b) of the Act³² authorizes the Commission to issue a stop order pursuant to section 8(d) of the Securities Act³³ suspending the effectiveness of the related registration statement.³⁴

Rules 5b-1 through 5b-3 and the amendments to Forms T-1 and T-2 implement the optional procedure for delayed qualification of trustees serving under indentures used in connection with delayed offerings. Rule 5b-1 specifies that Forms T-1 and T-2 are the appropriate forms for applications for determining such eligibility.³⁵ The forms

require information from the designated trustee that will permit the Commission to determine whether the trustee meets the eligibility requirements of Section 310(a) of the Act.³⁶ The forms also require the applicant to provide the file number of the related registration statement to assist the Commission staff in identifying applications under section 305(b)(2). Forms T-1 and T-2 include a box that must be checked to indicate that the form is being filed to determine the eligibility of the trustee pursuant to section 305(b)(2).

Rule 5b-2 provides that applications are subject to the Act's general requirements as to form and content of applications.³⁷ Rule 5b-3 sets forth specific technical filing requirements for applications pursuant to section 305(b)(2). In particular, the rule specifies that applications shall be filed no later than the second business day following the initial date of public offering or sales after effectiveness of the registration statement with respect to such securities or transmitted by a means reasonably calculated to result in filing with the Commission by that date.

As specified in the Act, if the trustee meets the eligibility requirements of the Act, the application will become effective the tenth day after it is filed or such earlier date as the Commission may determine, having due regard to the adequacy of information provided, the public interest, and the protection of investors. It is anticipated that the ten day period will be accelerated in almost all cases. If the Commission finds that the trustee does not meet the eligibility standards of the Act, it will issue a

³⁶ The forms would provide the following information with respect to a domestic institutional trustee: (A) whether it is organized and doing business under the laws of the United States, any State or Territory or the District of Columbia; (b) whether it is authorized under the laws of any of these jurisdictions to exercise trust powers; (c) whether it is subject to supervision or examination by representatives of any of these jurisdictions; (d) whether it has a minimum combined capital and surplus of \$150,000; and (e) whether it is an obligor or affiliated with any obligor on the indenture securities. In the case of a foreign trustee, the same information would be elicited, along with a copy of the rule or order granting authority to act as sole trustee on indentures to be qualified under the Act. In the event that the Form T-2 is used to determine the eligibility of an individual to act as a co-trustee, the information provided would establish that the individual was not an obligor or affiliated with an obligor on the indenture securities.

The form also would require information with respect to any defaults on the indenture securities. If a default has occurred, institutional trustees, domestic or foreign, and individual trustees would be required to provide additional information relating to conflicts under section 310(b) of the Act.

³⁷ Rule 5a-2 and Rules 7a-15 through 7a-37, 17 CFR 260.5a-2, 7a-15-7a-37.

²⁷ The grant of exemptive authority to the Commission under section 304(d) parallels a similar provision in the Investment Company Act of 1940 ("Investment Company Act") [15 U.S.C. 80a-6(c)]. The rules adopted under section 304(d) are in many respects identical or similar to the rules applicable to exemptive applications under section 6(c) of the Investment Company Act. See 17 CFR 270.0-2 and 17 CFR 270.0-5.

²⁸ See Rules 7a-28-7a-32, 17 CFR 260.7a-28-7a-32.

²⁹ 17 CFR 230.415.

³⁰ See Senate Report at 47.

³¹ *Id.*

³² 15 U.S.C. 77iii(b).

³³ 15 U.S.C. 77h(d).

³⁴ See Senate Report at 47-48.

³⁵ Forms T-1 and T-2 are the only forms available for applications under section 305(b)(2). Form T-1 may be used by a foreign trustee for this purpose, but only if it has previously received an order or is the subject of a Commission rule permitting the trustee to act as sole trustee under indentures to be qualified. See General Instruction A to Form T-1. Accordingly, obligors will not be able to use a foreign trustee that does not have a previous order or is not the subject of a Commission rule to act as trustee under Section 305(b)(2).

refusal order prior to the effective date of the application.³⁸

It is anticipated that the incidence of ineligible trustees will be minimal, because the provisions of section 310(a) only require that the trustee be authorized to exercise corporate trust powers; be subject to supervision or examination by Federal, State, Territorial or District of Columbia authority; have a combined capital and surplus of at least \$150,000; and not be the obligor on the securities or a person affiliated with the obligor.³⁹

The authority to accelerate the effective date of applications filed under section 305(b)(2) has been delegated to the Director of the Division through the adoption of Commission Rule 30-1(e)(6).

In connection with the new procedures available for determining trustee eligibility for delayed offering, the Commission is amending Item 512 of Regulation S-K. A registrant filing a registration statement with respect to securities to be sold on a delayed basis that wishes to take advantage of the new procedure, and thus to determine the eligibility of its designated trustee on a delayed basis, would be required to undertake that it will file an application to determine eligibility of its designated trustee at such time as required by, and otherwise in accordance with, the Commission's rules. The undertaking would notify the Commission that the registrant intends to postpone the designation of a trustee under an indenture for the securities to be sold on a delayed basis.

Comment is requested on the procedures adopted for determining trustee eligibility for delayed offerings. In particular, comment is requested on the time period within which the application is required to be filed. Should it be a shorter or longer period (e.g., 1 business day or 5 business days)? With respect to the notification to be provided by the proposed undertaking, commenters may wish to address alternative ways in which the registrant's intention to rely on section 305(b)(2) could be indicated.

C. Applications for Determining Eligibility of a Foreign Person to Act as Sole Trustee

Section 310(a)(1) gives the Commission the authority to permit a corporation or other person organized and doing business under the laws of a foreign government to act as sole trustee under an indenture of a foreign obligor.

As provided in the statute, permission to serve as sole trustee may be granted to those foreign persons that are authorized under the laws of a foreign jurisdiction to exercise corporate trust powers and are subject to supervision or examination by authority of such foreign government or a political subdivision thereof that is substantially equivalent to U.S. supervision or examination.⁴⁰ The Commission's authority under section 310(a) may be exercised by rule or order. The statute also provides that, in making its determination, the Commission shall consider whether, under the foreign law, a United States institutional trustee is eligible to act as sole trustee under an indenture relating to securities sold within the foreign jurisdiction.

Rules 10a-1 through 10a-4 adopted today, provide procedures for applications to determine the eligibility of a foreign person to serve as sole trustee. The Commission also is adopting Form T-6 as an application form for that purpose.

Rule 10a-1 specifies that Form T-6 will be the appropriate form for making applications under section 310(a)(1). Rule 10a-2 provides that the Commission's general requirements as to form and content of applications will be applicable to applications under section 310(a)(10). Rule 10a-3 addresses other technical filing requirements.

In connection with applications under section 310(a)(1), Form T-6 may be used in two circumstances. First, a foreign institution may use the form to apply for a determination that, in the future, it may exercise sole trust powers under qualified indentures. In this case, the form requires the applicant to discuss the applicable statutes or rules in the foreign jurisdiction that provide for supervision or examination substantially equivalent to that provided for in the United States and provide for eligibility of U.S. persons to act as sole trustees in the foreign jurisdictions. Copies of the statutory and regulatory provisions, as well as published administrative interpretations, must be filed as exhibits to the Form T-6, and the instruction to item 15 of the form indicates that opinions of counsel addressing these two matters may be required.

In connection with its current release, the Commission is also requesting comment on the requirements and procedures employed in the supervision and examination of institutional trustees by United States authorities that should

be considered by the Commission for comparative purposes in item 15 of Form T-6. In addition, commenters may wish to provide their views on specific factors that applicants should identify in addressing whether, under foreign law, a United States institution trustee would be eligible to act as sole trustee under an indenture relating to securities sold within the foreign jurisdiction.⁴¹

Secondly, Form T-6 also may be used in those cases where the trustee wishes to obtain an order under section 310(a)(1) at the same time as the issuer files a registration statement relating to the indenture securities. In such cases, additional items on the form must be completed to assure that the trustee meets the eligibility requirements of paragraph (a)(1), (a)(2), and (a)(5) of section 310. The instructions to the form indicate that, where the foreign trustee has previously obtained an order or the Commission has adopted a rule permitting the trustee to act as a sole trustee on indentures to be qualified under the Act, Form T-1 is the appropriate form to be used in connection with the qualification of indentures.⁴²

Rule 10a-4 provides that an applicant must designate an agent for service of process in the United States and consent to service of process on such agent at the time an application on Form T-6 is filed. The rule also requires foreign trustees that have been authorized to act as sole trustee, by Commission rule or order, to furnish a consent to service of process as an exhibit to any statement of eligibility to act as trustee filed on Form T-1. Form F-X, proposed by the Commission in connection with the Multijurisdictional Disclosure System ("MJDS") for Canadian issuers, would satisfy these requirements.⁴³ It is

⁴¹ Similarly, as part of the proposed multijurisdictional disclosure system with Canada, the Commission recently published for comment proposed rule 10a-5 that would permit certain trust companies incorporated under the laws of Canada or a political subdivision of Canada to act as sole trustee under an indenture relating to securities sold in the United States. The release proposing rule 10a-5 contained a summary of significant provisions of Canadian trust regulation. Although the Commission preliminarily concluded that the supervision and examination of institutional trustees in Canada was substantially equivalent to the supervision and examination of institutional trustees in the United States, commenters were invited to address the issue. See Securities Act Release No. 6889 (March 22, 1991).

⁴² Form T-1 is being amended to require foreign trustees to provide information evidencing the grant of an order or rule permitting them to act as sole trustee. See Item 15 of Form T-1.

⁴³ See Securities Act Release No. 6879 (Oct. 22, 1990) [55 FR 46288]; Securities Act Release No. 6841 (July 24, 1989) [54 FR 32228].

³⁸ If a refusal order is issued, the obligor is required to provide a "successor trustee" within five calendar days.

³⁹ See Senate Report at 48.

⁴⁰ Persons not meeting the statutory standard may seek permission to serve as sole trustee under section 304(d) of the Act. See Senate Report at 48.

anticipated that, on the adoption of Form F-X as part of the MJDS, the Commission will amend Rule 10a-4 and Forms T-1 and T-6 to require the use of that form by foreign trustees making application under the Act.

Authority to issue orders under section 310(a)(1) has been delegated to the Director of the Division through the adoption of Commission Rule 30-1(e)(7). The Director does not have authority to deny applications under this section.

Comment is solicited on the procedure for obtaining authorization for a foreign entity to act as sole trustee.

D. Applications for Stay of Trustee's Duty to Resign

Prior to the 1990 Reform Act, the Act provided a 90-day grace period after a conflict arose during which a trustee could eliminate the conflict and restore its eligibility rather than resign. Because the amended statute recognizes a conflict of interest only after a default under the indenture, a trustee need not resign because of a conflict until 90 days after a default occurs. The statutory amendments also created a procedure under which a trustee with a conflict of interest may apply to the Commission within the 90-day period after certain defaults for permission to continue to serve after the expiration of that period.⁴⁴

The new application procedure should prevent unnecessary resignations for curable technical defaults. Continued permission to serve requires, after opportunity for hearing, showings that the default may be cured or waived during a reasonable period and that the trustee's continued service would not be inconsistent with the interests of holders under the indenture. The statute provides that, during the pendency of its application, the applicant will not be required to resign. No relief from the duty to resign is available under the procedure for payment defaults, whether of principal, interest or sinking or purchase fund installment.⁴⁵

Rules 10b-4 through 10b-6 implement the application procedures for a stay of the duty to resign. Rule 10b-4 contains technical filing requirements and procedures for incorporation by reference.

Rule 10b-5 requires that the application contain a statement of the reasons why the applicant is deemed to be entitled to a stay of resignation. The rule states that the applicant should provide information with respect to the nature of the default, the reasonableness

of the time before the default will be cured or waived, the procedure to be followed in connection with the cure or waiver, and the basis for a conclusion that a stay will not be inconsistent with the interest of the holders of the indenture securities.

Rule 10b-6 provides for notice of a proceeding initiated by the filing of an application. The applicant is required to provide a draft of a notice of application as an exhibit to the application. The Commission will then publish in the **Federal Register** a notice of the application for a stay of the duty to resign, including a statement as to the earliest time on which action may be taken. That notice also will provide an opportunity for interested persons to submit information bearing on the application and to request a hearing.

The authority to issue notices with respect to applications for stay orders and to issue orders granting stays of the duty to resign has been delegated to the Division Director through adoption of Commission Rule 30-1(e)(8). As with the other delegations adopted today, the Division Director does not have delegated authority to deny an application for a stay under section 310(b).

The Commission solicits comment on the exemptive procedure adopted.

E. Technical Amendments

In connection with the new post-default standard for determining conflicts of interest, section 305(b)(1) of the Act⁴⁶ was amended to remove the provision requiring the Commission to refuse qualification of the indenture if it finds that any person designated as trustee has a conflict of interest within the meaning of section 310(b) of the Act. Since, under the Act, as amended, disqualifying conflicts only arise upon a default under the indenture, a finding by the Commission at the time of qualification that the trustee has no impermissible conflict of interest is no longer necessary.⁴⁷ Accordingly, Forms T-1 and T-2 are being amended; information about potential conflicts of interest will not be required where there have been no defaults. Disclosure of the existence of a default will be required. Where a default is disclosed, the full range of information will continue to be required.

In addition, Form T-1 is being amended to add a provision requiring foreign trustees to identify the order or rule under section 310(a) permitting them to act as sole trustee under a

qualified indenture and to specify that the exhibits provided by foreign trustees should contain information sufficient to determine eligibility under section 310(a)(2) of the Act. Finally, technical amendments are being made to rules 5a-2 and 7a-15 to make it clear that the general requirements for forms of application apply to new Form T-6.

III. Interpretation of Section 313 of the Act

An apparent drafting error in the 1990 Reform Act has come to the attention of the Commission. Section 411 of the statute amends section 313(a) of the Act, the provision requiring reports by the indenture trustee, by changing the former requirement of annual reporting to a requirement that arises only on the occurrence of specified events.⁴⁸ As

⁴⁴ The Act now reads as follows:

Section 313. (a) The indenture trustee shall transmit to the indenture security holders as hereinafter provided, at stated intervals of not more than 12 months, a brief report with respect to any of the following events which may have occurred within the previous 12 months (but if no such event has occurred within such period no report need be transmitted):

- (1) Any change to its eligibility and its qualifications under section 310;
- (2) The creation of or any material change to a relationship specified in paragraphs (1) through (10) of section 310(b);
- (3) The character and amount of any advances made by it, as indenture trustee, which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the indenture securities, on the trust estate or on property or funds held or collected by it as such trustee, if such advances so remaining unpaid aggregate more than one-half of 1 per centum of the principal amount of the indenture securities outstanding on such date;
- (4) The amount, interest rate, and maturity date of all other indebtedness owing to it in its individual capacity, on the date of such report, by the obligor upon the indenture securities, with a brief description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in paragraph (2), (3), (4), or (6) of subsection (b) of section 311;
- (5) Any change to the property and funds physically in its possession as indenture trustee on the date of such report;
- (6) Any change to any release, or release and substitution of property subject to the lien of the indenture (and the consideration thereof, if any) which it has not previously reported;
- (7) Any additional issue of indenture securities which it has not previously reported; and
- (8) Any action taken by it in the performance of its duties under the indenture which it has not previously reported and which in its opinion materially affects the indenture securities or the trust estate, except action in respect of a default, notice of which has been or is to be withheld by it in accordance with an indenture provision authorized by subsection (b) of section 315.

⁴⁴ Section 310(b), 15 U.S.C. 77jj(b).

⁴⁵ See Senate Report at 34.

⁴⁶ 15 U.S.C. 77eee(b)(1).

⁴⁷ See Senate Report at 47.

with the remainder of the Act's prescriptive provisions, section 313 was amended so that its duties are imposed as a matter of law, without reference to the terms recited in the indenture.

Late in the legislative process, section 411⁴⁹ was amended to add a provision requiring reports of the creation of relationships or material changes to such relationship that, but for the absence of default under the indenture, would constitute impermissible conflicts of interest under section 310(b) of the Act.⁵⁰ Due to the error in the redesignation of the section, section 313(a)(4) (concerning reports with respect to indebtedness of the obligor to the trustee) in the amended Act mistakenly does not include the intended addition of language restricting the reporting obligations to changes in indebtedness, while section 313(a)(6) (concerning reports with respect to releases and substitutions of collateral), which should have been substantively unaffected by the amendment, erroneously includes the addition.⁵¹

The Commission intends to recommend a technical amendment to the Congress correcting the misdesignation that now exists within section 313(a). Until such time as the amendment can be made, trustees should prepare their reports consistent with the Congressional intent. In other words, reports of indebtedness of the obligor to the indenture trustee should be prepared if changes to the amount, interest rate, maturity or collateral for the indebtedness to the trustee have occurred. This is in contrast to the suggestion of the misdesignated text that annual reporting of indebtedness is required whether or not such changes have occurred.⁵²

IV. Charts Reflecting Revisions to Forms

The following charts highlight the substantive changes between the former and revised Forms T-1 and T-2.

A. Revisions to Form T-1

Former Form T-1	Revised T-1
Facing Page.....	A legend has been added, requiring a check mark when the form is used to determine the eligibility of a trustee pursuant to Section 305(b)(2), and a line has been added for the file number of the related delayed offering registration statement where the Form T-1 is used as an application under Section 305(b)(2). Line two has been modified to require jurisdiction of incorporation in order to include information on foreign trustees. A line has been added requiring foreign trustees to provide the name, address and telephone number of any agent for service.
General Instruction A.	General Instruction A has been expanded to indicate that Form T-1 shall be used for statements of eligibility of foreign trustees under trust indentures to be qualified where a prior order or rule has been issued or promulgated under section 310(a)(1) or 304(d) of the Act; and for applications to determine the eligibility of a trustee pursuant to section 305(b)(2) of the Act.
General Instruction B.	A new General Instruction B has been added to indicate those items of the Form T-1 that must be answered where obligations are not in default, and the items required to be answered when obligations are in default.
General Instructions B through F.	Old General Instructions B, C and D have been redesignated General Instructions C, D and E. Old Instruction E has been combined with New General Instruction B. Old General Instruction F has been revised to require information with respect to underwriters for one year instead of three years in accordance with the amendment to section 310(b) of the Act.
General Instructions.	A new General Instruction G has been added to require certain information on the cover page of Form T-1 when the form is being used as an application under section 305(b)(2) of the Act.
Item 1.....	No change.
Item 2.....	Reference to affiliations with the underwriters has been deleted.
Items 3 through 11.	No change.
New Items.....	Item 12 has been added to provide information concerning the indebtedness of the obligor to the trustee in response to new section 310(b)(10) of the Act. New item 13 requires information concerning defaults by the obligor.

Former Form T-1	Revised T-1
	New item 14 requires disclosure with respect to affiliations with the underwriters. New item 15 requires information concerning Commission rules or orders authorizing foreign trustees to act as sole trustees under indentures qualified or to be qualified under the Act.
Item 12.....	Item 12 has been redesignated item 16.
Instructions as Exhibits.	The instructions have been expanded to require translations of any documents that are not in English and to require foreign trustees to provide financial information adequate to meet the requirements of section 310(a)(2) of the Act.
Exhibits 1 through 4.	No change.
Exhibit 5.....	Exhibit 5 is modified to make it clear that the exhibit is required only when the obligor is in default.
Exhibit 6.....	Exhibit 6 has been modified to indicate that the consent under section 321(b) is only required by United States institutional trustees.
Exhibit 7.....	No change.
New Exhibits.....	New exhibit 8 requires a copy of the order pursuant to which a foreign trustee is acting as sole trustee. New exhibit 9 requires the filing of a consent to service of process by foreign trustees.
Signature.....	The Signature has been moved below the instructions for the exhibits. In addition, the form requires the trustee to specify its form of organization and the jurisdiction in which the form was executed.

B. Revisions to Form T-2

Former T-2	Revised T-2
Facing Page.....	A legend has been added, requiring a check mark when the Form T-2 is used to determine the eligibility of a trustee pursuant to section 305(b)(2), and a line has been added for the file number of the related delayed offering registration statement where the Form T-2 is used as an application under section 305(b)(2).
General Instruction A.	General Instruction A has been expanded to indicate that Form T-2 shall be used to determine the eligibility of an individual trustee pursuant to section 305(b)(2) of the Act.
General Instruction B.	A new General Instruction B has been added to indicate those items of the Form T-2 that must be answered when obligations are not in default, and the items required when obligations are in default.

⁴⁹ Section 411(5).

⁵⁰ The new requirement appears in the Act as section 313(a)(2).

⁵¹ The error in the redesignation caused the attachment of the words "any change to" to subparagraphs (1), (4) and (5), as they existed before the amendment, instead of subparagraphs (1), (3) and (4). The misdesignation can be seen through a comparison of section 411 of S. 1712, Report No. 101-115 (101st Cong. 1st Sess.) (1989), with section 411 of the statute as enacted.

⁵² The mistaken addition of "any change to" in section 313(a)(6) has no apparent effect on the obligation to report actions respecting the property secured by the lien of an indenture.

Former T-2	Revised T-2
General Instructions B through F.	Old General Instructions B, C and D have been redesignated General Instructions C, D and E. Old Instruction E has been combined with new Instruction B. Old General Instruction F has been revised to require information with respect to underwriters for one year instead of three years in accordance with the amendment to section 310(b) of the Act.
General Instructions.	A new General Instruction G has been added to require information on the cover page of Form T-2 when the form is being used as an application under section 305(b)(2) of the Act.
Item 1	Reference to affiliations with underwriters has been deleted.
Items 2 through 7.....	No change.
New Items.....	Item 8 has been added to provide information concerning the indebtedness of the obligor to the trustee in response to new section 310(b)(10) of the Act. New item 9 requires information concerning defaults by the obligor. New item 10 requires disclosure with respect to affiliations with the underwriters.
Item 8	Item 8 has been redesignated Item 11.
Signature	The Signature has been moved below the Instructions for the exhibits.

V. Cost Benefit Analysis

To evaluate the benefits and costs associated with the described rules and forms, the Commission requests commenters to provide views and data as to the costs and benefits associated with various application procedures under the rules and forms. The procedures will enable obligors and trustees (the typical applicants) to reduce substantially the amount of time and expense required to comply with the present procedure for qualification of the trustees. The rules relate to procedures for exemptions and actions by the Commission made possible as a result of the amendments to the Act. The benefit to obligors and trustees, as a result of the flexibility now present in the statute that enables the Commission to grant various exemptions and stays of a trustee's duty to resign, and permit appointment of a foreign trustee for offerings made in the United States by foreign obligors, greatly outweighs any burden.

The rules will also benefit public security holders, by reducing costs incurred in (a) providing for indenture trustees at the effective date of

registration statements when the offerings of indenture securities will be made on a delayed basis, and (b) needless resignations of indenture trustees because of technical non-payment defaults that may be easily cured within a reasonable time frame. In addition, the rules facilitate the expansion of investment opportunities for United States citizens, due to the removal of barriers to foreign registrants making public issuances of debt securities in the United States.

VI. Effective Date

Prior to the effective date of the amendments to Forms T-1 and T-2, trustees filing statements of eligibility under the Act may use existing Forms T-1 and T-2 (17 CFR 269.1 and 269.2). If the trustee, or the obligor on the indenture securities to which the Form T-1 or T-2 relate, represents that there is no existing default under any indenture of the obligor on which the trustee is the indenture trustee, the trustee may limit its responses to Items 1, 2, and 12 of existing Form T-1 and items 1 and 8 of existing Form T-2.

Individuals or entities wishing to apply for an exemption under section 304(d) of the Act or for a stay of trustee's duty to resign under section 310(d) of the Act may voluntarily use the procedures being adopted prior to publication in the *Federal Register*.

Individuals or entities wishing to make an application under section 305(b)(2) or 310(a)(1) of the Act may voluntarily use the procedures set forth for making an application under section 304(d) until the effective date of the amendments to Forms T-1 and T-2 and new Form T-6 (17 CFR 269.9).

The Congressionally mandated changes included in the 1990 Reform Act modernize the provisions of the Act and permit issuers and trustees to save time and expense in connection with compliance with the Act. The statute became law on November 15, 1990. The rules and forms being adopted and amended provide procedures for the affected parties to take advantage of the new statutory provisions. Because of the procedural nature of the provisions being adopted, and because of the desirability of permitting the public to take advantage of the provisions of the 1990 Reform Act, the Commission is adopting the new and amended rules and forms without providing for notice and comment. This action is taken in accordance with the provisions of 5 U.S.C. 553(b), which provides that subsection (b) of the section does not

apply to rules of agency procedure.⁶³ While the rules and forms are being adopted, the Commission also is requesting that the public comment on the rules and forms by July 1, 1991. The Commission will consider the comments received to determine whether amendments to the new rules and forms would be appropriate.

The new and amended rules and forms will be effective immediately upon publication in the *Federal Register*, in accordance with the Administrative Procedure Act, which allows effectiveness in less than 30 days after publication for "good cause." 5 U.S.C. 553(d)(3). The 1990 Reform act provisions have already been enacted. The permissive nature of the statutory provisions and the benefits that will accrue from these changes support a conclusion that the new and amended rules and forms should be adopted as quickly as possible.

VII. Request for Comments

Any interested persons wishing to submit written comments on the rules and forms adopted and amended, or to submit comments on other matters that might have an impact on the rules and forms, are requested to do so by July 1, 1991.

Persons wishing to submit written comments should file three copies thereof with Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC. 20549. Comments letters should refer to File No. S7-11-91. All comments received will be available for public inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, NW., Washington, DC 20549.

VIII. Statutory Bases and Text of Regulations and Forms

The amendments to rules 5a-2 and 7a-15 and Forms T-1 and T-2 are being adopted pursuant to the authority set forth in sections 304, 305, 307, 308, 310, 314, and 319 of the Trust Indenture Act of 1939, as amended [15 U.S.C. 77ddd, 77eee, 77ggg, 77hhh, 77jjj, 77nnn, and 77sss].

Rules 30-1(e)(5), 30-1(e)(6), 30-1(e)(7), and 30-1(e)(8), amending the delegation of authority of the Division Director, are being adopted pursuant to the authority set forth in the Public Law No. 87-592, 76 Stat. 394 [15 U.S.C. 78d-1, 78d-2] and sections 304, 305, 307, 308, 310, 314, and

⁶³ For the same reason, the new and amended rules and forms are not subject to the Regulatory Flexibility Act, 5 U.S.C. 603, 604, although the Chairman of the Commission has executed a certification conforming to that Act.

319 of the Trust Indenture Act of 1939, as amended [15 U.S.C. 77ddd, 77eee, 77ggg, 77hhh, 77jjj, 77nnn and 77sss].

Rules 4d-7, 4d-8, 5b-1, 5b-2, 5b-3, 10a-1, 10a-2, 10a-3, 10a-4, 10b-4, 10b-5, 10b-6, and Form T-6 [269.9] are being adopted pursuant to the authority set forth in sections 304, 305, 307, 308, 310, 314, and 319 of the Trust Indenture Act of 1939, as amended [15 U.S.C. 77ddd, 77eee, 77ggg, 77hhh, 77jjj, 77nnn, and 77sss].

Item 512(j) of Regulation S-K is being adopted pursuant to the authority set forth in sections 5, 6, 7, 8, 10, and 19 of the Securities Act of 1933, as amended [15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77s] and sections 304, 305, 307, 308, 310, 314, and 319 of the Trust Indenture Act of 1939, as amended [15 U.S.C. 77ddd, 77eee, 77ggg, 77hhh, 77jjj, 77nnn, 77sss].

List of Subjects in 17 CFR Parts 200, 229, 260, and 269

Administrative practice and procedure; Authority delegations (Government agencies); Organization and functions (Government agencies); Reporting and recordkeeping requirements; Securities, Trusts and trustees.

IX. Text of Regulations and Forms

In accordance with the foregoing, title 17, chapter II of the Code of Federal Regulations is amended as follows:

PART 200—ORGANIZATION; CONDUCT AND ETHICS; AND INFORMATION AND REQUESTS

1. The authority citation for part 200 subpart A is revised to read as follows:

Authority: 15 U.S.C. 77s, 77t, 77w, 78d-1, 78d-2, 78w, 79t, 77ddd, 77eee, 77ggg, 77hhh, 77nnn, 77sss, 80a-37, and 80b-11, unless otherwise noted.

2. By amending § 200.30-1 by adding paragraphs (e)(5), (e)(6), (e)(7), and (e)(8) to read as follows:

§ 200.30-1 Delegation of authority to Director of Division of Corporation Finance.

* * * * *

(e) * * *

(5) To authorize the issuance of orders exempting any person, registration statement, indenture, security or transaction, or any class or classes of persons, registration statements, indentures, securities, or transactions from the requirements of one or more provisions of the Act pursuant to section 304(d) of the Act (15 U.S.C. 77ddd(d)) and rule 4d-7 thereunder (17 CFR 260.4d-7 of this Chapter).

(6) To determine to be effective prior to the 10th day after filing thereof an application for determining the

eligibility under section 310(a) of the Act of a person designated as trustee for delayed offerings of debt securities under the Securities Act pursuant to section 305(b)(2) of the Act and rule 5b-1 [17 CFR 260.5b-1 of this chapter] thereunder.

(7) To authorize the issuance of an order permitting a foreign person to act as sole trustee under qualified indentures pursuant to section 310(a) of the Act and rule 10a-1 through 10a-4 thereunder [17 CFR 260.10a-1 through 260.10a-4 of this chapter].

(8) To issue notices with respect to applications for, and authorize the issuance of orders granting, a stay of a trustee's duty to resign pursuant to section 310(b) of the Act and Rule 10b-4 [17 CFR 260.10b-4 of this chapter] thereunder.

* * * * *

PART 229—STANDARD INSTRUCTIONS FOR FILING FORMS UNDER SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934 AND ENERGY POLICY AND CONSERVATION ACT OF 1975—REGULATION S-K

3. The authority citation for part 229 is revised to read as follows:

Authority: 15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77k, 77s, 77aa(25), 77aa(26), 77ddd, 77eee, 77ggg, 77hhh, 77jjj, 77nnn, 77sss, 78l, 78m, 78n, 78o, 78w, 80a-8, 80a-29, 80a-30, 80a-37, 80b-11, unless otherwise noted.

4. § 229.512 is amended by adding paragraph (j) to read as follows:

§ 229.512 (Item 512) Undertakings.

* * * * *

(j) *Qualification of trust indentures under the Trust Indenture Act of 1939 for delayed offerings.* Include the following if the registrant intends to rely on section 305(b)(2) of the Trust Indenture Act of 1939 for determining the eligibility of the trustee under indentures for securities to be issued, offered, or sold on a delayed basis by or on behalf of the registrant:

"The undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of section 310 of the Trust Indenture Act ("Act") in accordance with the rules and regulations prescribed by the Commission under section 305(b)(2) of the Act."

PART 260—GENERAL RULES AND REGULATIONS, TRUST INDENTURE ACT OF 1939

5. The authority citation for part 260 is revised to read as follows:

Authority: 15 U.S.C. 77ddd, 77eee, 77ggg, 77hhh, 77jjj, 77nnn, 77sss.

6. By adding new § 260.4d-7 to read as follows:

§ 260.4d-7 Application for exemption from one or more provisions of the Act.

(a) Three copies of every application for an order under section 304(d) of the Act (15 U.S.C. 77ddd(d)) and of every amendment thereto shall be filed with the Commission at its principal office.

(b) One copy shall be manually signed by a duly authorized officer of the applicant (or individual customarily performing similar functions with respect to an organization, whether incorporated or unincorporated), or by a natural person seeking exemption under section 304(d) of the Act.

(c) Such applications shall be on paper no larger than 8½ × 11 inches in size. If reduction of large documents would render them illegible, such documents may be filed on paper larger than 8½ × 11 inches in size. The left margin shall be at least 1½ inches wide and if the application is bound, it shall be bound on the left side.

(d) The application shall be typed, printed, copied, or prepared by a process which produces copies suitable for repeated photocopying and microfilming. All typewritten or printed matter shall be set forth in black ink to permit photocopying. If printed, the application shall be in type not smaller than 10-point, roman type, at least two points leaded.

(e) Rules 7a-28 through 7a-32 (§§ 260.7a-28 through 260.7a-32 of this chapter) relating to incorporation by reference shall be applicable to applications for exemption pursuant to section 304(d) of the Act.

7. By adding new § 260.4d-8 to read as follows:

§ 260.4d-8 Content.

(a) Each application for an order under section 304(d) of the Act (15 U.S.C. 77ddd(d)) shall contain the name, address, and telephone number of each applicant and the name, address, and telephone number of any person to which such applicant wishes any questions regarding the application to be directed.

(b) Each application shall contain a statement of the relevant facts on which the request for relief is based, including a justification for the exemption(s) requested and a discussion of any benefit expected for security holders, trustees and/or obligors.

8. By revising § 260.5a-2 to read as follows:

§ 260.5a-2 General requirements as to form and content of statements of eligibility and qualification.

Rules 7a-15 through 7a-37 [§§ 260.7a-15 through 260.7a-37 of this chapter] under section 307 under the Trust Indenture Act shall be applicable to statements filed on Forms T-1, T-2, and T-6.

9. By adding new § 260.5b-1 to read as follows:

§ 260.5b-1 Application pursuant to section 305(b)(2) of the Trust Indenture Act for determining eligibility of a person designated as trustee for offerings on a delayed basis.

Forms T-1 and T-2 (17 CFR 269.1 and 269.2) shall be used for applications filed for the purpose of determining the eligibility under section 310(a) of the Act of a person designated as trustee for debt securities registered under the Securities Act of 1933 which are eligible to be issued, offered, or sold on a delayed basis by or on behalf of the registrant.

10. By adding new § 260.5b-2 to read as follows:

§ 260.5b-2 General requirements as to form and content of applications.

Rule 5a-2 [§ 260.5a-2 of this chapter] and rules 7a-15 through 7a-37 [§§ 260.7a-15 through 260.7a-37 of this chapter] shall be applicable to applications pursuant to rule 5b-1 [§ 260.5b-1 of this chapter].

11. By adding new § 260.5b-3 to read as follows:

§ 260.5b-3 Number of copies—Filing—Signatures.

(a) Three copies of every application pursuant to rule 5b-1 [§ 260.5b-1 of this chapter] and of every amendment thereto shall be filed with the Commission at its principal office by the issuer upon the indenture securities. Such application shall be filed no later than the second business day following the initial date of public offering or sales after effectiveness of the registration statement with respect to such securities, or transmitted by a means reasonably calculated to result in filing with the Commission by that date.

(b) One copy shall be manually signed by the applicant's duly authorized officer (or individual customarily performing similar functions with respect to any organization, whether incorporated or unincorporated), or by the individual trustee, as applicable.

12. By revising § 260.7a-15 to read as follows:

§ 260.7a-15 Scope of §§ 260.7a-15 to 260.7a-37.

The rules contained in §§ 260.7a-15 to 260.7a-37 shall govern applications for exemption filed pursuant to section 304(c) or 304(d) of the Act, applications for qualification of indentures filed pursuant to section 307, statements of eligibility and qualifications of trustees filed pursuant to section 305, 307, or 310(a) of the Act, applications for the stay of the trustee's duty to resign filed pursuant to section 310(b) of the Act, and reports filed pursuant to section 314(a) of the Act.

13. By adding new § 260.10a-1 to read as follows:

§ 260.10a-1 Application for determining eligibility of a foreign person to act as sole trustee pursuant to section 310(a)(1) of the Act.

Form T-6 (17 CFR 269.9 of this chapter) shall be used for an application filed to obtain authorization for a corporation or other person organized and doing business under the laws of a foreign government to act as sole trustee under an indenture qualified or to be qualified under the Act.

14. By adding new § 260.10a-2 to read as follows:

§ 260.10a-2 General requirements as to form and content of applications.

Rule 5a-2 [§ 260.5a-2 of this chapter] and rules 7a-15 through 7a-37 [§§ 260.7a-15 through 260.7a-37 of this chapter] under section 307 of the Act shall be applicable to applications on Form T-6 pursuant to section 310(a)(1) of the Act and Rule 10a-1 [§ 260.10a-1 of this chapter].

15. By adding new § 260.10a-3 to read as follows:

§ 260.10a-3 Number of copies—Filing—Signatures.

(a) Three copies of every application pursuant to rule 10a-1 [§ 260.10a-1 of this chapter] and of every amendment thereto shall be filed with the Commission at its principal office.

(b) One copy shall be manually signed by the applicant's duly authorized officer (or individual customarily performing similar functions with respect to any organization, whether incorporated or unincorporated).

16. By adding new § 260.10a-4 to read as follows:

§ 260.10a-4 Consent of trustee to service of process.

At the time of filing an application pursuant to rule 10a-1 [§ 260.10a-1 of this chapter] and at such time as it files a statement of eligibility to act as trustee under an indenture qualified under the Act, an indenture trustee organized and

doing business under the laws of a foreign government shall furnish to the Commission a written consent of the trustee and power of attorney designating a U.S. person with an address in the United States as agent upon whom may be served any process, pleadings, subpoenas or other papers in any Commission investigation or administrative proceeding and any civil suit or action brought against the trustee or to which the trustee has been joined as defendant or respondent, in any appropriate court in any place subject to the jurisdiction of any state or of the United States, or of the District of Columbia or Puerto Rico, where the investigation, proceeding or cause of action arises out of or relates to or concerns the securities in relation to which the indenture trustee proposes to act as trustee pursuant to any rule or order under section 310(a) of the Act and stipulates and agrees that any such suit, action or proceeding may be commenced by the service of process upon said agent for service of process, and that such service shall be taken and held in all courts to be as valid and binding as if due personal service thereof had been made.

17. By adding new § 260.10b-4 to read as follows:

§ 260.10b-4 Application for stay of trustee's duty to resign pursuant to section 310(b) of the Act.

(a) Three copies of every application for a stay of a trustee's duty to resign under section 310(b) of the Act and of every amendment thereto shall be filed with the Commission at its principal office.

(b) One copy shall be manually signed by a duly authorized officer of the applicant (or individual customarily performing similar functions with respect to an organization, whether incorporated or unincorporated) or by a natural person seeking a stay under section 310(b) of the Act.

(c) Such applications shall be on paper no larger than 8½ × 11 inches in size. If reduction of large documents would render them illegible, such documents may be filed on paper larger than 8½ × 11 inches in size. The left margin shall be at least 1½ inches wide and if the application is bound, it shall be bound on the left side.

(d) The application shall be typed, printed, copied, or prepared by a process which produces copies suitable for repeated photocopying and microfilming. All typewritten or printed matter shall be set forth in black ink to permit photocopying. If printed, the application shall be in type not smaller

than 10-point, roman type, at least two points leaded.

(e) Rules 7a-28 through 7a-32 [§§ 260.7a-28 through 260.7a-32 of this chapter] relating to incorporation by reference shall be applicable to applications for stay pursuant to section 310(b) of the Act.

18. By adding new § 260.10b-5 to read as follows:

§ 260.10b-5 Content.

(a) Each application for a stay of a trustee's duty to resign under section 310(b) of the Act shall contain the name, address, and telephone number of each applicant and the name, address, and telephone number of any person to which such applicant wishes any questions regarding the application to be directed.

(b) Each application shall contain a statement of the reasons why the applicant is deemed to be entitled to a stay of resignation with reference to the provisions of section 310(b) of the Act. The statement shall address the nature of the default, the reasonableness of the period before the default will be cured or waived, the procedures to be used to cure or obtain a waiver of the default, and the reasons why a stay will not be inconsistent with the interests of the holders of the indenture securities.

19. By adding new § 260.10b-6 to read as follows:

§ 260.10b-6 Notices—Exemptive Application Procedure.

(a) A proposed notice of the proceeding indicated by the filing of the application shall accompany each application for a stay of a trustee's duty to resign under section 310(b) as an exhibit thereto and if necessary shall be modified to reflect any amendments to such application.

(b) Notice of the initiation of the proceeding will be published in the *Federal Register* and will indicate the earliest date upon which an order disposing of the matter may be entered. The notice will also provide that any interested person may, within the period specified therein, submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter, and may request that a hearing be held stating the person's reasons therefore and the nature of his or her interest in the matter.

(c) An order disposing of the matter will be issued following the expiration of the period of time referred to in paragraph (b) of this section, unless the Commission thereafter orders a hearing on the matter.

(d) The Commission will order a hearing on the matter, if it appears that

a hearing is necessary or appropriate in the public interest or for the protection of investors:

(1) Upon the request of any interested person, or

(2) Upon its own motion.

PART 269—FORMS PRESCRIBED UNDER THE TRUST INDENTURE ACT OF 1939

20. The authority citation for part 269 is revised to read as follows:

Authority: 15 U.S.C. 77ddd, 77eee, 77ggg, 77hhh, 77iii, 77jjj, 77nnn, 77sss.

21. By adding new § 269.9 to read as follows:

§ 269.9 Form T-6 for application under section 310(a)(1) of the Trust Indenture Act for determination of the eligibility of a foreign person to act as institutional trustee.

This form shall be used for the filing of an application pursuant to rule 10a-1 [§ 260.10a-1 of this chapter] to obtain authorization for a corporation or other person organized and doing business under the laws of a foreign government to act as sole trustee under an indenture qualified or to be qualified under the Act.

§§ 269.1, 269.2 and 269.9 [Amended]

22. By revising Forms T-1, (§ 269.1), and T-2 (§ 269.2) and adding Form T-6 (§ 269.9) to read as follows:

Note: The Text and Instructions of Forms T-1, T-2 and T-6 do not appear in the Code of Federal Regulations.

OMB Approval

OMB Number: 3235-0110, Expires: March 31, 1994, estimated average burden hours per response: 15.

Securities Act of 1933 File No.: _____
(If application to determine eligibility of trustee for delayed offering pursuant to Section 305(b)(2))

Securities and Exchange Commission
Washington, DC 20549

Form T-1

Statement of Eligibility Under the Trust Indenture Act of 1939 of a Corporation Designated to Act as Trustee

Check if an Application to Determine Eligibility of a Trustee Pursuant to Section 305(b)(2) _____

(Exact name of trustee as specified in its charter)

(Jurisdiction of incorporation or organization if not a U.S. national bank)

(I.R.S. Employer Identification Number)

(Address of principal executive offices)

(Zip code)

(Name, address and telephone number of agent for service)

(Exact name of obligor as specified in its charter)

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

(Address of principal executive offices)

(Zip code)

(Title of the indenture securities)

General Instructions

A. Rule as to the Use of Form T-1

Form T-1 shall be used for statements of eligibility of corporations designated to act as trustees under trust indentures to be qualified pursuant to sections 305 or 307 of the Trust Indenture Act of 1939. Form T-1 also shall be used for statements of eligibility of foreign trustees under trust indentures to be qualified pursuant to sections 305 or 307, where a prior order has been issued pursuant to section 301(a)(1) or 304(d), or the Commission has promulgated a rule under such sections permitting the trustee to act as a sole trustee under the indenture to be qualified. Finally, Form T-1 shall be used for applications to determine the eligibility of a trustee pursuant to section 305(b)(2) of the Act.

B. Obligations Deemed To Be in Default

Item 13 requires disclosure of defaults of the obligor on securities issued under indentures under which the applicant is trustee.

If the obligor is not in default, the applicant is required to provide responses to items 1, 2, and 16 of Form T-1. In addition, time 15 would be applicable to foreign trustees. If the obligor is in default, the applicant must respond to all of the items in the Form T-1.

An obligor shall be deemed to be in default upon the occurrence of acts or conditions as defined in the indenture, but exclusive of any period of grace or requirement of notice.

C. Application of General Rules and Regulations

The General Rules and Regulations under the Trust Indenture Act of 1939 are applicable to statements of eligibility on this form. Attention is particularly directed in rules 0-1 and 0-2 as to the meaning of terms used in the rules and regulations. Attention is also directed to rule 5a-3 regarding the filing of statements of eligibility and qualification and to rule 7a-16 regarding the inclusion of items, the differentiation between items and answers, and the omission of instructions.

D. Scope of Items and Instructions

The items and instructions require information only as to the trustee, unless the context clearly shows otherwise.

E. Calculation of Percentages of Securities

The percentages of securities required by this form are to be calculated in accordance with the provisions of rule 10b-1.

F. Items Relating to Underwriters

Wherever any item of the form requires information with respect to an underwriter for the obligor, the information is to be given as to every person who, within one year prior to the date of filing the statement of eligibility and qualification, acted as an underwriter of any security of the obligor outstanding on the date of filing the statement and as to every proposed principal underwriter of the securities proposed to be offered. The term "principal underwriter" means an underwriter in privity of contract with the issuer of the securities as to which he is an underwriter.

G. Coordination With Delayed Offering Registration Statement

When the Form T-1 is used for applications to determine the eligibility of a trustee pursuant to section 305(b)(2), the following provisions shall apply:

1. The file number under the Securities Act of 1933 for the delayed offering registration statements to which the application applies shall be placed in the upper right hand corner of the cover page of the Form T-1.

2. The description of the indenture securities included under "Title of Securities" should specify whether the application relates to a single tranche or to all of the securities registered pursuant to the delayed offering registration statement.

Item 1. General Information

Furnish the following information as to the trustee—

(a) Name and address of each examining or supervising authority to which it is subject.

(b) Whether it is authorized to exercise corporate trust powers.

Item 2. Affiliations with the Obligor

If the obligor is an affiliate of the trustee, describe each such affiliation.

Instructions. 1. The term "affiliate" is defined in Rule 0-2 of the General Rules and Regulations under the Act. Attention is also directed to Rule 7a-26.

2. Include the name of each such affiliate and the names of all intermediary affiliates, if any. Indicate the respective percentage of voting securities or other bases of control giving rise to the affiliation.

Item 3. Voting Securities of the Trustee

Furnish the following information as to each class of voting securities of the trustee:

As of _____ (Insert date within 31 days).

Col. A	Col. B*
Title of class	Amount outstanding

Instructions. The term "voting security" is defined in section 303(16) of the Act.

Item 4. Trusteeships Under Other Indentures

If the trustee is a trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the obligor are outstanding, furnish the following information:

(a) Title of the securities outstanding under each such other indenture.

(b) A brief statement of the facts relied upon as a basis for the claim that no conflicting interest within the meaning of section 310(b)(1) of the Act arises as a result of the trusteeship under any such other indenture, including a statement as to how the indenture securities will rank as compared with the securities issued under such other indenture.

Item 5. Interlocking Directorates and Similar Relationships With the Obligor or Underwriters

If the trustee or any of the directors or executive officers of the trustee is a director, officer, partner, employee, appointee, or representative of the obligor or of any underwriter for the obligor, identify each such person having any such connection and state the nature of each such connection.

Instructions. 1. Notwithstanding General Instruction F, the term "underwriter" as used in this item does not refer to any person who is not currently engaged in the business of underwriting.

2. The term "employee," "appointee," and "representative," as used in this item, do not include connections in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent, or depositary, or in any other similar capacity or connections in the capacity of trustee, whether under an indenture or otherwise.

Item 6. Voting Securities of the Trustee Owned by the Obligor or Its Officials

Furnish the following information as to the voting securities of the trustee owned beneficially by the obligor and each director, partner, and executive officer of the obligor:

As of _____ (Insert date within 31 days).

Instructions. 1. Names of persons who do not own beneficially any of the securities specified may be omitted.

2. No information need be given in any case where the amount of voting securities of the trustee, owned beneficially by the obligor and its directors, partners, and executive officers, taken as a group, does not exceed 1 percent of the outstanding voting securities of the trustee.

Col. A	Col. B	Col. C	Col. D
Name of owner	Title of class	Amount owned beneficially	Percentage of voting securities represented by amount given in Col. C

Item 7. Voting Securities of the Trustee Owned by Underwriters of Their Officials

Furnish the following information as to the voting securities of the trustee owned beneficially by each underwriter for the obligor and each director, partner, and executive officer of each such underwriter:

As of _____ (Insert date within 31 days).

Instructions. 1. Instruction 1 to Item 6 shall be applicable to this item.

2. The name of each director, partner, or executive officer required to be given in Column A shall be set forth under the name

of the underwriter of which he is a director, partner, or executive officer.

3. No information need be given in any case where the amount of voting securities of the trustee owned beneficially by an underwriter and its directors, partners, and executive officers, taken as a group, does not exceed 1 percent of the outstanding voting securities of the trustee.

Col. A	Col. B	Col. C	Col. D
Name of owner	Title of class	Amount owned beneficially	Percentage of voting securities represented by amount given in Col. C

Item 8. Securities of the Obligor Owned or Held by the Trustee

Furnish the following information as to securities of the obligor owned beneficially or held as collateral security for obligations in default by the trustee:

As of _____ (Insert date within 31 days).

Instructions. 1. As used in this item, the term "securities" includes only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay monies lent to a person by one or more banks, trust companies, or banking firms, or any certificate of interest or participation in any such note or evidence of indebtedness.

2. For the purposes of this item the trustee shall not be deemed the owner or holder of (a) any security which it holds as collateral security (as trustee or otherwise) for an obligation which is not in default, or (b) any security which it holds as collateral security under the indenture to be qualified, irrespective of any default thereunder, or (c) any security which it holds as agent for collection, or as custodian, escrow agent or depositary, or in any similar representative capacity.

3. No information need be furnished under this item as to holdings by the trustee of securities already issued under the indenture to be qualified or securities issued under any other indenture under which the trustee is also trustee.

4. No information need be given with respect to any class of securities where the amount of securities of the class which the trustee owns beneficially or holds as collateral security for obligations in default does not exceed 1 percent of the outstanding securities of the class.

Col. A	Col. B	Col. C	Col. D
Title of class	Whether the securities are voting or nonvoting securities	Amount owned beneficially or held as collateral security for obligations in default	Percent of class represented by amount given in Col. C

Item 9. Securities of Underwriters Owned or Held by the Trustee

If the trustee owns beneficially or holds as collateral security for obligations in default any securities of an underwriter for the obligor, furnish the following information as to each class of securities of such underwriter any of which are so owned or held by the trustee:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C	Col. D
Title of issuer and title of class	Amount outstanding	Amount owned beneficially or held as collateral security for obligations in default by trustee	Percent of class represented by amount given in Col. C

Instruction. Instructions 1, 2, and 4 to Item 8 shall be applicable to this item.

Item 10. Ownership or Holdings by the Trustee of Voting Securities of Certain Affiliates or Security Holders of the Obligor

If the trustee owns beneficially or holds as collateral security for obligations in default voting securities of a person who, to the knowledge of the trustee (1) owns 10 percent or more of the voting securities of the obligor or (2) is an affiliate, other than a subsidiary, of the obligor, furnish the following information as to the voting securities of such person:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C	Col. D
Title of issuer and title of class	Amount outstanding	Amount owned beneficially or held as collateral security for obligations in default by trustee	Percent of class represented by amount given in Col. C

Instruction. Instructions 1, 2, and 4 to item 8 shall be applicable to this item.

Item 11. Ownership or Holdings by the Trustee of any Securities of a Person Owning 50 Percent or More of the Voting Securities of the Obligor

If the trustee owns beneficially or holds as collateral security for obligations in default any securities of a person who, to the knowledge of the trustee, owns 50 percent or more of the voting securities of the obligor, furnish the following information as to each class of securities of such person any of which are so owned or held by the trustee:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C	Col. D
Title of issuer and title of class	Amount outstanding	Amount owned beneficially or held as collateral security for obligations in default by trustee	Percent of class represented by amount given in Col. C

Instruction. Instructions 1, 2 and 4 to Item 8 shall be applicable to this item.

Item 12. Indebtedness of the Obligor to the Trustee

Except as noted in the instructions, if the obligor is indebted to the trustee, furnish the following information:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C
Nature of indebtedness	Amount outstanding	Date due

Instructions. 1. No information need be provided as to: (a) The ownership of securities issued under any indenture, or any security or securities having a maturity of more than one year at the time of acquisition by the indenture trustee; (b) disbursements made in the ordinary course of business in the capacity of trustee of an indenture, transfer agent, registrar, custodian, paying agent, fiscal agent or depository, or other similar capacity; (c) indebtedness created as a result of services rendered or premises rented; or indebtedness created as a result of goods or securities sold in a cash transaction; (d) the ownership of stock or of other securities of a corporation organized under section 25(a) of the Federal Reserve Act, as amended, which is directly or indirectly a creditor of an obligor upon the indenture securities; or (e) the ownership of any drafts, bills of exchange, acceptances, or obligations which fall within the classification of self-liquidating paper.

2. Information should be given as to the general type of indebtedness, such as lines of credit, commercial paper, long-term notes, mortgages, etc.

Item 13. Defaults by the Obligor

(a) State whether there is or has been a default with respect to the securities under this indenture. Explain the nature of any such default.

(b) If the trustee is a trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the obligor are outstanding, or is trustee for more than one outstanding series or securities under the indenture, state whether there has been a default under any such indenture or series, identify the indenture or series affected, and explain the nature of any such default.

Item 14. Affiliations With the Underwriters

If any underwriter is an affiliate of the trustee, describe each such affiliation.

Instructions. 1. The term "affiliate" as defined in Rule 0-2 of the General Rules and

Regulations under the Act. Attention is directed to rule 7a-28.

2. Include the name of each such affiliate and the names of all intermediate affiliates, if any. Indicate the respective percentage of voting securities or other bases of control giving rise to the affiliation.

Item 15. Foreign Trustee

Identify the order or rule pursuant to which the foreign trustee is authorized to act as sole trustee under indentures qualified or to be qualified under the Act.

Item 16. List of exhibits

List below all exhibits filed as a part of this statement of eligibility

Instructions. Subject to rule 7a-29 permitting incorporation of exhibits by reference, the following exhibits are to be filed as a part of the statement of eligibility of the trustee. Such exhibits shall be appropriately lettered or numbered for convenient reference. Exhibits incorporated by reference may be referred to by the designation given in the previous filing. Where exhibits are incorporated by reference, the reference shall be made in the list of exhibits called for under item 16. If the certificate of authority to commence business (Exhibit 2) and/or the certificate to exercise corporate trust powers (Exhibit 3) is contained in another exhibit, a statement to that effect shall be made, identifying the exhibit in which such certificates are included. If an applicable exhibit is not in English, a translation in English shall also be filed. In response to exhibit 7, foreign trustees shall provide financial information sufficient to provide the information required by section 310(a)(2) of the Act.

1. A copy of the articles of association of the trustee as now in effect.

2. A copy of the certificate of authority of the trustee to commence business, if not contained in the articles of association.

3. A copy of the authorization of the trustee to exercise corporate trust powers, if such authorization is not contained in the documents specified in paragraph (1) or (2) above.

4. A copy of the existing bylaws of the trustee, or instruments corresponding thereto.

5. A copy of each indenture referred to in item 4, if the obligor is in default.

6. The consents of United States institutional trustees required by section 321(b) of the Act.

7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.

8. A copy of any order pursuant to which the foreign trustee is authorized to act as sole trustee under indentures qualified or to be qualified under the Act.

9. Foreign trustees are required to furnish a consent to service of process (*see* Rule 10a-4 under the Act).

Signature

Pursuant to the requirements of the Trust Indenture Act of 1939 the trustee, _____, a [state form of organization] organized and existing under the laws of _____, has duly caused this statement

of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of _____, and State [or other jurisdiction] of _____, on the _____ day of _____, (Year)

(Trustee)
By:

(Name and Title)

Instruction. The name of each person signing the statement of eligibility shall be typed or printed beneath the signature.

OMB Approval

OMB Number: 3235-0111, Expires: March 31, 1994, Estimated average burden hours per response: 9.

Securities Act of 1933 File No.: _____

(If application to determine eligibility to trustee for delayed offering pursuant to Section 305(b)(2))

Securities and Exchange Commission

Washington, DC 20549

Form T-2

Statement of Eligibility Under the Trust Indenture Act of 1939 of an Individual Designated to Act as Trustee

Check if an application to determine eligibility of a trustee pursuant to section 305(b)(2) _____

(Name of trustee)

(Social Security Number)

(Business address: street, city, state and zip code)

(Exact name of obligor as specified in its chapter)

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

(Address of principal executive offices)

(Zip code)

(Title of indenture securities)

Special Instructions for Completing Form T-2

Under sections 304, 305, 307, 308, 309, 310, and 319 of the Trust Indenture Act of 1939, the Commission is authorized to solicit the information required to be supplied by this form for statements of eligibility of individuals designated to act as trustees.

Disclosure of the information specified in this form is mandatory prior to processing statements of eligibility, except for social security account numbers, disclosure of which is voluntary. The information will be used for the primary purpose of determining eligibility of trustees. This statement will be made a matter of public record. Therefore, any information given will be available for inspection by any member of the public.

Because of the public nature of the information, the Commission can utilize it for a variety of purposes, including referral to other governmental authorities or securities

self-regulatory organizations for investigatory purposes or in connection with litigation involving the Federal securities laws or other civil, criminal or regulatory statutes or provisions. Social Security account numbers, if furnished, will assist the Commission in identifying persons desiring to qualify as trustees and, therefore, in promptly processing filings.

Failure to disclose the information requested by this form, except for social security account numbers, may result in enforcement action by the Commission to compel compliance with the Federal securities laws.

General Instructions

A. Rule as to Use of Form T-2

Form T-2 shall be used for statements of eligibility of individuals designated to act as trustees under trust indentures to be qualified pursuant to sections 305 or 307 of the Trust Indenture Act of 1939. Form T-2 shall be used for applications to determine the eligibility of an individual trustee pursuant to section 305(b)(2) of the Act.

B. Obligations Deemed to be in Default

Item 9 requires disclosure of defaults by the obligor on securities issued under indentures under which the applicant is trustee.

If the obligor is not in default, the applicant is required to provide responses to items 1 and 11 of Form T-2. If the obligor is in default, the applicant must respond to all of the items in the Form T-2.

An obligation shall be deemed to be in default upon the occurrence of acts or conditions as defined in the indenture, but exclusive of any period of grace or requirement of notice.

C. Application of General Rules and Regulations

The General Rules and Regulations under the Trust Indenture Act of 1939 are applicable to statements of eligibility on this form. Attention is particularly directed to rules 0-1 and 0-2 as to the meaning of terms used in the rules and regulations. Attention is also directed to rule 5a-3 regarding the filing of statements of eligibility and to rule 7a-16 regarding the inclusion of items, the differentiation between items and answers, and the omission of instructions.

D. Scope of Items and Instructions

The items and instructions require information only as to the trustee, unless the context clearly shows otherwise.

E. Calculation of Percentages of Securities

The percentages of securities required by this form are to be calculated in accordance with the provisions of rule 10b-1.

F. Items Relating to Underwriters

Wherever any item of the form requires information with respect to an underwriter for the obligor the information is to be given as to every person who, within one year prior to the date of filing the statement of eligibility and qualification, acted as an underwriter of any security of the obligor outstanding on the date of filing the statement and as to every

proposed principal underwriter of the securities proposed to be offered. The term "principal underwriter" means an underwriter in privity of contract with the issuer of the securities as to which he is an underwriter.

G. Coordination with Delayed Offering Registration Statement

When the Form T-2 is used for applications to determine the eligibility of a trustee pursuant to section 305(b)(2), the following provisions shall apply:

1. The file number under the Securities Act of 1933 for the delayed offering registration statement to which the application applies shall be placed in the upper right hand corner of the cover page of the Form T-2.

2. The description of the indenture securities included under "Title of Securities" should specify whether the application relates to a single tranche or to all of the securities registered pursuant to the delayed offering registration statement.

Item 1. Affiliations with Obligor

If the obligor is an affiliate of the trustee, describe each such affiliation.

Instructions. 1. The term "affiliate" is defined in rule 0-2 of the General Rules and Regulations under the Act. It should be noted that a corporation or other business entity may be an affiliate of an individual within the meaning of the definition. Attention is also directed to rule 7a-26.

2. Include the name of each such affiliate and the names of all intermediary affiliates, if any. Indicate the respective percentage of voting securities or other bases of control giving rise to the affiliation.

Item 2. Trusteeships Under Other Indentures

If the trustee is trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the obligor are outstanding, file a copy of each such indenture as an exhibit and furnish the following information:

(a) Title of the securities outstanding under each such other indenture.

(b) A brief statement of the facts relied upon by the trustee as a basis for the claim that no conflicting interest within the meaning of section 310(b)(1) of the Act arises as a result of the trusteeship under such other indenture, including a statement as to how the indenture securities will rank as compared with the securities issued under such other indenture.

Instruction. Attention is directed to rule 7a-29 permitting incorporation of exhibits by reference.

Item 3. Certain Relationships Between the Trustee and the Obligor or an Underwriter

If the trustee is a director, officer, partner, employee, appointee or representative of the obligor or of any underwriter for the obligor, state the nature of each such connection.

Instructions. 1. Notwithstanding General Instruction F, the term "underwriter" as used in this item does not refer to any person who is not currently engaged in the business of underwriting.

2. The terms "employee," "appointee," and "representative," as used in this item, do not include connections in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent, or depository or in any other similar capacity or connections in the capacity of trustee, whether under an indenture or otherwise.

Item 4. Securities of the Obligor Owned or Held by the Trustee

Furnish the following information as to securities of the obligor owned beneficially by the trustee or held by the trustee as collateral security for obligations in default:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C	Col. D
Title of class	Whether the securities are voting or nonvoting securities	Amount owned beneficially or held as collateral security for obligations in default	Percent of class represented by amount given in Col. C

Instructions. 1. As used in this item, the term "securities" includes only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay monies lent to a person by one or more banks, trust companies, or banking firms, or any certificate of interest or participation in any such note or evidence of indebtedness.

2. For the purposes of this item the trustee shall not be deemed the owner or holder of (a) any security which it holds as collateral security (as trustee or otherwise) for an obligation which is not in default, or (b) any security which it holds as collateral security under the indenture to be qualified, irrespective of any default thereunder, or (c) any security which it holds as agent for collection, or as custodian, escrow agent or depository, or in any similar representative capacity.

3. No information need be furnished under this item as to holdings by the trustee of securities already issued under the indenture to be qualified or securities issued under any other indenture under which the trustee is also trustee.

4. No information need be given with respect to any class of securities where the amount of securities of the class which the trustee owns beneficially or holds as collateral security for obligations in default does not exceed 1 percent of the outstanding securities of the class.

Item 5. Securities of Underwriters Owned or Held by the Trustee

If the trustee owns beneficially or holds as collateral security for obligations in default any securities of an underwriter for the obligor, furnish the following information as to each class of securities of such underwriter any of which are so owned or held by the trustee:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C	Col. D
Name of issuer and title of class	Amount outstanding	Amount owned beneficially or held as collateral security for obligations in default	Percentage of voting securities represented by amount given in Col. C

Instruction. Instructions 1, 2, and 4 to Item 4 shall be applicable to this item.

Item 6. Holdings by the Trustee of Voting Securities of Certain Affiliates or Principal Holders of Voting Securities of the Obligor

If the trustee owns beneficially or holds as collateral security for obligations in default voting securities of a person who, to the knowledge of the trustee (1) owns 10 percent or more of the voting securities of the obligor or (2) is an affiliate, other than a subsidiary, of the obligor, furnish the following information as to the voting securities of such person:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C	Col. D
Name of issuer and title of class	Amount outstanding	Amount owned beneficially or held as collateral security for obligations in default	Percent of class represented by amount given in Col. C

Instruction. Instructions 1, 2, and 4 to Item 4 shall be applicable to this item.

Item 7. Holdings by the Trustee of any Securities of a Person Owning 50 Percent or More of the Voting Securities of the Obligor

If the trustee owns beneficially or holds as collateral security for obligations in default any securities of a person who, to the knowledge of the trustee, owns 50 percent or more of the voting securities of the obligor, furnish the following information as to each class of securities of such person any of which are so owned or held by the trustee:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C	Col. D
Name of issuer and title of class	Amount outstanding	Amount owned beneficially or held as collateral security for obligations in default	Percent of class represented by amount given in Col. C

Instruction. Instructions 1, 2, and 4 to Item 4 shall be applicable to this item.

Item 8. Indebtedness of the Obligor to the Trustee

Except as noted in the instructions, if the obligor is indebted to the trustee, furnish the following information:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C
Nature of indebtedness	Amount outstanding	Date due

Instructions. 1. No information need be provided as to: (a) The ownership of securities issued under any indenture, or any security or securities having a maturity of more than one year at the time of acquisition by the indenture trustee; (b) disbursements made in the ordinary course of business in the capacity of trustee of an indenture, transfer agent, registrar, custodian, paying agent, fiscal agent or depository, or other similar capacity; (c) indebtedness created as a result of services rendered or premises rented, or indebtedness created as a result of goods or securities sold in a cash transaction; (d) the ownership of stock or of other securities of a corporation organized under section 25(a) of the Federal Reserve Act, as amended, which is directly or indirectly a creditor of an obligor upon the indenture securities, or (e) the ownership of any drafts, bills or exchanges, acceptances, or obligations which fall within the classification of self-liquidating paper.

2. Information should be given as to the general type of indebtedness, such as lines of credit, commercial paper, long-term notes, mortgages, etc.

Item 9. Defaults by the Obligor

(a) State whether there is or has been any default with respect to the securities under this indenture. Explain the nature of any such default.

(b) If the trustee is a trustee under another indenture under which any other securities, or certificates of interest or participation in other securities, of the obligor are outstanding, or is trustee for more than one outstanding series of securities, state whether there has been a default under any such indenture or series, identify the indenture or series affected, and explain the nature of any such default.

Item 10. Affiliations with the Underwriters

If any underwriter is an affiliate of the trustee, describe each such affiliation.

Instructions. 1. The term *affiliate* is defined in rule 0-2 of the General Rules and Regulations under the Act. Attention is directed to rule 7a-26.

2. Include the name of each affiliate and the names of all intermediate affiliates, if any. Indicate the respective percentage of voting securities other bases of control giving rise to the affiliation.

Item 11. List of Exhibits

List below all exhibits filed as a part of this statement of eligibility.

Instruction. Subject to rule 7a-29 permitting incorporation of exhibits by reference, exhibits filed as a part of the statement of eligibility of the trustee shall be appropriately lettered or numbered for convenient

reference. Exhibits incorporated by reference may be referred to by the designation given in the previous filing. Where exhibits are incorporated by reference, the reference shall be made in the list of exhibits called for under item 11.

Signature

Pursuant to the requirements of the Trust Indenture Act of 1939 I, _____, have signed this statement of eligibility in the City of _____, and State of _____, on the _____ day of _____, (Year).

(Signature of trustee)

Instruction. The name of each person signing the statement of eligibility shall be typed or printed beneath the signature.

OMB Approval

OMB Number: 3235-0391, Expires: March 31, 1994, estimated average burden hours per response: 17.

Securities and Exchange Commission

Washington, DC 20549

Form T-6

Application Under section 310(a)(1) of the Trust Indenture Act of 1939 for Determination of Eligibility of a Foreign Person to Act as Institutional Trustee

(Exact name of trustee as specified in its charter)

(Jurisdiction of incorporation or organization)

(Address and telephone number of principal executive offices)

(Name, address and telephone number of agent for service)

(Exact name of obligor as specified in its charter)

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

(Address of principal executive offices)

(Zip code)

(Title of the indenture securities)

General Instructions

A. Rule as to the Use of Form T-6

1. Items 1, 15, and 16 of Form T-6 shall be used by corporations or other persons organized and doing business under the laws of a foreign government to make application to act as a sole trustee under trust indentures to be qualified pursuant to section 310(a)(1) of the Trust Indenture Act of 1939 ("Act").

2. Subject to the provisions of General Instruction C, Items 1 through 16 of Form T-6 shall be used for statements of eligibility under section 310(a) of the Act of corporations or other persons organized and doing business under the laws of a foreign government that are seeking an order authorizing their eligibility under section 310(a)(1) to act as a sole trustee under trust indentures to be qualified under the Act; and

at the same time are seeking to establish their eligibility to act as trustee under a particular indenture being qualified pursuant to section 305 or 307 of this Act.

3. Form T-1, rather than Form T-6, shall be used for statements of eligibility of foreign trustees under trust indentures to be qualified pursuant to section 305 or 307, where a prior order has been issued pursuant to section 310(a)(1) or 304(d).

B. Timing of Orders in Response to Applications on Form T-6

1. Orders in response to Forms T-6 filed pursuant to Instruction A.1. above will be issued at such time as the Commission shall determine.

2. Orders in response to Forms T-6 filed pursuant to Instruction A.2. above will be issued at the time the registration statement and indenture to which it relates are declared effective and qualified.

C. Obligations Deemed to be in Default

Item 13 requires disclosure of defaults by the obligor on securities issued under indentures under which the applicant is trustee.

If the obligor is not in default, the applicant is required to provide responses to items 1, 2, 15, and 16 of Form T-6. If the obligor is in default, the applicant must respond to all of the items in the Form T-6.

An obligation shall be deemed to be in default upon the occurrence of acts or conditions as defined in the indenture, but exclusive of any period of grace or requirement of notice.

D. Application of General Rules and Regulations

The General Rules and Regulations under the Trust Indenture Act of 1939 are applicable to statements of eligibility on this form.

Attention is particularly directed to rules 0-1 and 0-2 as to the meaning of terms used in the rules and regulations. Attention is also directed to rules 10a-3 regarding the filing of statements of eligibility and to rule 7a-16 regarding the inclusion of items, the differentiation between items and answers, and the omission of instructions.

E. Scope of Items and Instructions

The items and instructions require information only as to the trustee, unless the context clearly shows otherwise.

F. Calculation of Percentages of Securities

The percentages of securities required by this form are to be calculated in accordance with the provisions of rule 10b-1.

G. Items Relating to Underwriters

Wherever any item of the form requires information with respect to an underwriter for the obligor, the information is to be given as to every person who, within one year prior to the date of filing the statement of eligibility, acted as an underwriter of any security of the obligor outstanding on the date of filing the statement and as to every proposed principal underwriter of the securities proposed to be offered. The term "principal underwriter" means an underwriter in privity of contract with the issuer of the securities as to which he is an underwriter.

Item 1. General Information

Furnish the following information as to the trustee—

(a) Name and address of each examining or supervising authority to which it is subject.

(b) Whether it is authorized to exercise corporate trust powers.

Item 2. Affiliations with Obligor

If the obligor is an affiliate of the trustee, describe each such affiliation.

Instructions. 1. The term "affiliate" is defined in rule 0-2 of the General Rules and Regulations under the Act. Attention is also directed to rule 7a-28.

2. Include the name of each such affiliate and the names of all intermediary affiliates, if any. Indicate the respective percentage of voting securities or other bases of control giving rise to the affiliation.

Item 3. Voting Securities of the Trustee

Furnish the following information as to each class of voting securities of the trustee:

As of _____ (Insert date within 31 days.)

Col. A	Col. B.
Title of class	Amount outstanding

Instruction. The term "voting security" is defined in section 303(16) of the Act.

Item 4. Trusteeships Under Other Indentures

If the trustee is a trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the obligor are outstanding, furnish the following information:

(a) Title of the securities outstanding under each other indenture.

(b) A brief statement of the facts relied upon as a basis for the claim that no conflicting interest within the meaning of section 310(b)(1) of the Act arises as a result of the trusteeship under any such other indenture, including a statement as to how the indenture securities will rank as compared with the securities issued under such other indenture.

Item 5. Interlocking Directorates and Similar Relationships With the Obligor or Underwriters

If the trustee or any of the directors or executive officers of the trustee is a director, officer, partner, employee, appointee, or representative of the obligor or of any underwriter for the obligor, identify each such person having any such connection and state the nature of each such connection.

Instructions. 1. Notwithstanding General Instruction F, the term "underwriter" as used in this item does not refer to any person who is not currently engaged in the business of underwriter.

2. The term "employee," "appointee," and "representative," as used in this item, do not include connections in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent, or depositary, or in any other similar capacity or connections in the capacity of trustee, whether under an indenture or otherwise

Item 6. Voting Securities of the Trustee Owned by the Obligor or Its Officials

Furnish the following information as to the voting securities of the trustee owned beneficially by the obligor and each director, partner, and executive officer of the obligor:

As of _____ (Insert date within 31 days.)

Instructions. 1. Names of persons who do not own beneficially any of the securities specified may be omitted.

2. No information need to be given in any case where the amount of voting securities of the trustee, owned beneficially by the obligor and its directors, partners, and executive officers, taken as a group, does not exceed 1 percent of the outstanding voting securities of the trustee.

Col. A	Col. B	Col. C	Col. D
Name of owner	Title of class	Amount owned beneficially	Percentage of voting securities represented by amount given in Col. C

Item 7. Voting Securities of the Trustee Owned by Underwriters or Their Officials

Furnish the following information as to the voting securities of the trustee owned beneficially by each underwriter for the obligor and each director, partner, and executive officer of each such underwriter:

As of _____ (Insert date within 31 days.)

Instructions. 1. Instruction 1 to Item 6 shall be applicable to this item.

2. The name of each director, partner, or executive officer required to be given in Column A shall be set forth under the name of the underwriter of which he is a director, partner, or executive officer.

3. No information need be given in any case where the amount of voting securities of the trustee owned beneficially by an underwriter and its directors, partners, and executive officers, taken as a group, does not exceed 1 percent of the outstanding voting securities of the trustee.

Col. A	Col. B	Col. C	Col. D
Name of owner	Title of class	Amount owned beneficially	Percentage of voting securities represented by amount given in Col. C

Item 8. Securities of the Obligor Owned or Held by the Trustee

Furnish the following information as to securities of the obligor owned beneficially or held as collateral security for obligations in default by the trustee:

As of _____ (Insert date within 31 days.)

Instructions. 1. As used in this item, the term "securities" includes only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay monies lent to a person by one or more banks, trust companies, or banking firms, or any

certificate of interest or participation in any such note or evidence of indebtedness.

2. For the purposes of this item the trustee shall not be deemed the owner or holder of (a) any security which it holds as collateral security (as trustee or otherwise) for an obligation which is not in default, or (b) any security which it holds as collateral security under the indenture to be qualified, irrespective of any default thereunder, or (c) any security which it holds as agent for collection, or as custodian, escrow agent or depository, or in any similar representative capacity.

3. No information need be furnished under this item as to holdings by the trustee of securities already issued under the indenture to be qualified or securities issued under any other indenture under which the trustee is also trustee.

4. No information need be given with respect to any class of securities where the amount of securities of the class which the trustee owns beneficially or holds as collateral security for obligations in default does not exceed 1 percent of the outstanding securities of the class.

Col. A	Col. B	Col. C	Col. D
Title of class	Whether the securities are voting or nonvoting securities	Amount owned beneficially or held as collateral security for obligations in default	Percentage of class represented by amount given in Col. C

Item 9. Securities of Underwriters Owned or Held by the Trustee

If the trustee owns beneficially or holds as collateral security for obligations in default any securities of an underwriter for the obligor, furnish the following information as to each class of securities of such underwriter any of which are so owned or held by the trustee:

As of _____ (Insert date within 31 days.)

Col. A	Col. B	Col. C	Col. D
Title of issuer and title of class	Amount outstanding	Amount owned beneficially or held as collateral security for obligations in default by trustee	Percentage of class represented by amount given in Col. C

Instructions. Instructions 1, 2, and 4 to Item 8 shall be applicable to this item.

Item 10. Ownership or Holdings by the Trustee of Voting Securities of Certain Affiliates or Security Holders of the Obligor

If the trustee owns beneficially or holds as collateral security for obligations in default voting securities of a person who, to the knowledge of the trustee (1) owns 10 percent or more of the voting securities of the obligor or (2) is an affiliate, other than a subsidiary, of the obligor, furnish the following information as to the voting securities of such person:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C	Col. D
Title of issuer and title of class	Amount outstanding	Amount owned beneficially or held as collateral security for obligations in default by trustee	Percent of class represented by amount given in Col. C

Instruction. Instructions 1, 2, and 4 to item 8 shall be applicable to this item.

Item 11. Ownership or Holdings by the Trustee of Any Securities of a Person Owning 50 Percent or More of the Voting Securities of the Obligor

If the trustee owns beneficially or holds as collateral security for obligations in default any securities of a person who, to the knowledge of the trustee, owns 50 percent or more of the voting securities of the obligor, furnish the following information as to each class of securities of such person any of which are so owned or held by the trustee:

As of _____ (Insert date within 31 days).

Col. A	Col. B	Col. C	Col. D
Title of issuer and title of class	Amount outstanding	Amount owned beneficially or held as collateral security for obligations in default by trustee	Percent of class represented by amount given in Col. C

Instruction. Instructions 1, 2, and 4 to item 8 shall be applicable to this item.

Item 12. Indebtedness of the Obligor to the Trustee

Except as noted in the instructions, if the obligor is indebted to the trustee, furnish the following information:

As of _____ (insert date within 31 days).

Col. A	Col. B	Col. C
Nature of indebtedness	Amount outstanding	Date due

Instructions. 1. No information need be provided as to: (a) The ownership of securities issued under any indenture, or any security or securities having a maturity of more than one year at the time of acquisition by the indenture trustee; (b) disbursements made in the ordinary course of business in the capacity of trustee of an indenture, transfer agent, registrar, custodian, paying agent, fiscal agent or depository, or other similar capacity; (c) indebtedness created as a result of services rendered or premises rented; or indebtedness created as a result of goods or securities sold in a cash transaction; (d) the ownership of stock or of other securities of a corporation organized under section 25(a) of the Federal Reserve Act, as amended, which is directly or indirectly a

creditor of an obligor upon the indenture securities; or (e) the ownership of any drafts, bills of exchange, acceptances, or obligations which fall within the classification of self-liquidating paper.

2. Information should be given as to the general type of indebtedness, such as lines of credit, commercial paper, long-term notes, mortgages, etc.

Item 13. Defaults by the Obligor

(a) State whether there is or has been a default with respect to the securities under this indenture. Explain the nature of any such default.

(b) If the trustee is a trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the obligor are outstanding, or is trustee for more than one outstanding series of securities under the indenture, state whether there has been a default under any such indenture or series, identify the indenture or series affected, and explain the nature of any such default.

Item 14. Affiliations With the Underwriters

If any underwriter is an affiliate of the trustee, describe each such affiliation.

Instructions. 1. The term "affiliate" is defined in rule 0-2 of the General Rules and Regulations under the Act. Attention is directed to rule 7a-26.

2. Include the name of each affiliate and the names of all intermediate affiliates, if any. Indicate the respective percentage of voting securities or other bases of control giving rise to the affiliations.

Item 15. Substantial Equivalency of Trust Regulation in the Foreign Jurisdiction and Eligibility of United States Trustees to Act as Sole Trustees in the Foreign Jurisdiction

(a) A discussion should be provided of the regulation in the applicant's home jurisdiction relating to the supervision or examination of indenture trustees, including regulatory provisions and their administration.

(b) The regulatory provisions and their administration in the home jurisdiction shall be compared with United States regulation and administration with respect to supervision and examination of indenture trustees. The application shall discuss whether home jurisdiction supervision or examination of trustees is substantially equivalent to that in the United States.

(c) The application shall discuss the eligibility of United States persons to act as sole trustees in the applicant's home country.

Instruction. An opinion of counsel addressing (1) whether supervision or examination of indenture trustees in the applicant's home jurisdiction is substantially equivalent to that applicable in the United States, and (2) the eligibility of United States trustees to act as sole trustee in the applicant's home jurisdiction, may be required.

Item 16. List of Exhibits

List below all exhibits filed as a part of this statement of eligibility.

Instruction. Subject to Rule 7a-29 permitting incorporation of exhibits by reference, the following exhibits are to be filed as a part of the statement of eligibility of the trustee. Such exhibits shall be

appropriately lettered or numbered for convenient reference. Exhibits incorporated by reference may be referred to by the designation given in the previous filing.

Where exhibits are incorporated by reference, the reference shall be made in the list of exhibits called for under Item 16. If the certificate of authority to commence business (Exhibit 2) and/or the certificate to exercise corporate trust powers (Exhibit 3) is contained in another exhibit, a statement to that effect shall be made, identifying the exhibit in which such certificates are included. If the applicable exhibit is not in English, a translation in English shall also be filed. In response to exhibit 7, foreign trustees should provide financial information sufficient to provide the information required by section 310(a)(2) of the Act.

1. A copy of the articles of association of the trustee as now in effect.

2. A copy of the certificate of authority of the trustee to commence business, if not contained in the articles of association.

3. A copy of the authorization of the trustee to exercise corporate trust powers, if such authorization is not contained in the documents specified in paragraph (1) or (2) above.

4. A copy of the existing bylaws of the trustee, or instruments corresponding thereto.

5. A copy of each indenture referred to in item 4, if the obligor is in default.

6. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.

7. Trustee's consent to service of process (see rule 10a-4 under the Act).

8. Copies of applicable statutes, rules, regulations, and the administrative interpretations of those provisions affecting (a) substantial equivalency of regulation with respect to supervision or examination of the trustee in the foreign jurisdiction to that of trustees subject to the jurisdiction of the laws of the United States, any State, Territory, or the District of Columbia; and (b) eligibility of United States persons to act as sole indenture trustees in the foreign jurisdiction.

Signature

Pursuant to the requirements of the Trust Indenture Act of 1939 the trustee,

_____, a _____ [state form of organization] organized and existing under the laws of _____, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of _____ and State [or other jurisdiction] of _____, on the _____ day of _____, (Year)

(Trustee)

By:

(Name and Title)

Instruction. The name of each person signing the statement of eligibility shall be typed or printed beneath the signature.

By the Commission.

Dated: May 8, 1991.

Margaret H. McFarland,
Deputy Secretary.

Securities and Exchange Commission Regulatory Flexibility Act Certification

I, Richard C. Breeden, Chairman of the Securities and Exchange Commission, hereby certify, pursuant to 5 U.S.C. 605(b), that the rules and forms under the Trust Indenture Reform Act of 1990 will not, if promulgated, have a significant economic impact on a substantial number of small entities. The reasons for this certification are that small entities are not generally impacted by the requirements of the Act, because they are not involved as obligors on or trustees under qualified indentures. In addition, because the requirements of the Act are inapplicable to underwriters, they are unaffected by the Act.

Dated May 8, 1991.

Richard C. Breeden.

[FR Doc. 91-11416 Filed 5-14-91; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF THE TREASURY

Customs Service

19 CFR Part 4

[T.D. 91-46]

RIN 1515-AA80

Cargo Release Notification to Certain Vessel and Air Carriers and Bonded Facilities That Are Not Part of the Automated Manifest System

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Final rule.

SUMMARY: This document amends the Customs Regulations to provide that Customs may notify certain parties of the release of their cargo by posting in a conspicuous place in the customhouse at ports of entry at the start of each business day a computer-generated list of shipments which have been authorized for release from Customs custody. Release notification will be communicated in this manner to vessel carriers, air carriers and bonded facilities which are not participants in the Automated Manifest System, if entry data has been transmitted through the Automated Broker Interface, and Customs determines that documentation is not required to be physically filed in paper form. This procedure will greatly decrease the amount of paperwork involved in Customs processing of release notifications.

EFFECTIVE DATE: June 14, 1991.

FOR FURTHER INFORMATION CONTACT: Leo Morris, Office of Cargo Enforcement and Facilitation, (202) 566-8151.