

MEMO# 2206

September 24, 1990

AMEX PROPOSES AMENDMENTS TO PROPOSED LISTING GUIDELINES FOR CERTAIN UNIT INVESTMENT TRUSTS

September 24, 1990 TO: UNIT INVESTMENT TRUST COMMITTEE NO. 45-90 RE: AMEX
PROPOSES AMENDMENTS TO PROPOSED LISTING GUIDELINES FOR CERTAIN UNIT
INVESTMENT TRUSTS _____ The

American Stock Exchange, Inc. has proposed amendments to modify its proposed listing guidelines applicable to unit investment trusts that issue securities based on (1) a portfolio of stocks included in a stock market index and/or (2) a portfolio of money market or other debt instruments. Such securities may be separable into components representing distinct interests and objectives. As we previously informed you, the listing guidelines are specifically intended to apply to units of two trusts sponsored by SuperShare Services Corporation, but are broad enough to accommodate other trusts as well. See Memorandum to Unit Investment Trust Committee No. 27-90, dated June 18, 1990. The proposed amendments would specify that a stock index underlying a unit investment trust must be broad-based, and should be one that the SEC has previously reviewed in connection with domestic trading of derivative interests based on a stock index. The amendments also would modify the proposed commentary regarding the suitability standard applicable to unit investment trust securities that are separable into components, to require that customers receive an explanation of any special characteristics and risks of such securities. Finally, the proposed amendments would require that any discretionary order in unit trust securities that permit separation into distinct components be approved and initialled on the day entered by one of certain authorized persons. As noted in the attached release, any comments on the proposed amendments must be filed by Thursday, October 4. Frances M. Stadler Assistant General Counsel Attachment