[Docket Nos. 50–289 and 50–320; Docket Nos. 50–171, 50–277 and 50–278]

GPU Nuclear Corporation; Three Mile Island Nuclear Station; Philadelphia Electric Company; Peach Bottom Atomic Power Station; Temporary Reduction in Local Public Document Room Services

Notice is hereby given that the stack areas of the State Library of Pennsylvania, Harrisburg, Pennsylvania, which serves as the Nuclear Regulatory Commission (NRC) local public document room (LPDR) for Philadelphia Electric Company's Peach Bottom Atomic Power Station and GPU Nuclear Corporation's Three Mile Island Nuclear Station will be closed to the public for six months to one year so that lead can be removed from the building. The stack areas contain NRC records through mid-1995.

During the lead removal project, every effort will be made to meet the informational needs of LPDR patrons. NRC records from mid-1995 forward will be available on microfiche in an accessible part of the State Library. Library staff will continue to perform online searches in NRC's NUDOCS database to help patrons identify agency records. The locations of other LPDRs that maintain records on Peach Bottom and Three Mile Island can be obtained by contacting the NRC LPDR staff. Their toll-free telephone number is (800) 638–8081. Requests for records may also be addressed to the NRC's Public Document Room (PDR), 2120 L Street NW., Lower Level, Washington, DC 20555–0001. The PDR's toll-free telephone number is (800) 397–4209.

Persons interested in using the Harrisburg LPDR collection while the stack areas are closed are asked to contact the State Library of Pennsylvania at (717) 787–2327, or the NRC LPDR staff at their toll-free telephone number listed above.

Questions concerning the NRC's LPDR program or the availability of agency documents in the Harrisburg area should be addressed to Ms. Jona L. Souder, LPDR Program Manager, Freedom of Information/Local Public Document Room Branch, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, telephone number (800) 638–8081.

Dated at Rockville, Maryland, this 10th day of October, 1995.

For the Nuclear Regulatory Commission.

Carlton C. Kammerer,

Director, Division of Freedom of Information and Publications Services, Office of Administration.

[FR Doc. 95–25656 Filed 10–16–95; 8:45 am]

BILLING CODE 7590–01–P

[Docket Nos. 50–390 and 50–391]

Tennessee Valley Authority; Availability of Safety Evaluation Report Supplement Related to the Operation of Watts Bar Nuclear Plant, Units 1 and 2

The U.S. Nuclear Regulatory Commission has published the Safety Evaluation Report, Supplement 17 (NUREG–0847, Supp. 17) related to the operation of Watts Bar Nuclear Plant, Units 1 and 2, Docket Nos. 50–390 and 50–391.

Copies of the report have been placed in the NRC's Public Document Room, the Gelman Building, 2120 L Street NW., Washington, D.C. 20555, and in the Local Public Document Room, Chattanooga-Hamilton Library, 1001 Broad Street, Chattanooga, Tennessee 37402, for review by interested persons. Copies of the report may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Post Office Box 37082, Washington, D.C. 20013–7082. GPO deposit account holders may charge orders by calling 202–512–2249 or 2171. Copies are also available from the National Technical Information Service, 5285 Port Royal Road, Springfield, Virginia 22161.

Dated at Rockville, Maryland this 6th day of October, 1995.

For the Nuclear Regulatory Commission.

Peter S. Tam,

Senior Project Manager, Project Directorate II–3, Division of Reactor Projects—I/II, Office of Nuclear Regulatory Commission.

[FR Doc. 95–25658 Filed 10–16–95; 8:45 am]

BILLING CODE 7590–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–21405; File No. 812–9458]

Franklin Life Variable Annuity Fund A, et al.

October 10, 1995.

AGENCY: Securities and Exchange Commission (the ''SEC'' or the ''Commission'').

ACTION: Notice of application for exemption under the Investment Company Act of 1940 (the ''1940 Act'').

APPLICANTS: Franklin Life Variable Annuity Fund A (''Fund A''), Franklin Life Variable Annuity Fund B (''Fund B''), Franklin Life Money Market Variable Annuity Fund C (''Fund C'', collectively, with Fund A and Fund B, the ''Funds''), and The Franklin Life Insurance Company (''The Franklin'').

RELEVANT 1940 ACT SECTIONS: Conditional order requested under Section 6(c) of the 1940 Act for exemption from Section 15(a) of the 1940 Act.

SUMMARY OF APPLICATION: Applicants seek a conditional order to permit The Franklin to have served as investment advisor, without formal approval by the contract owners of the Funds, pursuant to interim investment management agreements (the ''Interim Agreements''). The conditional order would cover the period from January 31, 1995 until April 17, 1995 (the ''Interim Period'') and would permit The Franklin to receive from the Funds fees earned under the Interim Agreements.

FILING DATE: The application was filed on January 31, 1995 and amended and restated on March 16, 1995 and on August 10, 1995.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing on this application by writing to the Secretary of the SEC and serving Applicants with a copy of the request, personally or by mail. Hearing requests must be received by the Commission by 5:30 p.m. on November 6, 1995 and should be accompanied by proof of service on Applicants in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the Secretary of the SEC.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, D.C. 20549. Applicants, Stephen P. Horvat, Jr., Esq., The Franklin Life Insurance Company, #1 Franklin Square, Springfield, Illinois 62713.

FOR FURTHER INFORMATION CONTACT: Barbara J. Whisler, Senior Counsel, or Wendy Friedlander, Deputy Chief, both at (202) 942–0670, Office of Insurance Products, Division of Investment Management.

SUPPLEMENTARY INFORMATION: Following is a summary of the application. The complete application is available for a fee from the Commission's Public Reference Branch.

Applicants' Representations

1. The Funds are registered open-end management investment companies. The Funds serve as the funding vehicles for variable annuity contracts issued by The Franklin. The Franklin is registered as an investment advisor under the Investment Advisers Act of 1940, as amended. Prior to the Interim Period, The Franklin served as the investment advisor to the Funds and received investment advisory fees from the Funds pursuant to investment advisory contracts (the ''Prior Agreements'') approved by the contract owners of the Funds (the ''Owners'') in accordance with Section 15(a) of the 1940 Act.

2. On November 29, 1994, American Brands Inc. (''American Brands'') entered into a stock purchase agreement with American General Corporation (''American General'') which provided for the sale by American Brands, the indirect parent corporation of The Franklin, to American General, through its wholly owned subsidiary, AGC Life Insurance Company, of all of the outstanding common stock of the immediate parent corporation for The Franklin. The sale closing occurred on January 31, 1995, and, as a result of that sale, American General became the indirect parent corporation of The Franklin. The change in control resulted in the assignment of the Prior Agreements, thus terminating such agreements in accord with their terms and the provisions of Section 15(a) of the 1940 Act.

3. Applicants state that the stock purchase agreement contemplated that approval by the Owners of the Interim Agreements would be obtained at the regularly scheduled annual meetings of the Owners. Applicants state that they anticipated that state insurance department approvals required for the closing of the sale would take sufficient time that the Owners' vote on the Interim Agreements would occur prior to the closing of the sale. Applicants represent that the required state insurance department approvals were obtained in a more timely manner than anticipated. Applicants further represent that only shortly before the approvals were received did it become clear that such approvals would be received prior to the end of January. Applicants filed the application on the date of the closing of the sale, January 31, 1995.

4. On January 16, 1995, the board of directors of each of the Funds, including a majority of the members who were not ''interested persons'' of the Funds or of The Franklin as that term is defined in the 1940 Act, voted to approve the Interim Agreements and to submit the Interim Agreements to the Owners for approval. On March 3, 1995, the boards of the Funds again considered the Interim Agreements in light of certain changes to The Franklin's investment functions and personnel. The boards, including a majority of the members who were not ''interested persons'' of the Funds or of The Franklin as that term is defined in the 1940 Act, determined to continue the Interim Agreements and to submit the Interim Agreements to the Owners for approval.

5. During the meetings of the boards held on January 16 and March 3 of 1995, Applicants represent that the boards fully evaluated, with the advice and assistance of counsel, the Interim Agreements in accordance with Section 15(c) of the 1940 Act. The boards considered several factors in evaluating whether the Interim Agreements were in the best interests of the Funds and the Owners. Applicants state that the boards considered that the Interim Agreements contained substantially identical terms and conditions, including identical advisory fees, as the Prior Agreements. Further, the boards noted that the obligations and duties of The Franklin to provide investment management and other services to the Funds would continue unaffected by the anticipated changes in the investment functions and personnel of The Franklin. The boards also considered The Franklin's assurance that the Funds would receive the same quality of advisory services under the Interim Agreements as had been received under the Prior Agreements. The boards further determined that the transaction which caused the assignment and concurrent termination of the Prior Agreements would have no material adverse effect on The Franklin's ability to provide services to the Funds under the Interim Agreements.

6. Applicants state that the boards concluded that the payment of investment advisory fees earned during the Interim Period would be appropriate and fair considering that: (a) The sale arose primarily out of business considerations unrelated to the relationship between the Funds and The Franklin; (b) seeking the Owners' approval of the Interim Agreements prior to the assignment of the Prior Agreements would entail, in Applicants' estimation, considerable expense; (c) the nonpayment of investment advisory fees during the Interim Period would be unduly harsh in light of the services provided by The Franklin to the Funds during the Interim Period; and (d) the investment advisory fees to be paid pursuant to the Interim Agreements would be unchanged from the fees paid pursuant to the Prior Agreements. Applicants also placed the fees paid pursuant to the Interim Agreement in escrow until approval of the Interim Agreement by the Owners.[1]

Applicants' Legal Analysis

1. Applicants request an order of the Commission pursuant to Section 6(c) of the 1940 Act exempting them from the provisions of Section 15(a) of the 1940 Act. The order would permit The Franklin to have served as investment advisor, without formal approval by the Owners, pursuant to the Interim Agreements. The order would cover the Interim Period and would permit The Franklin to receive from the Funds fees earned under the Interim Agreement.

2. Section 6(c) provides, in pertinent part, that the Commission may, by order upon application, conditionally or unconditionally exempt any person, security or transaction from any provision of the 1940 Act if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and the provisions of the 1940 Act. Section 15(a) prohibits an investment advisor from providing investment advisory services to an investment company except pursuant to a written contract that has been approved by a majority of the voting securities of such investment company. Section 15(a) further requires that such written contract provide for its automatic termination in the event of an assignment. Under Section 2(a)(4) of the 1940 Act, an assignment includes any direct or indirect transfer of a contract by the assignor or any direct or indirect transfer of a controlling block of the assignor's voting securities.

3. On January 31, 1995, pursuant to the terms of the sale, American General became the indirect parent corporation of The Franklin. The sale therefore resulted in an ''assignment'' of the Prior

[1] On April 17, 1995, the Interim Agreements were approved by a vote of a majority in interest of the contract owners, as defined in the 1940 Act, of the Funds. On April 25, 1995, the fees earned under the Interim Agreements for the period from January 31, 1995 to March 31, 1995, were released to The Franklin. Fees earned from April 1, 1995 through April 17, 1995 were paid directly to The Franklin on May 1, 1995. Applicants acknowledge that the April 25 release and the May 1 payment were both made in error because the Commission had not granted the order requested in the application. On August 2, 1995, The Franklin returned to an escrow account the previously released funds plus $63.12, an amount representing interest that would have been earned between the dates of payment and release and August 2, 1995. Applicants represent that the escrowed funds will not be released until issuance by the Commission of the order requested in the application.

Agreements within the meaning of Section 2(a)(4) of the 1940 Act. Upon assignment, each of the Prior Agreements terminated by its own terms and pursuant to Section 15(a).

4. Rule 15a–4 under the 1940 Act provides, in pertinent part, that if an investment advisor's investment advisory contract is terminated by assignment, the investment advisor may continue to act as such for 120 days at the previous compensation rate if a new contract is approved by the board of directors of the investment company, and if the investment advisor or a controlling person of the investment advisor does not directly or indirectly receive money or other benefit in connection with the assignment. Applicants concede that they may not rely on Rule 15a–4 because American Brands, a controlling person of The Franklin, received a benefit in connection with the assignment of the Prior Agreements because American Brands received substantial consideration from American General for the sale of the stock of the indirect parent of The Franklin.

Conditions for Relief

1. Applicants represent that the Interim Agreements have substantially identical terms and conditions, including identical investment management fees, as the Prior Agreements.

2. Applicants represent that to mitigate the erroneous release and payment of the escrowed funds to The Franklin following the Owners' approval of the Interim Agreements, The Franklin repaid to an escrow account the amount released and paid plus an amount representing interest that would have been earned on the funds between the dates of payment and release and the date of the funds were repaid to the escrow account. Applicants further represent that the funds will not be released from the escrow account until two conditions are met: approval by the Owners of the Interim Agreements; and granting by the Commission of the order sought in the application.

3. The Franklin will pay all costs of preparing and filing the application and the costs of holding all annual meetings of the Owners at which approval of the Interim Agreements was sought, including the costs of proxy solicitation.

4. The Franklin will take all appropriate steps to ensure that the scope and quality of advisory and other services provided to the Funds during the Interim Period will be at least equivalent, in the judgment of the boards of the Funds, to the scope and quality of services previously provided. In the event of any material change during the Interim Period in the manner of or the personnel providing services pursuant to the Interim Agreements, The Franklin will apprise and consult with the boards of the Funds to ensure the boards are satisfied that the services provided will not be diminished in scope or quality.

5. Applicants represent that, pursuant to the terms of the stock purchase agreement, American General and American Brands agreed to: (a) Use, and to cause The Franklin to use, reasonable efforts, for a period of three years after the sale, to have boards, 75% of which are comprised of persons who are not ''interested persons'', within the meaning of the 1940 Act, of The Franklin, American General or American Brands; and (b) to refrain from any transaction that would impose an unfair burden on the Funds.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–25624 Filed 10–16–95; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–36361; International Series Release No. 866; File No. SR–CBOE–95–57]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Chicago Board Options Exchange, Incorporated, Relating to the Rebalancing Date for the Japanese Export Stock Index

October 11, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on October 11, 1995, the Chicago Board Options Exchange, Incorporated (''CBOE'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to modify its policy concerning the date of the annual rebalancing of the Japanese Export Stock Index (''Japan Export Index'' or ''Index'') such that the Index will be rebalanced as of the last trading day of March each year. The text of the proposed rule change is available at the Office of the Secretary, the Exchange, and at the Commission.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections (A), (B), and (C) below, of the most significant aspects of such statements.

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

The Exchange recently received approval from the Commission to list and trade index warrants on the Japan Export Index.[3] In that filing, the Exchange proposed to rebalance the Index on the last trading day of the calendar year. The Exchange now proposes to rebalance the Index on the last trading day of March, and not the last trading day of the calendar year. The Exchange believes that this change will better correlate the Index rebalancing with the fiscal year end for the majority of the Index components. The majority of the Japanese public companies comprising the Index have a fiscal year from April 1 to March 31. The Exchange also notes that as of the date of this filing, warrants on the Index have not yet begun trading.

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act in general and furthers the objectives of Section 6(b)(5) in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of change, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

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[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 26253 (September 19, 1995), 60 FR 49654 (September 26, 1995) (SR–CBOE–95–41).