

Packers and Stockyards Administration.  
Effective January 30, 1996.

*Department of Commerce*

Speechwriter to the Assistant to the Secretary and Director, Office of Policy and Strategic Planning. Effective January 25, 1996.

Special Assistant to the Press Secretary and Acting Director, Office of Public Affairs. Effective January 25, 1996.

Special Assistant to the Deputy Assistant Secretary for International Economic Development. Effective January 31, 1996.

*Department of Defense*

Public Affairs Specialist to the Assistant to the Secretary of Defense for Public Affairs. Effective January 19, 1996.

Speechwriter to the Assistant to Secretary of Defense for Public Affairs. Effective January 19, 1996.

*Department of Education*

Confidential Assistant to the Director, Scheduling and Briefing Staff. Effective January 16, 1996.

Confidential Assistant to the Assistant Secretary, Office of Intergovernmental and Interagency Affairs. Effective January 18, 1996.

*Department of Energy*

Staff Assistant to the Director, Scheduling and Logistics. Effective January 4, 1996.

Staff Assistant to the Assistant Secretary for Energy Efficiency and Renewable Energy. Effective January 4, 1996.

Associate Director to the Director, Office of Nuclear Energy, Science and Technology. Effective January 30, 1996.

*Department of Health and Human Services*

Deputy Assistant Secretary for Legislative (Congressional Liaison) to the Assistant Secretary for Legislation. Effective January 18, 1996.

*Department of Housing and Urban Development*

Executive Assistant to the Assistant Secretary for Public and Indian Housing. Effective January 18, 1996.

Special Assistant to the Director of Executive Scheduling. Effective January 19, 1996.

Intergovernmental Relations Specialist to the Deputy Assistant Secretary for Intergovernmental Relations. Effective January 25, 1996.

Deputy Assistant Secretary for Operations to the Assistant Secretary for Community Planning and Development. Effective January 25, 1996.

General Deputy Assistant Secretary for Housing to the Assistant Secretary for Housing. Effective January 25, 1996.

Special Assistant to the Assistant Secretary for Housing. Effective January 25, 1996.

Secretary's Representative to the Deputy Secretary for Field Management. Effective January 25, 1996.

*Department of Labor*

Director of Special Projects to the Assistant Secretary for Public Affairs. Effective January 19, 1996.

Special Assistant to the Deputy Secretary. Effective January 23, 1996.

Special Assistant to the Assistant Secretary for Public Affairs. Effective January 30, 1996.

*Department of the Treasury*

Special Assistant to the Deputy Secretary of the Treasury. Effective January 30, 1996.

*Equal Employment Opportunity Commission*

Director, Legislative Affairs Staff to the Director, Office of Communications and Legislative Affairs. Effective January 31, 1996.

*Export-Import Bank of the United States*

Administrative Assistant to the Director. Effective January 18, 1996.

*Federal Housing Finance Board*

Special Assistant to the Chairman. Effective January 4, 1996.

*General Services Administration*

Director, Office of Media Relations to the Associate Administrator for Public Affairs. Effective January 11, 1996.

Special Assistant to the Chief of Staff. Effective January 16, 1996.

Senior Advisor to the Regional Administrator. Effective January 31, 1996.

*National Aeronautics and Space Administration*

White House Liaison Officer to the NASA Administrator. Effective January 31, 1996.

*Securities and Exchange Commission*

Director of legislative Affairs to the Chairman. Effective January 19, 1996.

*Small Business Administration*

Assistant Administrator for Women's Business Ownership to the Associate Deputy Administrator for Economic Development. Effective January 23, 1996.

Special Assistant to the Associate Deputy Administrator for Economic Development. Effective January 23, 1996.

*U.S. Arms Control and Disarmament Agency*

Special Assistant to the Director of Public Affairs. Effective January 23, 1996.

*United States Information Agency*

Special Assistant to the Director, Worldnet. Effective January 30, 1996.

Program Officer to the Deputy Director, Office of European and NIS Affairs. Effective January 31, 1996.

*United States Tax Court*

Secretary (Confidential Assistant) to the Judge. Effective January 30, 1996.

Authority: 5 U.S.C. 3301 and 3302; E.O. 10577, 3 CFR 1954-1958 Comp., P.218.

Office of Personnel Management.

Lorraine A. Green,

*Deputy Director.*

[FR Doc. 96-5949 Filed 3-13-96; 8:45 am]

BILLING CODE 6325-01-M

---

**SECURITIES AND EXCHANGE COMMISSION**

[Rel. No. IC-21812; 812-9724]

**The Flex-Partners and Mutual Fund Portfolio; Notice of Application**

March 7, 1996.

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

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

**APPLICANTS:** The Flex-Partners (the "Trust") and Mutual Fund Portfolio (the "Portfolio").

**RELEVANT ACT SECTIONS:** Order requested under section 6(c) of the Act for an exemption from section 12(d)(1)(F) of the Act.

**SUMMARY OF APPLICATION:** Applicants request an order that would permit the TAA Fund (the "Fund"), a series of the Trust, to offer a class of shares to the public with a sales load that exceeds the 1.5% sales load limitation of section 12(d)(1)(F)(ii) of the Act.

**FILING DATE:** The application was filed on August 14, 1995 and amended on November 20, 1995 and January 22, 1996.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on April 1, 1996, 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 writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

**ADDRESSES:** Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, 6000 Memorial Drive, Box 7177, Dublin, Ohio 43017; cc: James B. Craver, Esq., 266 Summer Street, Boston, MA 02210.

**FOR FURTHER INFORMATION CONTACT:** Deepak T. Pai, Staff Attorney, at (202) 942-0547, or Alison E. Baur, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

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

#### Applicants' Representations

1. The Trust is organized as a Massachusetts business trust. The Fund, a series of the Trust, is a newly organized investment company established to provide investors with a means of investing in a diversified pool of open-end investment companies through a structure frequently referred to as a "master/feeder." The Fund's investment objective is growth of capital through investment in the shares of other mutual funds ("underlying funds"). The Fund proposes to achieve its investment objective by investing all of its assets in the Portfolio under section 12(d)(1)(E) of the Act, which in turn would invest in the underlying funds under section 12(d)(1)(F) of the Act. The Portfolio's investment adviser is R. Meeder & Associates, Inc. (the "Adviser"). Neither the Trust nor the Fund has an investment adviser. Roosevelt & Cross Incorporated is the Fund's distributor (the "Distributor").

2. Applicants propose that the Fund offer a class of shares ("Class A Shares") to the public subject to a sales load up to 4% of the public offering price. Applicants state that the Class A Shares would incur an asset-based fee under rule 12b-1 under the Act.<sup>1</sup> The Portfolio has no distribution expense or 12b-1 plan of its own, and none is contemplated or ever likely to be implemented. The maximum aggregate of fees proposed to be borne by the

Fund and the Portfolio together would be 4.5% of assets.

#### Applicants' Legal Analysis

1. Section 12(d)(1)(A) provides that no registered investment company may acquire securities of another investment company if such securities represent more than 3% of the acquired company's outstanding voting stock, more than 5% of the acquiring company's total assets, or if such securities, together with the securities of any other acquired investment companies, represent more than 10% of the acquiring company's total assets.

2. Sections 12(d)(1)(E) and 12(d)(1)(F) provide specific exceptions from the provisions of section 12(d)(1). Section 12(d)(1)(E) provides, in pertinent part, that section 12(d)(1) shall not apply where the investment company invests in a single investment security. Section 12(d)(1)(F) permits an acquiring company to own up to 3% of the acquired company's securities, provided that the acquiring company does not impose a sales load of more than 1.5% on its shares. In addition, no issuer of any security shall be obligated to redeem such security in any amount exceeding 1% of such issuer's total outstanding securities during any period of less than 30 days.

3. Applicants' proposal combines the exceptions provided under sections 12(d)(1)(E) and 12(d)(1)(F). Applicants request relief from the 1.5% sales load limitation of section 12(d)(1)(F)(ii) so that the Fund can offer Class A Shares subject to a sales load of no more than 4% of the public offering price.

4. Applicants argue that section 12(d)(1) is intended to (a) prevent unregulated pyramiding of investment companies, (b) prevent control of underlying funds by an acquiring fund, (c) protect underlying funds from the negative impact of sudden large redemptions, and (d) prevent the imposition on investors of excessive costs and fees attendant upon multiple layers of investments. Applicants believe that, because they seek relief only from the sales load limitation of section 12(d)(1)(F)(ii), these regulatory concerns are adequately addressed by their proposed structure. Applicants state that pyramiding does not arise because the Portfolio, and all affiliated persons of the Portfolio, cannot own more than 3% of the total outstanding stock of any underlying fund.

Applicants contend that undue control over underlying funds does not arise because the Portfolio will remain subject to the redemption and voting limitations of section 12(d)(1)(F). Applicants assert that the underlying

funds are protected from the negative impact of large redemptions by the funds' ability to invoke section 12(d)(1)(F)'s redemption limitation. The Adviser can determine, in such a situation, to spread the redemption transaction out over a long enough period to be consistent with such statutory limitation, or to accept redemptions in kind.

5. Applicants contend that granting the requested relief will not result in layering of fees, as beneficial interests in the Portfolio are sold at net asset value without any sales load, and the Portfolio generally does not pay a sales load on its fund investments. Applicants state that the total asset-based sales charges of 4.5% will be well within the limits established by the NASD. Applicants assert that the condition subjecting any sales charges or service fees to the limits established by the NASD will provide ongoing regulation with the flexibility to accommodate continuing developments in the industry.

6. Applicants believe that sales of Class A Shares will increase the assets held by the Portfolio, thereby increasing the likelihood that the Portfolio will successfully realize the economies of scale available in the master/feeder structure, and leading to overall lower fees. Applicants also believe that the higher level of assets in the Portfolio will enable them to purchase more "load" funds that eliminate their sales charge on purchases of a certain size.

7. Applicants assert that the requested exemption is appropriate in the public interest because it will enable investors, and particularly investors who use the services of broker-dealers, to consider applicants' proposed fund of funds structure as an option among the growing number of competing investment arrangements. Applicants believe that, because the number and variety of mutual funds has increased dramatically since 1970, investors can benefit increasingly from the professional investment advice that a fund of funds structure provides, including a fund of funds that is not limited to funds managed by a single investment adviser. Due to the sales load limitation in section 12(d)(1)(F), however, unaffiliated funds of funds are generally available to investors only through no-load distribution channels. Moreover, applicants assert that the Distributor has met with substantial sales resistance from broker-dealers who decline to market shares of funds unless a front-end load is available. Applicants therefore contend that, for investors who seek advice through broker/dealers, the Fund provides a practical means of investing in a diversified pool of

<sup>1</sup> Under rule 12b-1, funds are permitted to finance the distribution of their shares from fund assets subject to certain conditions.

unaffiliated open-end investment companies.

8. Section 6(c) provides that the SEC may exempt any person or transaction from any provisions of the Act if 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 provisions of the Act. Applicants believe that the requested order satisfies this standard.

#### Applicants' Conditions

Applicants agree that the order granting the requested relief shall be subject to the following conditions:

1. The Portfolio and the Fund will comply with section 12(d)(1)(F) in all respects except for the sales load limitation of section 12(d)(1)(F)(ii).

2. Any sales charges or service fees charged with respect to securities of the Fund, when aggregated with any sales charges or service fees paid by the Portfolio with respect to securities of the underlying funds, shall not exceed the limits set forth in Article III, section 26, of the NASD's Rules of Fair Practice.

3. A majority of the trustees or directors of each of the Fund, the Portfolio and each other feeder fund investing in the Portfolio will not be "interested persons" as defined in section 2(a)(19) of the Act.

4. Before approving any advisory contract under section 15 of the Act, the Board of Trustees of the Portfolio, including a majority of the Trustees who are not "interested persons," as defined in section 2(a)(19) of the Act, shall find that advisory fees charged under such contract are based on services provided that are in addition to, rather than duplicative of, services provided pursuant to any underlying fund's advisory contract. Such finding, and the basis upon which the finding was made, will be recorded fully in the minute books of the Portfolio.

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

Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 96-6057 Filed 3-13-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 35-26487]

#### Filings Under the Public Utility Holding Company Act of 1935, As Amended ("Act")

March 8, 1996.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to

provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by April 1, 1996, to the Secretary, Securities and Exchange Commission, Washington, DC 20549, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Unitil Corporation, et al.

Unitil Corporation ("Unitil"), a registered holding company,<sup>1</sup> Unitil's wholly-owned non-utility subsidiary, Unitil Resources, Inc. ("URI"), and Unitil's wholly-owned service company subsidiary, Unitil Service Corp. ("Unitil Service") (collectively "Applicants"), all located at 216 Epping Road, Exeter, New Hampshire, 03833, have filed an application-declaration under sections 6(a), 7, 9(a), 10, 12, and 13(b) of the Act and rules 45, 54, 87, 90, and 91 thereunder.

Pursuant to a Commission order dated May 24, 1993 (HCAR No. 25816), URI is currently engaged in the business of providing certain energy related management and consulting services, including electric power brokering, to entities outside the Unitil holding company system. Applicants request authorization for URI to expand its authorized activities to include engaging in transactions as a wholesale and retail marketer of electricity, natural gas and other energy commodities ("collectively, "Energy Marketing"),<sup>2</sup>

<sup>1</sup> Unitil has four utility subsidiaries: Fitchburg Gas and Electric Light Company ("FG&E"), Concord Electric Company ("Concord"), Exeter & Hampton Electric Company ("E&H") and Unitil Power Corporation.

<sup>2</sup> Applicants state that URI's Energy Marketing activities will involve arranging the sale and

and providing customers with certain energy related services involving technical assistance and energy management (collectively, "Energy Management Services")<sup>3</sup> While initially concentrated in the New England region, URI's potential customer base may include individuals and entities located outside the New England region.

Applicants also seek authorization for Unitil to indemnify and guarantee the power and fuel transactions of URI, through December 31, 2000 and in an amount not to exceed \$30 million in the

purchase, transportation, transmission and storage of electricity, natural gas or other energy commodities for a commission as well as entering into contracts to purchase electricity, natural gas or other energy commodities from suppliers and resell them to utility and nonutility customers. Applicants state that energy marketing arrangements may be undertaken for long or short term durations and pursuant to individualized terms and conditions, and that sales of energy to groups of customers would likely be aggregated together for purposes of obtaining competitive wholesale energy supplies. Applicants state that, in some cases, URI may acquire energy supplies and then market that energy to customers as competitively as possible, whereas in other cases, URI may establish contracts with customers and then acquire energy supplies to meet the customers' requirements. Although the Energy Marketing transactions URI proposes to engage in may take a variety of different forms, in a typical transaction, URI will purchase power from a utility or nonutility generator, contract with other utilities for the transmission of the power, and resell the power to a utility or end-user. Applicants expect that the bulk of URI's Energy Marketing activities will involve marketing electricity or gas, but state the URI needs to be able to engage in transactions involving other energy commodities, such as oil, refined petroleum products, gas liquids, coal, wood and other similar combustible substances, in order to compete effectively with other suppliers in the marketplace who can provide a full range of energy options to meet customer demands.

<sup>3</sup> Applicants state that such Energy Management Services may include demand side management, and energy usage consulting services, as well as limited engineering services pertaining to power quality management (ensuring uninterruptible supplies, proper grounding of equipment and related matters) and power factor correction, both of which are designed to help customers manage their power efficiency, supply and cost. Applicants state that Concord, E&H and FG&E currently provide demand side management services to their customers, including, among other things, hot water heater tank and pipe wrapping, energy efficient lighting, heating and cooling programs, energy audits and the provision of rebates in connection with energy efficient equipment. Concord, E&H and FG&E also currently provide engineering services pertaining to power quality management and power factor correction for their own systems and, on occasion, for their customers. Applicants note that some employees of Unitil's public utility subsidiaries may perform certain of the technical engineering functions that are part of URI's demand side management services but state that the performance of such functions will not impair the employees' ability to provide services to the relevant utility subsidiaries. Applicants expect that URI's Energy Marketing and Energy Management Services will often be marketed jointly to customers as a complete energy services package and state that the ability to offer both types of services will enable URI to offer complete energy management services and solutions to customers on a competitive basis.