

UNITED STATES POSTAL SERVICE**Board of Governors; Addition to Closed Sunshine Act Meeting Agenda**

By telephone vote on March 19, 1996, a majority of the members contacted and voting, the Board of Governors voted to add to the agenda of its April 1, 1996, meeting, closed to public observation (see 61 FR 10406, March 13, 1996), consideration of the Postal Rate Commission Opinion and Recommended Decision in Docket No. MC96-1, Experimental First-Class and Priority Mail, Small Parcel Automation Rate Category.

The Board determined that pursuant to section 552b(c)(3) of Title 5, United States Code, and section 7.3(c) of Title 39, Code of Federal Regulations, this portion of the meeting is exempt from the open meeting requirement of the Government in the Sunshine Act [5 U.S.C. 552b(b)] because it is likely to disclose information in connection with proceedings under Chapter 36 of Title 39, United States Code (having to do with postal ratemaking, mail classification and changes in postal services), which is specifically exempted from disclosure by section 410(c)(4) of Title 39, United States Code.

The Board has determined further that pursuant to section 552b(c)(10) of Title 5, United States Code, and section 7.3(j) of Title 39, Code of Federal Regulations, the discussion is exempt because it is likely to specifically concern participation of the Postal Service in a civil action or proceeding involving a determination on the record after opportunity for a hearing.

The Board further determined that the public interest does not require that the Board's discussion of these matters be open to the public.

In accordance with section 552b(f)(1) of Title 5, United States Code, and section 7.6(a) of Title 39, Code of Federal Regulations, the General Counsel of the United States Postal Service has certified that in her opinion the meeting may properly be closed to public observation pursuant to section 552b(c) (3) and (10) of Title 5, and section 410(c)(4) of Title 39, United States Code; and section 7.3 (c) and (j) of Title 39, Code of Federal Regulations.

Requests for information about the meeting should be addressed to the Secretary of the Board, Thomas J. Koerber, at (202) 268-4800.

Thomas J. Koerber,
Secretary.

[FR Doc. 96-7159 Filed 3-20-96; 1:35 pm]

BILLING CODE 7710-12-M

Board of Governors; Notice of a Sunshine Act Meeting

The Board of Governors of the United States Postal Service, pursuant to its Bylaws (39 CFR Section 7.5) and the Government in the Sunshine Act (5 U.S.C. Section 552b), hereby gives notice that it intends to hold a meeting at 1:00 p.m. on Monday, April 1, 1996, and at 9:00 a.m. on Tuesday, April 2, 1996, in Scottsdale, Arizona.

The April 1 meeting is closed to the public (see 61 FR 10406, March 13, 1996). The filing with the Postal Rate Commission for classification reform of special services has been deferred. The April 2 meeting is open to the public and will be held at the Scottsdale Princess Hotel, 7575 East Princess Drive, Scottsdale, in Ballrooms B and C. The Board expects to discuss the matters stated in the agenda which is set forth below. Requests for information about the meeting should be addressed to the Secretary of the Board, Thomas J. Koerber, at (202) 268-4800.

Agenda**Monday Session, April 1—1:00 p.m. (Closed)**

1. Consideration of the Postal Rate Commission Opinion and Recommended Decision in Docket No. MC96-1, Experimental First-Class and Priority Mail Small Parcel Automation Rate Category. (John H. Ward, Vice President, Marketing Systems).

2. Consideration of a Filing with the Postal Rate Commission on Classification Reform for Nonprofits. (John H. Ward, Vice President, Marketing Systems).

Tuesday Session, April 2—9:00 a.m. (Open)

1. Minutes of the Previous Meeting, March 4-5, 1996.

2. Remarks of the Postmaster General/Chief Executive Officer. (Marvin Runyon)

3. Report on the Phoenix District. (George L. Lopez, Phoenix District Manager, Customer Service and Sales)

4. Tentative Agenda for the May 6-7, 1996, meeting in Washington, D.C.

Thomas J. Koerber,

Secretary.

[FR Doc. 96-7160 Filed 3-20-96; 1:35 pm]

BILLING CODE 7710-12-M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-21827; File No. 812-9902]

Connecticut Mutual Life Insurance Company, et al.

March 15, 1996.

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

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

APPLICANTS: Connecticut Mutual Life Insurance Company ("CML"), C.M. Life Insurance Company ("C.M. Life"), CML Accumulation Annuity Account E ("Account E"), Panorama Separate Account ("Panorama Account"), Connecticut Mutual Variable Life Separate Account I ("CML VLI Account"), Panorama Plus Separate Account ("Plus Account") and C.M. Life Variable Life Separate Account I ("C.M. Life VLI Account").

RELEVANT 1940 ACT SECTIONS: Order requested pursuant to Section 26(b) of the 1940 Act approving the proposed substitution of securities and pursuant to Section 17(b) of the 1940 Act exempting the proposed transaction from the provisions of Section 17(a) of the 1940 Act.

SUMMARY OF THE APPLICATION:

Applicants seek an order approving the substitution of securities issued by certain management investment companies and held by Account E, Panorama Account, CML VLI Account, Plus Account and C.M. Life VLI Account (collectively, the "Accounts," and individually, an "Account") to support variable life insurance contracts and/or variable annuity contracts (collectively, the "Contracts") issued by CML or C.M. Life. Applicants also seek an order exempting them and Massachusetts Mutual Life Insurance Company ("MassMutual"), Connecticut Mutual Financial Services Series Fund I, Inc. ("CMFS Series Fund"), and Oppenheimer Variable Account Funds ("Oppenheimer Series Fund") (together, the "Funds," and individually, a "Fund") from Section 17(a) of the 1940 Act to the extent necessary to permit C.M. Life and either CML or MassMutual to carry out the above referenced substitution of securities by redeeming securities issued by CMFS Series Fund in kind (or partly in kind) and using the redemption proceeds to purchase securities issued by Oppenheimer Series Fund.

FILING DATE: December 18, 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 by writing to the Secretary of the commission and serving Applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on April 9, 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 requester's interest, the reason for the request and the issues contested. Persons may request notification of a hearing by writing to the Secretary of the Commission.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, Richard M. Howe, Esq., Second Vice President and Associate General Counsel, Massachusetts Mutual Life Insurance Company, 1295 State Street, Springfield, Massachusetts 01111; Michael A. Chong, Esq., and Bernard S. Carrey, Esq., Connecticut Mutual Life Insurance company, 140 Garden Street, Hartford, Connecticut 06154.

FOR FURTHER INFORMATION CONTACT: Mark C. Amorosi, Attorney, or Wendy Finck Friedlander, Deputy Chief, Office of Insurance Products, Division of Investment Management, at (202) 942-0670.

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

Applicants' Representations

1. CML, a mutual life insurance company, is principally engaged in the offering of life insurance, annuity and disability income contracts and is authorized to conduct business in all 50 states, the District of Columbia and Puerto Rico. CML is the depositor and sponsor of Account E. Panorama Account and CML VLI Account.

2. C.M. Life, a stock life insurance company and wholly-owned subsidiary of CML, is principally engaged in the sale of life insurance and annuity contracts. It is authorized to conduct business in all states except New York. C.M. Life is the depositor and sponsor of Plus Account and C.M. Life VLI Account.

3. MassMutual, a mutual life insurance company, is currently licensed to transact life, accident, and health insurance business in all states, the District of Columbia and certain provinces of Canada. MassMutual is the depositor and sponsor of a number of variable life insurance and variable

annuity separate accounts registered as investment companies.

4. Each of the Accounts is registered under the 1940 Act as a unit investment trust. The assets of each Account support either variable annuity contracts or variable life insurance contracts. Interests in each of the Accounts offered through such Contracts have been registered under the Securities Act of 1933 (the "1933 Act") on either Form S-6 or Form N-4.

5. Account E invests exclusively in shares of the Income Portfolio of CMFS Series Fund. CML has not sold Contracts offered through Account E since February, 1982.

6. The Panorama Account is divided into eight subaccounts: four holding assets supporting Contracts issued in connection with employee benefit plans or retirement programs receiving favorable treatment under the Internal Revenue Code of 1986, as amended, and four holding assets supporting Contracts issued to the general public. Two subaccounts invest exclusively in shares of each of the following investment portfolios of CMFS Series Fund: Money Market Portfolio, Income Portfolio, Total Return Portfolio and Growth Portfolio.

7. The CML VLI Account is currently divided into seven subaccounts, four of which invest exclusively in shares of one of the following investment portfolios of CMFS Series Fund: Income Portfolio, Total Return Portfolio, Growth Portfolio and Government Securities Portfolio. The other three subaccounts each invest in shares of open-end management investment companies that are not affiliated persons of CML or MassMutual.

8. The Plus Account is currently divided into six subaccounts, each of which invests in shares of one of the following investment portfolios of CMFS Series Fund: Money Market Portfolio, Income Portfolio, Total Return Portfolio, Growth Portfolio, Government Securities Portfolio and International Equity Portfolio.

9. The C.M. Life VLI Account is currently divided into eleven subaccounts, eight of which invest exclusively in shares of one of the following investment portfolios of the CMFS Series Fund: Government Securities Portfolio, Income Portfolio, Total Return Portfolio, Growth Portfolio, International Equity Portfolio, LifeSpan Capital Appreciation Portfolio, LifeSpan Balanced Portfolio and LifeSpan Diversified Portfolio. The remaining three subaccounts each invest in shares of open-end management investment companies that are not affiliated persons of CML or MassMutual.

10. The CMFS Series Fund was organized as a Maryland corporation on August 17, 1981 and is registered under the 1940 Act as an open-end management investment company. CMFS Series Fund is a series investment company as defined by Rule 18f-2 under the 1940 Act and is currently comprised of nine investment portfolios: Money Market Portfolio, Government Securities Portfolio, Income Portfolio, Total Return Portfolio, Growth Portfolio, International Equity Portfolio, LifeSpan Capital Appreciation Portfolio, LifeSpan Balanced Portfolio and LifeSpan Diversified Portfolio. CMFS Series Fund issues a separate series of shares in connection with each portfolio and has registered these shares under the 1933 Act on Form N-1A. G.R. Phelps & Co., Inc., a wholly-owned subsidiary of CML, is the investment adviser to CMFS Series Fund.

11. The Money Market Portfolio seeks as high a level of current income as is consistent with preservation of capital and maintenance of liquidity by investing in money market instruments. The Government Securities Portfolio seeks a high level of current income with a high degree of safety of principal by investing primarily in U.S. Government securities and U.S. Government-related securities. The Income Portfolio seeks high current income consistent with prudent investment risk and preservation of capital by investing primarily in corporate debt securities and securities issued by the U.S. Government and by U.S. Government agencies and instrumentalities.

12. Oppenheimer Series Fund was organized as a Massachusetts business trust on August 28, 1984 and is registered under the 1940 Act as an open-end management investment company. Oppenheimer Series Fund is a series investment company as defined by Rule 18f-2 under the 1940 Act and is currently comprised of nine investment portfolios: Oppenheimer Money Fund, Oppenheimer High Income Fund, Oppenheimer Bond Fund, Oppenheimer Capital Appreciation Fund, Oppenheimer Growth Fund, Oppenheimer Multiple Strategies Fund, Oppenheimer Growth & Income Fund, Oppenheimer Global Securities Fund and Oppenheimer Strategic Bond Fund. Oppenheimer Series Fund issues a separate series of shares of beneficial interest in connection with each portfolio and has registered these shares under the 1933 Act on Form N-1A. Oppenheimer Management Corporation, a subsidiary of MassMutual, is the investment adviser of Oppenheimer Series Fund.

13. The Oppenheimer Money Fund seeks the maximum current income from investments in "money market" securities consistent with low capital risk and the maintenance of liquidity. The Oppenheimer Bond Fund seeks a high level of current income from investments in high-yield, fixed-income securities rated "Baa" or better by Moody's or "BBB" or better by Standard & Poor's. As a secondary investment objective, the Oppenheimer Bond Fund seeks capital growth when consistent with its primary objective.

14. The Contracts income a variety of variable life insurance and variable annuity contracts issued by CML and C.M. Life. Applicants state that although considerable variation exists among the provisions of the various Contracts, all of the Contracts (except those issued through Account E which provides only one investment option) permit, subject to certain limitations, at least 4 transfers per Contract year of cash value among and between the subaccounts available as investment options without the imposition of a transfer charge. All of the Contracts that permit transfers of cash values among and between subaccounts reserve for CML or C.M. Life the right to eliminate or further restrict transfer privileges.

15. In order to achieve certain business purposes, CML and MassMutual signed a merger agreement dated September 13, 1995, pursuant to which CML would merge with and into MassMutual, leaving MassMutual as the surviving company. The merger agreement provided, among other things, that C.M. Life would become a wholly-owned subsidiary of MassMutual but that the Plus Account and C.M. Life VLI Account would remain intact and unchanged by the merger and that C.M. Life would remain the depositor of each.

16. The merger agreement also provided that the merger would operate to transfer the CML separate accounts, including Account E, the Panorama Account and the CML VLI Account (the "CML Accounts"), to MassMutual. MassMutual would then be the legal owner of the assets of the CML Accounts and thereby become the depositor of each. Applicants state that the merger agreement did not provide for the merger or consolidation of the CML Accounts with any other separate account of CML or MassMutual in connection with the merger. Except as contemplated by the proposed substitution, the merger agreement provided that the CML Accounts would continue to maintain the subaccounts that currently comprise each of the CML Accounts, and would continue to hold

in each such subaccount shares of the same management investment company that each currently holds. The merger agreement also provided that no charges would be imposed upon owners of Contracts or other deductions made in connection with the transfer of the CML Accounts to MassMutual nor would such transfers affect the net asset value of any subaccount of the CML Accounts.

17. Applicants state that, in an effort to reduce expenses, the management of CML and MassMutual are seeking to consolidate the assets of a number of smaller management investment companies which are advised by affiliated persons of CML with those of larger management investment companies having substantially identical or very similar investment objectives advised by MassMutual or affiliated persons of MassMutual. Applicants state that the Money Market Portfolio, Government Securities Portfolio and Income Portfolio of CMFS Series Fund are relatively small when compared with many other similar investment portfolios of open-end management investment companies. As a result, the annual expense ratios of these portfolios have generally been higher than the ratios of most similar but larger portfolios. Applicants also state that although the past performance of these three portfolios has not been poor in recent years, neither has it been outstanding for any of them. The Money Fund and Bond Fund of Oppenheimer Series Fund are somewhat larger than their counterparts among the three portfolios of CMFS Series Fund.

18. By supplements to the various prospectuses for the Contracts and the Accounts, all current and prospective Contract owners were notified of the intent of CML, C.M. Life and MassMutual to substitute shares of Oppenheimer Money Fund and Oppenheimer Bond Fund (the "substitute funds") for those of the Money Market Portfolio, Government Securities Portfolio and Income Portfolio (the "removed funds") of CMFS Series Fund. The supplements advise current and prospective Contract owners that they will remain able to allocate net purchase payments to or transfer cash values to the subaccounts of the Accounts corresponding to each of the removed funds until the consummation of the merger but that sometime after the merger, the substitute funds will replace the removed funds as the underlying investment for such subaccounts. The supplements further apprise current and prospective Contract owners that from the date of the supplements until the date of the proposed substitution,

Contract owners will be permitted to make one transfer of all cash value under a Contract invested in any one of the affected subaccounts on the date of the supplement to another subaccount other than one of the other affected subaccounts without that transfer counting as one of a limited number of transfers permitted in a Contract year or as one of a limited number of transfers permitted in a Contract year free of charge. In addition, the supplements inform current and prospective Contract owners that CML, C.M. Life and MassMutual will not exercise any rights reserved by CML or C.M. Life under any of the Contracts to impose additional restrictions on transfers (or discontinue transfer privileges entirely) until at least 30 days after the proposed substitution.

The Proposed Substitution

1. Applicants propose that C.M. Life and either CML or MassMutual substitute (1) shares of the Money Fund of Oppenheimer Series Fund for shares of the Money Market Portfolio of CMFS Series Fund held by corresponding subaccounts of the Accounts, (2) shares of the Bond Fund of Oppenheimer Series Fund for shares of the Government Securities Portfolio of CMFS Series Fund held by corresponding subaccounts of the Accounts, and (3) shares of the Bond Fund of Oppenheimer Series Fund for shares of the Income Portfolio of CMFS Series Fund held by corresponding subaccounts of the Accounts. Applicants propose to have C.M. Life and either CML or MassMutual redeem shares of each removed fund in kind (or partly in kind) and purchase with the proceeds shares of the corresponding substitute fund.

2. Applicants state that the proposed substitutions will take place at relative net asset value with no change in the amount of any Contract owner's cash value or death benefit or in the dollar value of his or her investment in any of the Accounts. Contract owners will not incur any fees or charges as a result of the proposed substitutions nor will their rights or MassMutual's or C.M. Life's obligations under the Contracts be altered in any way. Applicants state that all expenses incurred in connection with the proposed substitutions, including legal, accounting and other fees and expenses, will be paid by CML or MassMutual. Applicants also state that the proposed substitutions will not impose any tax liability on Contract owners. Furthermore, the proposed substitutions will not cause the Contract fees and charges currently being paid by existing Contract owners to be greater

after the proposed substitutions than before the proposed substitutions.

3. Applicants state that in addition to the prospectus supplements distributed to current and prospective Contract owners, within 5 days after the proposed substitutions, any Contract owners who were affected by the substitutions will be sent a written notice informing them that the substitutions carried out and that they may make one transfer of all cash value under a Contract invested in any one of the affected subaccounts on the date of the notice to another subaccount without that transfer counting as one of a limited number of transfers permitted in a Contract year or as one of a limited number of transfers permitted in a Contract year free of charge.

4. Applicants state that CML and MassMutual are also seeking approval of the proposed substitutions from the Massachusetts Insurance Department and such other state insurance regulators as may be necessary or appropriate.

Applicants' Legal Analysis

Request for an Order Under Section 26(b)

1. Section 26(b) of the 1940 Act provides in pertinent part that "[i]t shall be unlawful for any depositor or trustee of a registered unit investment trust holding the security of a single issuer to substitute another security for such security unless the Commission shall have approved such substitution." The purpose of Section 26(b) is to protect the expectation of investors in a unit investment trust that the unit investment trust will accumulate the shares of a particular issuer and to prevent unscrutinized substitutions which might, in effect, force shareholders dissatisfied with the substituted security to redeem their shares, thereby incurring either a loss of the sales load deducted from initial proceeds, an additional sales load upon reinvestment of the redemption proceeds, or both. Section 26(b) affords this protection to investors by preventing a depositor or trustee of a unit investment trust holding shares of one issuer from substituting for those shares the shares of another issuer, unless the Commission approves that substitution.

2. Applicants represent that the proposed substitutions are consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act. Applicants assert that, after the proposed substitutions, the substitute funds will provide Contract owners

with more favorable or comparable overall investment results than would be the case if the proposed substitutions do not take place. In support of this, Applicants state that the proposed substitutions would effectively consolidate the assets of the substitute funds with those of the removed funds resulting, in most cases, in a larger fund with lower anticipated future expense ratios than the past expense ratios of the removed fund. Each of the three substitute funds is larger (and after it receives the assets of the removed fund(s) will be substantially larger) than the removed fund that it would replace. The Money Fund of Oppenheimer Series Fund has had more favorable expense ratios over the last three years than the Money Market Portfolio of CMFS Series Fund. The Bond Fund has had more favorable expense ratios over the last three years than the Government Securities Portfolio of CMFS Series Fund. The Bond Fund has had only somewhat less favorable expense ratios over the last three years than the Income Portfolio of CMFS Series Fund. Applicants also state that each of the substitute funds has had somewhat more favorable investment performance over the past three years than the removed fund that it would replace.

3. Applicants also maintain that each of the substitute funds is a suitable and appropriate investment vehicle for Contract owners. Except for the proposed substitution of shares of the Bond Fund of Oppenheimer Series Fund for those of CMFS Series Fund Government Securities Portfolio, each of the substitute funds has substantially identical investment objectives to the removed fund that it would replace. The Bond Fund has investment objectives that are similar to and compatible with those of the Government Securities Portfolio.

Request for an Order Under Section 17(b)

1. Section 17(a)(1) of the 1940 Act prohibits any affiliated person of a registered investment company, or an affiliated person of an affiliated person, acting as principal, from selling any security or other property to such registered investment company. Section 17(a)(2) of the 1940 Act prohibits any of such affiliated persons, acting as principal, from purchasing any security or other property from such registered investment company.

2. The proposed substitution may be deemed to entail one or more purchases or sales of securities between and among affiliated persons as a result of the purchase by the subaccounts of the Accounts of shares of the Money Fund

and Bond Fund of the Oppenheimer Series Fund with proceeds from the redemption of shares in kind (or partly in kind) of the Money Market Portfolio, Government Securities Portfolio and Income Portfolio of the CMFS Series Fund. Applicants state that the proposed substitutions could come within the scope of Section 17(a) of the 1940 Act. In addition, the proposed substitution would not be exempt from Section 17 of the 1940 Act pursuant to Rule 17a-7 thereunder because (1) the affiliations among the Accounts, the Oppenheimer Series Fund and the CMFS Series Fund do not arise solely by reason of having common investment advisers, common directors, and/or common officers, and (2) the transaction will not satisfy the condition in Rule 17a-7 which requires that the transaction be a purchase or sale for no consideration other than cash payment against prompt delivery or a security for which market quotations are readily available. The proposed purchase of Oppenheimer Series Funds shares with portfolio investment securities entails the purchase and sale of securities for securities. Therefore, the proposed substitution requires an exemption from Section 17(a) of the 1940 Act, pursuant to Section 17(b) of the 1940 Act.

3. Section 17(b) of the 1940 Act provides that the Commission may grant an order exempting the transactions prohibited by Section 17(a) upon application if evidence establishes that: (a) The terms of the proposed transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned; (b) the proposed transaction is consistent with the investment policy of each registered investment company concerned, as recited in its registration statement and reports filed under the 1940 Act; and (c) the proposed transaction is consistent with the general purposes of the 1940 Act.

4. Applicants assert that the terms of the proposed transaction are reasonable and fair and do not involve overreaching. The boards of directors of both CMFS Series Fund and Oppenheimer Series Fund have adopted procedures pursuant to which each of the Funds may purchase and sell securities to and from its affiliates. Applicants also state the proposed substitutions will be carried out in conformity with all of the requirements of Rule 17a-7 and each Fund's procedures thereunder, except that the consideration paid for the securities being purchased or sold may not be entirely cash. Applicants state that although the transaction may not be

entirely for cash, each will be effected based upon (1) the independent market price of the portfolio securities valued as specified in paragraph (b) of Rule 17a-7, and (2) the net asset value per share of Oppenheimer Series Fund's Money Fund or Bond Fund or CMFS Series Fund's Money Market Portfolio, Income Portfolio or Government Securities Portfolio valued in accordance with the procedures disclosed in the respective Fund's registration statement and as required by Rule 22c-1 under the 1940 Act. Applicants state that no brokerage commission, fee or other remuneration will be paid to any party in connection with the proposed transaction. In addition, the boards of directors of both Funds will subsequently review the proposed substitutions and make the determinations required by paragraph (e)(3) of Rule 17a-7.

5. Applicants also assert that the proposed transaction is consistent with the investment policy of each investment company concerned. Applicants state the proposed redemption of CMFS Series Fund shares is consistent with the investment policy of the Fund and its Money Market Portfolio, Income Portfolio and Government Securities Portfolio, as recited in the Fund's registration statement, provided that the shares are redeemed at their net asset value in conformity with Rule 22c-1 under the 1940 Act. In addition, the sale of Oppenheimer Series Funds shares for investment securities is consistent with the investment policy of the Fund and its Money Fund and Board Fund as recited in the Fund's registration statement, provided that (1) the shares are sold at their net asset value, and (2) the portfolio securities are of the type and quality that the Money Fund and Bond Fund each would have acquired with the proceeds from share sales had the shares been sold for cash. Applicants state that to assure that the second of these conditions is met, the Oppenheimer Series Fund's investment adviser will examine the portfolio securities being offered to that Fund and accept only those securities as consideration for shares that it would have acquired for the Money Fund or the Bond Fund, as the case may be, in a cash transaction.

6. Applicants maintain that the proposed transaction is consistent with the general purposes of the Act. Applicants state the proposed transaction does not present any of the conditions or abuses that the 1940 Act was designed to prevent.

Applicants' Conclusion

For the reasons discussed above, Applicants represent that the terms of the proposed substitution, including the consideration to be paid and received, are reasonable and fair to: (1) Oppenheimer Series Fund, including its Money Fund and Bond Fund, (2) investors in the Money Fund and Bond Fund, (3) CMFS Series Fund, including its Money Market Portfolio, Income Portfolio and Government Securities Portfolio, and (4) Contract owners invested in the Money Market Portfolio, Income Portfolio and Government Securities Portfolio; and do not involve overreaching on the part of any person concerned. Furthermore, Applicants represent that the proposed substitutions will be consistent with the policies of Oppenheimer Series Fund and of its Money Fund and Bond Fund and with the policies of CMFS Series Fund and its Money Market Portfolio, Income Portfolio and Government Securities Portfolio as stated in the current registration statement and reports filed under the 1940 Act by each Fund and with the general purposes of the 1940 Act.

For the Commission, by the Division of Investment Management, pursuant to delegated authority,
Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-6969 Filed 3-21-96; 8:45am]

BILLING CODE 8010-01-M

[Release No. 35-26495]

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

March 15, 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 8, 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.

American Electric Power Co., (70-5943, 70-6126, 70-8429) AEP Resources, Inc.

American Electric Power Company, Inc. ("AEP"), a registered holding company, and AEP Resources, Inc. ("Resources"), a non-utility subsidiary company of AEP, both of 1 Riverside Plaza, Columbus, Ohio 43215, have filed a post-effective amendment to three application-declarations previously filed under sections 6(a), 7, 9(a), 10, 12(b), 32 and 33 of the Act and rules 45 and 53 thereunder.

By order dated December 22, 1994 (HCAR No. 26200) ("Order"), the Commission authorized AEP and Resources to issue and sell up to \$300 million ("Investment Limit") in debt and/or equity securities through June 30, 1997 and to invest the proceeds in "exempt wholesale generators" ("EWGs"), as defined in section 32 of the Act, and in "foreign utility companies" ("FUCOs"), as defined in section 33 of the Act. The Order also authorized AEP and Resources to acquire the securities of one or more companies ("Project Parents") that directly or indirectly, but exclusively, hold the securities of one or more FUCOs or EWGs ("Power Projects").

The Order also authorized AEP to guarantee the debt securities and other commitments of Resources, AEP and Resources to guarantee the securities of one or more Project Parents or Power Projects, and Project Parents to guarantee the securities of their Power Projects, through June 30, 1997, in an aggregate amount which, with the securities issued, will never exceed the Investment Limit. Finally, the Order reserved jurisdiction over the terms of the issuance and sale by AEP of up to 10 million additional shares of its common stock ("Stock"), par value \$6.50 per share, which are authorized but are unissued or are treasury shares. The gross proceeds from the sale of the Stock would not exceed the Investment Limit.

AEP proposes to increase the Investment Limit to an amount that, when added to its other direct or indirect investments in EWGs or