

PLACE: Commissioners' Conference Room, 11555 Rockville Pike, Rockville, Maryland.

STATUS: Public and Closed.

MATTERS TO BE CONSIDERED:

Week of October 7

Monday, October 7

2:00 p.m.

Briefing on Site Decommissioning Management Plan (SDMP) (Public Meeting)
(Contact: Mike Webber, 301-415-7297)

Wednesday, October 9

11:30 a.m.

Affirmation Session (Public Meeting)
a. Final Rulemaking—Revision to 10 CFR Part 20. Constraint for Airborne Radioactive Effluents to the Environment from NRC Licensees Other than Power Reactors and Agreement State Licensees; and Revision of the General Statement of Policy and Procedures for NRC Enforcement Actions (tentative)
(Contact: Andrew Bates, 301-415-1963)

Week of October 14—Tentative

Tuesday, October 15

1:00 p.m.

Briefing by Executive Branch (Closed—Ex. 1)

Wednesday, October 16

9:00 a.m.

Briefing on Containment Degradation (Public Meeting)
(Contact: Gary Holahan, 301-415-2884)

2:00 p.m.

Briefing PRA Implementation Plan (Public Meeting)
(Contact: Gary Holahan, 301-415-2884)

3:30 p.m.

Affirmation Session (Public Meeting) (if needed)

Friday, October 18

9:00 a.m.

Briefing on Integrated Safety Assessment Team Inspection (ISAT) at Maine Yankee (Public Meeting)
(Contact: Ed Jordan, 301-415-7472)

Week of October 21—Tentative

There are no meetings scheduled for the week of October 21.

Week of October 28—Tentative

Thursday, October 31

11:30 a.m.

Affirmation Session (Public Meeting) (if needed)

*The schedule for Commission meetings is subject to change on short notice. To verify the status of meetings call (recording)—(301) 415-1292. Contact person for more information: Bill Hill (301) 415-1661.

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Additional Information: By a vote of 5-0 on October 2, the Commission determined pursuant to U.S.C. 552b(e) and 10 CFR Sec. 9.107(a) of the Commission's rules that "Affirmation of Yankee Atomic Electric Company (Yankee Nuclear Power Station),

Docket No. 50-029-DCOM, Memorandum and Order (Granting Motion for Summary Disposition), LBP-96-18" be held on October 2, and on less than one week's notice to the public.

* * * * *

The NRC Commission Meeting Schedule can be found on the Internet at: <http://www.nrc.gov/SECY/smj/schedule.htm>.

This notice is distributed by mail to several hundred subscribers; if you no longer wish to receive it, or would like to be added to it, please contact the Office of the Secretary, Attn: Operations Branch, Washington, DC 20555 (301-415-1661).

In addition, distribution of this meeting notice over the internet system is available. If you are interested in receiving this Commission meeting schedule electronically, please send an electronic message to wmhnr.gov or dkwnrc.gov.

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Dated: October 3, 1996.

William M. Hill, Jr.,
SECY Tracking Officer, Office of the Secretary.

[FR Doc. 96-25904 Filed 10-4-96; 11:16 am]

BILLING CODE 7590-01-M

PRESIDENTIAL ADVISORY COMMITTEE ON GULF WAR VETERANS' ILLNESSES

Meeting

AGENCY: Presidential Advisory Committee on Gulf War Veterans' Illnesses.

ACTION: Notice of open meeting.

SUMMARY: Under the provisions of the Federal Advisory Committee Act, this notice is hereby given to announce an open meeting of the Presidential Advisory Committee on Gulf War Veterans' Illnesses.

DATES: November 13, 1996, 9:00 a.m.–5:00 p.m.

PLACE: ANA Hotel, 2401 M. Street NW., Washington, DC 20037.

SUPPLEMENTARY INFORMATION: The President established the Presidential Advisory Committee on Gulf War Veterans' Illnesses by Executive Order 12961, May 26, 1995. The purpose of this committee is to review and provide recommendations on the full range of government activities associated with Gulf War veterans' illnesses. The committee reports to the President through the Secretary of Defense, the Secretary of Health and Human Services, and the Secretary of Veterans Affairs. The committee members have expertise relevant to the functions of the committee and are appointed by the President from non-Federal sectors.

Tentative Agenda

Wednesday, November 13, 1996

8:55 a.m. Call to order and opening remarks

9:00 a.m. Public comment

9:50 a.m. Discussion of final report

11:00 a.m. Break

11:15 a.m. Discussion of final report

12:30 p.m. Lunch

1:30 p.m. Discussion of final report

3:15 p.m. Break

3:30 p.m. Discussion of final report

4:45 p.m. Committee and staff

discussion: Next steps

5:00 p.m. Meeting adjourned

A final agenda will be available at the meeting.

Public Participation

The meeting is open to the public. Members of the public who wish to make oral statements should contact the Advisory Committee at the address or telephone number listed below at least five business days prior to the meeting. Reasonable provisions will be made to include on the agenda presentations from individuals who have not yet had an opportunity to address the Advisory Committee. Priority will be given to Gulf War veterans and their families. The Advisory Committee Chair is empowered to conduct the meeting in a fashion that will facilitate the orderly conduct of business. People who wish to file written statements with the Advisory Committee may do so at any time.

FOR FURTHER INFORMATION CONTACT: John D. Longbrake, Presidential Advisory Committee on Gulf War Veterans' Illnesses, 1411 K Street NW., suite 1000, Washington, DC 20005, Telephone: (202) 761-0-0066, Fax: (202) 761-0310.

Dated: October 2, 1996.

C.A. Bock,
Federal Register Liaison Officer, Presidential Advisory Committee on Gulf War Veterans' Illnesses.

[FR Doc. 96-25773 Filed 10-7-96; 8:45 am]

BILLING CODE 3610-76-M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-22258; 812-9474]

Benham Manager Funds, et al.; Notice of Application

October 1, 1996.

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

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

APPLICANTS: Benham Manager Funds on behalf of Benham Capital Manager Fund ("Capital Manager Fund"), Benham International Funds on behalf of Benham European Government Bond Fund ("European Bond Fund"); and Benham Management Corporation ("BMC").

RELEVANT ACT SECTIONS: Order requested under section 6(c) granting an exemption from section 12(d)(1), and under sections 6(c) and 17(b) granting an exemption from section 17(a).

SUMMARY OF APPLICATION: Applicants request an order that would permit the Capital Manager Fund to purchase shares of particular funds advised by BMC in excess of the percentage limitations of section 12(d)(1).

FILING DATES: The application was filed on February 10, 1995, and was amended on March 8, 1996, and on August 9, 1996. Applicants agree to file an amendment, the substance of which is incorporated herein, during the notice period.

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 October 28, 1996 and should be accompanied by proof of service on the 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: 1665 Charleston Road, Mountain View, California 94043.

FOR FURTHER INFORMATION CONTACT: Sarah A. Buescher, Staff Attorney, at (202) 942-0573, or Mercer E. Bullard, Branch Chief, at (202) 942-0564 (Office of Investment Company Regulation, Division of Investment Management).

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 Capital Manager Fund is currently the sole series of the Benham Manager Funds, a registered open-end management investment company. The Capital Manager Fund allocates its

assets among U.S. equity securities, U.S. fixed-income securities, money market instruments, foreign equity and fixed-income securities, and securities of companies with substantial gold related assets and other investments related to natural resources.

2. The European Bond Fund is a series of the Benham International Funds, a registered open-end management investment company. The European Bond Fund invests primarily in bonds issued or guaranteed by European governments and their political subdivisions. Under normal market conditions, the European Bond Fund invests at least 65% of its total assets in European government bonds.

3. BMC serves an investment adviser to the Funds. J.P. Morgan Investment Management Inc. serves an subadviser to the European Bond Fund. BMC is registered under the Investment Advisers Act of 1940, and is a wholly-owned subsidiary of Twentieth Century Companies, Inc. Applicants request relief to permit the Capital Manager Fund to purchase shares of the European Bond Fund or any other registered investment companies or series thereof advised by BMC, or any entity controlling, controlled by, or under common control with BMC that may invest internationally (collectively, the "International Funds").¹

4. Applicants believe that in order for the Capital Manager Fund to gain international investment exposure in furtherance of its investment objective, it would be advantageous to the Capital Manager Fund and its shareholders to invest in the International Funds. Although there will be no numerical limits on the percentage of any of the International Funds that the Capital Manager Fund may acquire, applicants expect that the Capital Manager Fund ordinarily would not hold shares of any International Fund representing in the aggregate more than 20% of the outstanding voting securities of such International Fund.

5. BMC and the board of Benham Manager Funds will determine annually whether investment in the International Funds continues to be in the best interests of the shareholders of the Capital Manager Fund. If BMC or the Benham Manager Funds' board believes that the investment would no longer be

advantageous, the Capital Manager Fund would redeem its shares of the International Funds and invest directly in the international securities markets. Such redemptions would be effected in cash or in-kind. In-kind redemptions would comply with the provisions of rule 17a-7 (a) through (f) under the Act, except for the requirement under subparagraph (a) that the transaction be for no consideration other than cash payment. In addition, in the case of an in-kind redemption, the Capital Manager Fund would receive its *pro rata* share of each portfolio security of the International Fund. Applicants state that in-kind redemptions would be effected in order to prevent the International Funds from having to sell portfolio securities at disadvantageous prices, and to prevent the Funds from incurring unnecessary brokerage and other transactional costs on sales and purchases of portfolio securities that the Capital Manager Fund intends to hold in its portfolio.

Applicants' Legal Analysis

1. Section 12(d)(1)(A) of the Act 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 other acquired investment companies, represent more than 10% of the acquiring company's total assets. Section 12(d)(1)(B) provides that no registered open-end investment company may sell its securities to another investment company if the sale will cause the acquiring company to own more than 3% of the acquired company's voting stock, or if the sale will cause more than 10% of the acquired company's voting stock to be owned by investment companies.

2. Section 6(c) of the Act provides that the SEC may exempt persons or transactions from any provision of the Act if the 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 request an order under section 6(c) exempting them from section 12(d)(1) to permit the Capital Manager Fund to acquire shares of the International Funds in excess of the percentage limitations of section 12(d)(1).

3. Applicants believe the restrictions in section 12(d)(1) were intended to prevent unregulated pyramiding of investment companies, and the negative

¹ Applicants previously received an exemption from section 17(a) of the Act and an order pursuant to section 17(d) of the Act and rule 17d-1 thereunder to permit investment companies created, managed, and distributed by BMC to invest in affiliated money market funds within the limits of section 12(d)(1). See Investment Company Act Release Nos. 16981 (June 5, 1989) (notice) and 17041 (June 30, 1989) (order).

effects which are perceived to arise from such pyramiding. For the following reasons, applicants believe that the limited investment of the Capital Manager Fund in the International Funds does not entail the type of abusive fund of funds arrangement that Congress adopted and amended section 12(d) to prevent.

4. The proposed arrangement will contain no improper layering of fees. The proposed arrangement will not involve the layering of advisory fees since, before approving any advisory contract under section 15(a) of the Act, the board of trustees of Benham Manager Funds, including a majority of the trustees who are not "interested persons," as defined in section 2(a)(19) of the Act, will find that the advisory fees charged under the contract are based on services provided that are in addition to, rather than duplicative of, services provided under any International Fund advisory contract.

5. Applicants also state that neither the Capital Manager Fund nor any International Fund currently intend to impose a sales load or a 12b-1 fee. Certain International Funds may impose a redemption price adjustment on shares redeemed within 180 days of purchase. Any sales charges or service fees relating to the shares of the Capital Manager Fund will not exceed the limits set forth in Rule 2830 of the NASD's Conduct Rules when aggregated with any sales charges or service fees that the Capital Manager Fund pays relating to the International Fund shares.

6. Applicants represent that, if the Capital Manager Fund were to invest directly in international securities markets, it would have to pay a minimum fee to a subcustodian in each country where it invests and, spread over a small amount of assets, these fees could be prohibitive. Applicants believe that permitting the Capital Manager Fund to invest in the International Funds would lead to a lesser number of minimum fees and result in lower custodial fees for all of the Funds, because the fees would be spread out over a larger amount of assets. In addition, applicants argue that investing through the International Funds, rather than investing small amounts of assets directly in the international markets, will result in lower brokerage fees for the Capital Manager Fund, because brokerage fees are typically reduced for larger orders.

7. Applicants note that another concern behind section 12(d)(1) is the pressure on the management of underlying funds from a large redemption accompanied by a loss of advisory fees. Applicants argue that this

concern does not apply in the case of the Capital Manager Fund and International Funds. Because BMC is investment adviser to the International Funds and the Capital Manager Fund, it will earn its advisory fee whether the Capital Manager Fund's assets are invested in the International Funds or in the international securities markets directly. Applicants argue that, if the Capital Manager Fund invests in the International Funds, BMC currently intends to waive its advisory fee at the Capital Manager Fund level to the extent attributable to the net assets of the International Funds held by the Capital Manager Fund, but would receive an advisory fee based on the assets of the International Funds. Applicants note that, if the Capital Manager Fund invests directly in the international securities markets, it will receive its advisory fee at the Capital Manager Fund level. Thus, applicants believe the loss of advisory fees at one level is offset by the advisory fees received at the other level.

8. Applicants also believe that the proposed arrangement will not result in disruptive redemptions. Because the Capital Manager Fund and the International Funds will all have BMC as their investment adviser, applicants believe that BMC will be in a position to anticipate redemption needs. In times of market stress or extreme volatility, applicants argue that BMC would be mindful of the impact of selling securities to meet Capital Manager Fund redemptions. In addition, the Capital Manager Fund may limit, with certain exceptions, its redemptions from any International Fund in excess of 3% of that International Fund's shares in any period of less than 30 days.

9. Section 17(a) makes it unlawful for an affiliated person of a registered investment company to sell securities to, or purchase securities from, the company. The Capital Manager Fund and the International Funds may be considered affiliated persons because they share a common adviser. Thus, purchases or sales of securities between the Capital Manager Fund and an International Fund may be prohibited by section 17(a).

10. Section 17(b) provides that the SEC shall exempt a proposed transaction from section 17(a) if evidence establishes that: (a) The terms of the proposed transaction are reasonable and fair and do not involve overreaching; (b) the proposed transaction is consistent with the policies of the registered investment company concerned; and (c) the proposed transaction is consistent with the general provisions of the Act.

Applicants request an exemption under sections 6(c) and 17(b) to permit the Capital Manager Fund to purchase shares of an International Fund, and an International Fund to redeem such shares.² Applicants believe that the proposed transactions, including the in-kind redemptions discussed above, meet the standards of sections 6(c) and 17(b). Applicants state that the consideration paid and received for the sale and redemption of shares of the International Funds will be based on the net asset value of the International Funds and therefore is reasonable and does not involve overreaching.

Applicants' Conditions

If the requested order is granted, applicants agree to the following conditions:

1. The Capital Manager Fund and each International Fund will be part of the same "group of investment companies," as defined in rule 11a-3 under the Act.

2. No International Fund shall acquire securities of any other investment company in excess of the limits contained in section 12(d)(1)(A) of the Act.

3. A majority of the trustees of the Benham Manager Funds will be independent, *i.e.*, not "interested persons," as defined in section 2(a)(19) of the Act ("Independent trustees").

4. Before approving any advisory contract under section 15 of the Act for the Capital Manager Fund, the board of trustees of Benham Manager Funds, including a majority of the Independent Trustees, shall find that advisory fees, if any, charged under such contract are based on services that are in addition to, rather than duplicative of, services provided pursuant to any International 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 Capital Manager Fund.

5. Any sales charges or service fees charged with respect to securities of the Capital Manager Fund, when aggregated with any sales charges or service fees paid by the Capital Manager Fund with respect to securities of the International Funds, shall not exceed the limits set forth in Rule 2830 of the Conduct Rules of the NASD.

6. The applicants agree to provide the following information, in electronic format, to the Chief Financial Analyst of

² Section 17(b) applies to specific proposed transactions, rather than an ongoing series of future transactions. See *Keystone Custodian Funds*, 21 S.E.C. 295, 298-99 (1945). Section 6(c) frequently is used to grant relief from section 17(a) to permit an ongoing series of future transactions.

the SEC's Division of Investment Management: Monthly average total assets for the Capital Manager Fund and each of the International Funds in which it invests; monthly purchases and redemptions (other than by exchange) for the Capital Manager Fund and each of the International Funds in which it invests; monthly exchanges into and out of the Capital Manager Fund and each of the International Funds in which it invests; month-end allocations of the Capital Manager Fund's assets among the International Funds in which it invests; annual expense ratios for the Capital Manager Fund and each of the International Funds in which it invests; and a description of any vote taken by the shareholders of any International Fund, including a statement of the percentage of votes cast for and against the proposal by the Capital Manager Fund and by the other shareholders of the International Funds. Such information will be provided as soon as reasonably practicable following each fiscal year-end of the Capital Manager Fund (unless the Chief Financial Analyst shall notify applicants in writing that such information need no longer be submitted).

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-25684 Filed 10-7-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37771; File No. SR-MSRB-96-9]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Municipal Securities Rulemaking Board Relating to an Extension of the Continuing Disclosure Information ("CDI") System From September 30, 1996, Through December 31, 1996

October 1, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), and Rule 19b-4 thereunder, notice is hereby given that on August 21, 1996, the Municipal Securities Rulemaking Board ("Board" or "MSRB") filed with the Securities and Exchange Commission ("Commission" or "SEC") a proposed rule change (File No. SR-MSRB-96-9). The proposed rule change is described in Items I, II, and III below, which Items have been prepared by the Board. The Board has designated this proposal as concerned solely with the administration of the Board under

Section 19(b)(3)(A) of the Act, which renders the rule effective upon the Commission's receipt of this filing. 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 MSRB is filing a proposed rule change to request an extension, from September 30, 1996, through December 31, 1996, of its interim Continuing Disclosure Information ("CDI") system of the Municipal Securities Information Library® (MSIL®) system.¹ The Board requests that the Commission set the effective date for 30 days after filing.

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

In its filing with the Commission, the Board included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The texts of these statements may be examined at the places specified in Item IV below. The Board 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

On April 6, 1992, the Commission approved the CDI system for an 18-month period.² The CDI system began operating on January 23, 1993, and functions as part of the Board's MSIL® system. The CDI system accepts and disseminates voluntary submissions of official disclosure notices relating to outstanding issues of municipal securities, i.e., continuing disclosure information. During its first phase of operation, the system accepted disclosure notices only from trustees. On May 17, 1993, the system also began accepting disclosure notices from issuers.³

On November 10, 1994, the Commission approved an amendment to

¹ The Municipal Securities Information Library and MSIL are registered trademarks of the Board. The MSIL® system, which was approved in Securities Exchange Act Release No. 29298 (June 13, 1991), is a central facility through which information about municipal securities is collected, stored and disseminated.

² Sec. Exch. Act Rel. No. 30556 (April 6, 1992).

³ On May 17, 1993, the Board reported to the Commission on the initial phase of operation of the CDI system regarding technical, policy and cost issues and proposed enhancements to the system.

its Rule 15c2-12 which prohibits dealers from underwriting issues of municipal securities unless the issuer commits, among other things, to provide material events notices to the Board's CDI system or to all Nationally Recognized Municipal Securities Information Repositories ("NRMSIRs") and to the applicable state information depository.⁴ In addition, the Rule prohibits dealers from recommending municipal securities without having a system in place to receive material events notices. To conform to the new Commission requirements, the Board revised the CDI system and implemented an interim system designed to accept material event notices while a larger permanent system is being designed.⁵ The interim system increased the capacity of the system to process 200 documents per day and increased the page limit per document from three to 10. The Commission has approved operation of the interim system through September 30, 1996.⁶

The Board is requesting an extension for the interim system to operate through December 31, 1996, to allow sufficient time for completion and testing of the permanent system. After consulting with users of the system, including NRMSIRs, the Board is in the final stages of developing the permanent CDI system and has begun testing the system design. The Board believes that an extension of the operation of the interim CDI system through December 31, 1996, will give it sufficient time to complete the system implementation. Prior to that time, and after system tests are complete, the Board will file a plan with the Commission for the permanent CDI system.

The Board believes the proposed rule change is consistent with Section 15B(b)(2)(C) of the Act, which provides that the Board's rules shall:

be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities, to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and, in general, to protect investors and the public interest.

The MSIL® system is designed to increase the integrity and efficiency of

⁴ Sec. Exch. Act Rel. No. 34961 (Nov. 10, 1994).

⁵ The Board also terminated the pilot phase of the CDI System and filed its Report on the Conclusion of the CDI Pilot of the Municipal Securities Information Library® System with the Commission on August 25, 1995.

⁶ Sec. Exch. Act Rel. No. 35911 (June 28, 1995); Sec. Exch. Act Rel. No. 36610 (Dec. 20, 1995).