• evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

• enhance the quality, utility, and clarity of the information to be collected; and

• minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Issued in Washington, DC, this 2nd day of May, 1997.

John Seal,

Acting Executive Director, Pension Benefit Guaranty Corporation.

[FR Doc. 97–11898 Filed 5–6–97; 8:45 am]

BILLING CODE 7708–01–P

POSTAL RATE COMMISSION

[Docket No. A97–18]

Scotch Grove, Iowa 52331; (David J. Naylor, et al., Petitioners); Notice and Order Accepting Appeal and Establishing Procedural Schedule Under 39 U.S.C. § 404(b)(5)

Issued May 2, 1997.

Docket Number: A97–18.

Name of Affected Post Office: Scotch Grove, Iowa 52331.

Name(s) of Petitioner(s): David J. Naylor, *et al.*

Type of Determination: Closing.

Date of Filing of Appeal Papers: April 28, 1997.

Categories of Issues Apparently Raised:

1. Effect on the community [39 U.S.C. § 404(b)(2)(A)].

2. Effect on postal services [39 U.S.C. § 404(b)(2)(C)].

After the Postal Service files the administrative record and the Commission reviews it, the Commission may find that there are more legal issues than those set forth above. Or, the Commission may find that the Postal Service's determination disposes of one or more of those issues.

The Postal Reorganization Act requires that the Commission issue its decision within 120 days from the date this appeal was filed (39 USC § 404 (b)(5)). In the interest of expedition, in light of the 120-day decision schedule, the Commission may request the Postal Service to submit memoranda of law on any appropriate issue. If requested, such memoranda will be due 20 days from the issuance of the request and the Postal Service shall serve a copy of its memoranda on the petitioners. The Postal Service may incorporate by reference in its briefs or motions, any arguments presented in memoranda it previously filed in this docket. If necessary, the Commission also may ask petitioners or the Postal Service for more information.

The Commission orders:

(a) The Postal Service shall file the record in this appeal by May 13, 1997.

(b) The Secretary of the Postal Rate Commission shall publish this Notice and Order and Procedural Schedule in the **Federal Register**.

By the Commission.

Margaret P. Crenshaw,

Secretary.

Appendix

Scotch Grove, Iowa 52331

Docket No. A97–18

April 28, 1997 Filing of Appeal letter

May 2, 1997 Commission Notice and Order of Filing of Appeal

May 23, 1997 Last day of filing of petitions to intervene [see 39 CFR § 3001.111(b)]

June 2, 1997 Petitioners' Participant Statement or Initial Brief [see 39 CFR § 3001.115(a) and (b)]

June 23, 1997 Postal Service's Answering Brief [see 39 CFR § 3001.115(c)]

July 8, 1997 Petitioners' Reply Brief should Petitioner choose to file one [*see* 39 CFR § 3001.115(d)]

July 15, 1997 Deadline for motions by any party requesting oral argument. The Commission will schedule oral argument only when it is a necessary addition to the written filings [see 39 CFR § 3001.116]

August 26, 1997 Expiration of the Commission's 120-day decisional schedule [see 39 U.S.C. § 404(b)(5)]

[FR Doc. 97–11871 Filed 5–6–97; 8:45 am]

BILLING CODE 7710–FW–P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 22653; 812–10406]

Bond Fund Series, et al.; Notice of Application

April 30, 1997.

AGENCY: Securities and Exchange Commission (SEC).

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

APPLICANTS: Bond Fund Series, Centennial America Fund, L.P., Centennial California Tax Exempt Trust, Centennial Government Trust, Centennial Money Market Trust, Centennial New York Tax Exempt Trust, Centennial Tax Exempt Trust, Oppenheimer California Municipal Fund, Oppenheimer Capital Appreciation Fund, Oppenheimer Cash Reserves, Oppenheimer Champion Income Fund, Oppenheimer Developing Markets Fund, Oppenheimer Discovery Fund, Oppenheimer Enterprise Fund, Oppenheimer Equity Income Fund, Oppenheimer Fund, Oppenheimer Global Emerging Growth Fund, Oppenheimer Global Fund, Oppenheimer Global Growth & Income Fund, Oppenheimer Gold & Special Minerals Fund, Oppenheimer Growth Fund, Oppenheimer High Yield Fund, Oppenheimer Integrity Funds, Oppenheimer International Bond Fund, Oppenheimer International Growth Fund, Oppenheimer Limited-Term Government Fund, Oppenheimer Multi-State Municipal Trust, Oppenheimer Multiple Strategies Fund, Oppenheimer Municipal Bond Fund, Oppenheimer Municipal Fund, Oppenheimer New York Municipal Fund, Oppenheimer Quest Capital Value Fund, Inc., Oppenheimer Quest for Value Funds, Oppenheimer Real Asset Fund, Oppenheimer Strategic Income & Growth Fund, Oppenheimer Strategic Income Fund, Oppenheimer U.S. Government Trust, Oppenheimer Variable Account Funds, Panorama Series Fund, Inc., Rochester Fund Municipals, Rochester Portfolio Series, Daily Cash Accumulation Fund, Inc., Oppenheimer Main Street Funds, Inc.®, Oppenheimer Money Market Fund, Inc., Oppenheimer Quest Global Value Fund, Inc., Oppenheimer Quest Value Fund, Inc., Oppenheimer Series Fund, Inc., and Oppenheimer Total Return Fund, Inc. (collectively, the ''Open-End Funds''); The New York Tax Exempt Income Fund, Inc., Oppenheimer Multi-Sector Income Trust, and Oppenheimer World Bond Fund (collectively, the ''Closed-End Funds,'' together with the Open-End Funds, the ''Funds''); OppenheimerFunds, Inc. (the ''Adviser''), Centennial Asset Management Corporation (''CAMC''), and Oppenheimer Real Asset Management, Inc. (''ORAM'').

RELEVANT ACT SECTIONS: Order requested (a) under section 6(c) of the Act for an exemption from sections 13(a)(2), 13(a)(3), 18(a), 18(c), 18(f)(1), 22(f), 22(g), and 23(a) of the Act and rule 2a–7 thereunder; (b) under sections 6(c) and 17(b) of the Act for an exemption from section 17(a)(1) of the Act; and (c) pursuant to section 17(d) and rule 17(d)(1) thereunder to permit certain

transactions incident to deferred fee arrangements.

SUMMARY OF APPLICATION: Applicants request an order that would permit each Fund to enter into deferred fee arrangements with certain of their trustees, directors, and general partners who are not interested persons of the Fund.

FILING DATES: The application was filed on October 17, 1996 and amended on April 11, 1997.

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 May 27, 1997 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, Two World Trade Center, New York, NY 10048–0203.

FOR FURTHER INFORMATION CONTACT: Kathleen L. Knisely, Staff Attorney, at (202) 942–0517, or Mercer E. Bullard, 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 from the SEC's Public Reference Branch.

Applicants' Representations

1. Each of the Open-End Funds is registered under the Act as an open-end management investment company and organized as a Maryland corporation, a Massachusetts business trust or a Delaware limited partnership. Several of the Open-End Funds are organized as series companies. Each Closed-End Fund is registered under the Act as a close-end management investment company and organized as a Massachusetts business trust or a Minnesota corporation. The Adviser, or its subsidiaries, CAMC or ORAM serves as the investment adviser for, and provides other services to, the Funds. SEC records show that the Adviser, CAMC, and ORAM are all registered under the Investment Advisers Act of 1940. Either OppenheimerFunds Distributor, Inc. (''OFDI''), a wholly-owned subsidiary of the Adviser, or CAMC serves as each Fund's principal underwriter.

2. The majority of directors of each Fund are not ''interested persons'' of such Fund within the meaning of section 2(a)(19) of the Act (''Independent Directors''). Under the deferred fee arrangements proposed by applicants (the ''Arrangements''), Independent Directors who receive directors fees from one or more of the Funds (the ''Eligible Directors'') will be entitled to defer to a later date the receipt of all or part of such fees.

3. The proposed deferred fee arrangements would be implemented by means of a deferred fee agreement (the ''Agreement'') entered into between an Eligible Director and the appropriate Fund. The Agreement would permit an Eligible Director to elect to defer receipt of all or a portion of his or her fees, in order to enable deferred payment of income taxes on such fees, and for other reasons. The Agreement may be amended from time to time, provided that any amendments to the Agreement will be limited to amendments which are not material (consistent with the terms of the Application) amendments made to conform to any applicable laws, or amendments that are approved by the SEC pursuant to an amendment of the order granted pursuant to the Application.

4. The deferred fees will be credited to bookkeeping accounts (''Deferred Fee Accounts'') maintained by the Funds liable for the payment of such deferred fees and accrued income from and after the date of credit in an amount equal to the amount that would have been earned had such fees (and all income earned thereon) been invested and reinvested in shares of one or more of the Funds (the ''Investment Funds''). Under the Agreement, the deferred fees payable by a Fund with respect to a particular Eligible Director will be credited to the Deferred Fee Account as of the first business day following the date that such fees would have been paid to such Director.

5. Shares will not be designated as Underlying Securities, and Underlying Securities will not be purchased, if the purchase of such Underlying Securities would result in a violation of section 12(d)(1) of the Act.[1] Each Fund will vote shares of any affiliated Fund held pursuant to the Arrangements in proportion to the votes of all other holders of shares of such Fund.

6. Any participating money market series of the Funds that values its assets using the amortized cost method or penny rounding method will buy and hold the Underlying Securities that determine the performance of the Deferred Fee Accounts in order to achieve an exact match between such series' liability to pay deferred fees and the assets that offset such liability. Applicants intend that the participating Funds will purchase and hold shares of Underlying Securities in amounts equal to the deemed investment of the deferred fee accounts of its Eligible Directors. If the participating Funds purchase shares of the Underlying Securities, the shares will be held solely in the name of the Funds. Thus, in cases where the Funds purchase shares of the Underlying Securities, liabilities created by the credits to the Deferred Fee Accounts under the Agreement are expected to be matched by an equal amount of assets (i.e., a direct investment in the Underlying Securities), which assets would not be held by the Fund if fees were paid on a current basis.

7. The Agreement provides that the obligations of each Fund to make payments of the Deferred Fee Accounts will be general obligations of each such Fund and payments made pursuant to the Agreement will be made from such Fund's general assets and property. With respect to the obligations created under the Agreement, the relationship of the Eligible Directors to the applicable Funds will be only that of general unsecured creditors. A Fund will be under no obligation to purchase, hold or dispose of any investment under the Agreement, but, if one or more of the Funds choose to purchase investments to cover its obligations under the Agreement, then any and all such investments will continue to be a part of the general assets and property of the Funds.

8. Under the Agreement, deferred director's fees (as determined by the adjusted value of the Deferred Fee Account) will become payable in cash upon the Eligible Director's retirement or disability in generally equal quarterly installments over a period of five years (unless the participating Fund has agreed to a longer payment period) beginning on the date of retirement or disability. Any one or more of the Funds may in the future establish a retirement plan for the Eligible Directors and amend the Agreement to permit payment of deferred director's fees

[1] The Agreement provides that the management of the participating Funds may designate new securities as the Underlying Securities if it reasonably believes the acquisition of the Underlying Securities would result in a violation by, or the objective and policies of, the participating Funds.

beginning on the date payments of retirement benefits to the Director commence under such retirement plan established by such Funds. In the event of the Eligible Director's death, remaining amounts payable to him or her under the Agreement will thereafter be payable to his or her designated beneficiary; in all other events, the Director's right to receive payments will be nontransferable. The Agreement provides that the Funds, in their sole discretion, have reserved the right to accelerate payment of amounts in the Deferred Fee Account at any time after the termination of the Eligible Director's service as director. In the event of the liquidation, dissolution or winding up of the appropriate Fund, the distribution of all or substantially all of the Fund's assets and property to its shareholders (unless such Fund's obligations under the Agreement have been assumed by a financially responsible party purchasing such assets), or a merger or reorganization of a Fund (unless prior to such merger or reorganization, the Fund's Directors determine that the Agreement shall survive the merger or reorganization), all unpaid amounts in the Deferred Fee Account maintained by such Fund shall be paid in a lump sum to the Directors on the effective date thereof.[2]

9. Applicants request an order under section 6(c) of the Act granting relief from sections 13(a)(2), 13(a)(3), 18(a), 18(c), 18(f)(1), 22(g), and 23(a) of the Act and rule 2a–7 thereunder to the extent necessary to permit the Funds to enter into deferred fee arrangements with Eligible Directors; under sections 6(c) and 17(b) of the Act granting relief from section 17(a)(1) to the extent necessary to permit the Funds to sell securities issued by them to participating Funds in connection with such arrangements; and pursuant to section 17(d) of the Act and rule 17d–1 thereunder to permit the Funds and Eligible Directors to effect certain transactions incident to such arrangements.[3]

[2] Applicants acknowledge that the requested order would not permit a party acquiring a Fund's assets to assume a Fund's obligations under the Agreement if such obligations would constitute a violation of the 1940 Act by the assuming party. Applicants further acknowledge that if, and to the extent that, any such assumption would be prohibited by section 17 of the 1940 Act, any such assumption would be consummated only after the parties involved obtained exemptive relief, if any, which may be necessary.

[3] Applicants also request relief for all subsequently registered investment companies advised by the Adviser (''Future Funds'') or entities controlling, controlled or under common control with the Adviser.

Applicants' Legal Analysis

1. Section 18(a) generally prohibits a closed-end investment company, and section 18(f)(1) generally prohibits a registered open-end investment company, from issuing senior securities. Section 18(c) prohibits any registered closed-end investment company from issuing or selling any senior security representing indebtedness if immediately thereafter such company will have outstanding more than one class or senior security representing indebtedness. Section 13(a)(2) requires that a registered investment company obtained shareholder authorization before issuing any senior security not contemplated by the recitals of policy in its registration statement. Applicants state that the Agreement possesses none of the characteristics of senior securities that led to Congress's enactment of the restrictions on the issuance of such securities in these sections. Applicants contend that the Agreement will not: (a) Induce speculative investments by a Fund or provide opportunities for manipulative allocation of any Fund's expenses or profits; (b) affect control of any Fund; (c) be inconsistent with the theory of mutuality of risk; or, (d) given the existence of similar deferred compensation agreements, confuse investors or convey a false impression as to the safety of their investments. Applicants state that all liabilities created by credits to the Deferred Fee Account under the Agreement are expected to be offset by essentially equal amounts of each Fund that would not otherwise exist if the fees were paid on a current basis. Applicants note that benefits payable under the Agreement are unsecured and their payment will not have preference or priority over the lawful claims of other creditors. Applicants state that the Agreement will not obligate any Fund to retain a Director in such capacity, nor will it obligate any Fund to pay any (or any particular level of) Director's fees to any Director. Rather, applicants submit it will merely permit an Eligible Director to elect to defer receipt of Director's fees which would otherwise be received on a current basis from the appropriate Fund or Funds.

2. Section 13(a)(3) provides that no registered investment company shall, unless authorized by the vote of a majority of its outstanding voting securities, deviate from any investment policy that is changeable only if authorized by shareholder vote. Applicants state that certain of the Funds have an investment policy prohibiting the purchase of investment company shares without shareholder approval, which would prevent such Funds from purchasing shares of any other of the Funds without such approval. Further, it is possible that one or more of the Future Funds may have similar investment policies. Applicants request an exemption form section 13(a)(3) to permit the Funds to invest in Underlying Securities without a shareholder vote. Applicants state that any relief granted from section 13(a)(3) of the Act would extend only to existing Funds that have an investment policy prohibiting or restricting investments in investment companies and to Future Funds that, at the time that the Adviser, or entities controlling, controlled by, or under common control with the Adviser, became their investment adviser, had an investment policy prohibiting or restricting investments in investment companies. Applicants state that they will provide notice of the Arrangements to shareholders in the registration statement of each affected Fund. Applicants submit that it is appropriate to exempt the affected Fund from the provisions of 13(a)(3) as to enable the affected Fund to invest in Underlying Securities pursuant to the Agreement without a shareholder vote. Applicants state that the value of the Underlying Securities will be *de minimis* in relation to the total net assets of the Funds. Applicants also note that, if they are prevented from investing in investment company shares, they will not be able to achieve the matching of Underlying Securities with the deemed investment of the Deferred Fee Accounts. Applicants believe that such matching is highly desirable because it will ensure that the deferred fee arrangements will not affect the net asset value of any Oppenheimer Fund's shares.

3. Rule 2a–7 imposes certain restrictions on the investments of money market funds that use the amortized cost method or the penny-rounding method of computing their per share price. Applicants believe that these restrictions would prohibit a Fund that is a money market fund from investing in the shares of any other Fund that is not a money market fund. Applicants state that any money market series of a Fund that values its assets using the amortized cost method will buy and hold the Underlying Securities that determine the performance of the Deferred Fee Account to achieve an exact match between such series' liability to pay deferred fees and the assets that offset that liability. Applicants contend that, under the circumstances, the underlying concerns that have led the SEC to prescribe

strictly the permissible characteristics of a money market Fund's portfolio securities are not present.

4. Sections 22(f) prohibits undisclosed restrictions on the transferability or negotiability of redeemable securities issued by open-end investment companies. Applicants state that the Agreement would set forth any restrictions on transferability or negotiability of the Eligible Director's benefits, and such restrictions are included primarily to benefit the Eligible Directors and would not adversely affect the interests of any shareholder of any Fund.

5. Sections 22(g) and 23(a) generally prohibit registered open-end investment companies and registered closed-end investment companies, respectively, from issuing any of their securities for services or for property other than cash or securities. Applicants believe that these provisions are primarily concerned with the dilative effect on the equity and voting power of the common stock of, or shares of beneficial interest in, an investment company if securities are issued for consideration not readily valued. Applicants assert that interests under the Agreement will not entitle Eligible Directors to any vote as shareholders or to participate in the profits and gains of any of the Funds. Applicants also submit that the Agreement would provide for deferral of payment of fees that would be payable independent of the Agreement, and thus should be viewed as being issued not in return for services but in return for a Fund not being required to pay such fees on a current basis.

6. Section 17(a)(1) generally prohibits an affiliated person of a registered investment company, or any affiliated person of such person, from selling any security to such registered investment company. Applicants state that the Funds that are advised by the same entity may be ''affiliated persons'' of one another under section 2(a)(3)(C) of the Act. Applicants assert that section 17(a)(1) was designed to prevent sponsors of investment companies from using investment company assets as capital for enterprises with which they were associated or to acquire controlling interests in such enterprises. Applicants contend that, as a result of the Funds' undertaking to vote the shares of an affiliated Fund in proportion to the votes of all other holders of such shares, control of the issuer of the Underlying Securities will remain unchanged. Applicants further submit that permitting the proposed transactions would facilitate the matching of each Fund's liability for deferred Director's fees with the Underlying Securities that would determine the amount of such Fund's liability.

7. Section 17(b) authorizes the SEC to exempt a proposed transaction from section 17(a) if evidence establishes that: (a) The terms of the transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching; (b) the transaction is consistent with the policy of each registered investment company concerned; and (c) the transaction is consistent with the general purposes of the Act. Applicants assert that the proposed transactions satisfy the criteria of section 17(b).

8. Applicants note that sales of shares of the Funds made available for deemed investment under the Agreement will be made on the same terms and conditions as are applicable to sales of the same securities to unaffiliated parties, and the Agreement provides that management may change the designation of Underlying Securities if the purchase of such securities would violate the policies of the participating Fund.

9. Section 6(c) provides that the SEC may exempt any person, security, or transaction from any provision of the 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 policy and provisions of the Act. Applicants assert that the proposed transactions satisfy this standard.

10. Section 17(d) of the Act and rule 17d–1 thereunder make it unlawful for any affiliated person of a registered investment company, acting as principal, to effect any transaction in which the company is a joint or joint and several participant. Rule 17d–1 under the Act provides that the SEC may, by order upon application, grant exemptions from the prohibitions of section 17(d) and rule 17d–1. Rule 17d–1(b) further provides that, in passing upon such an application, the SEC will consider whether the participation of the registered investment company in such enterprise, arrangement, or plan is consistent with the policies and purposes of the Act and the extent to which such participation is on a basis different from or less advantageous than that of other participants.

11. Applicants contend that the participating Eligible Director will neither directly nor indirectly receive benefits which would otherwise inure to the Funds or their shareholders. Applicants state that deferral of an Eligible Director's fees in accordance with the Agreement would essentially maintain the parties, viewed both separately and in their relationship to one another, in the same position as if the fees were paid on a current basis. Applicants submit that when all payments have been made to a participating Eligible Director, the Director will be in a position relative to the Funds no better than if any deferred fees had been paid to such Director on a current basis and invested in shares of the Underlying Securities. Applicants believe that the Agreement will not constitute a joint or joint and several participation by any Fund with an affiliated person on a basis different from or less advantageous than that of the affiliated person.

Applicants' Conditions

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

1. With respect to the requested relief from rule 2a–7, any money market series of a Fund that values its assets using the amortized cost method or the penny-rounding method will buy and hold Underlying Securities that determine the performance of Deferred Fee Accounts to achieve an exact match between such series' liability to pay deferred fees and the assets that offset the liability.

2. If a Fund purchases Underlying Securities issued by an affiliated Fund, the purchasing Fund will vote such shares in proportion to the votes of all other holders of shares of such affiliated Fund.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–11840 Filed 5–6–97; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–22650/813–164]

Project Capital 1995, LLC; Notice of Application

April 30, 1997.

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

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

APPLICANTS: Project Capital 1995, LLC, which was formerly SASM&F Investment Fund, LLC (the ''Investment Fund''), all existing pooled investments vehicles identical in all material respects (other than investment objective and strategy) that have been or