2. Applicants state that it is possible that AMP may be deemed to have obtained control of more than 25% of the voting securities of Henderson as early as March 11, 1998. Accordingly, Applicants state that an assignment of the Existing Agreements may then occur and the Existing Agreements will terminate by their terms.

3. Rule 15a–4 provides, in pertinent part, that if an investment advisory contract with a registered investment company is terminated by an assignment the adviser may continue to serve for 120 days under a written contract that has not been approved by the company's shareholders, provided that: (a) The new contract is approved by that company's board of directors (including a majority of the non-interested directors); (b) the compensation to be paid under the new contract does not exceed the compensation that would have been paid under the contract most recently approved by the company's shareholders; and (c) neither the adviser nor any controlling person of the adviser ''directly or indirectly receives money or other benefit'' in connection with the assignment. Applicants state that because AMP, Henderson and/or the Sub-adviser may be deemed to receive a benefit in connection with the Transaction, there is a question as to the Applicants' ability to rely on rule 15a–4.

4. 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 the policy and provisions of the Act. Applicants believe that the requested relief meets this standard.

5. Applicants note that the terms and timing of the Transaction were determined by AMP and Henderson in response to a number of factors beyond the scope of the Act and substantially unrelated to the Funds or the Sub-adviser. Applicants state that it is not possible for the Funds to obtain shareholder approval of the New Agreements prior to the Assignment Date. Applicants submit that the Boards will meet to approve the New Agreements prior to the Assignment Date, and the shareholders of the Funds will be further protected by the establishment of the escrow account described in the application.

6. Applicants submit that the Sub-adviser will take all appropriate steps to ensure that the scope and quality of advisory and other services provided for the Funds during the Interim Period will be at least equivalent to the scope and quality of services previously provided. During the Interim Period, the Sub-adviser will operate under the New Agreement, which will have the same terms and conditions as the respective Existing Agreements, except for the effective dates, execution dates, and termination dates. Applicants assert that the level of services provided by the Sub-adviser will remain the same under the New Agreements as under the Existing Agreements.

7. Applicants also assert the allowing the implementation of the New Agreements will ensure that there will be no disruption to the investment program and the delivery of related services to the Funds because the personnel that provide such services to the Funds will remain substantially the same as before the Assignment Date.

Applicants' Conditions

Applicants agree as conditions to the issuance of the exemptive order requested by the application that:

1. The New Agreements to be implemented following the commencement of the Interim Period will have the same terms and conditions as the respective Existing Agreements, except for the effective dates, execution dates, and termination dates.

2. Fees payable to the Sub-adviser for the period covered by the order will be maintained during the Interim Period in an interest-bearing escrow account (including interest earned on such amounts), and will be paid: (a) to the Sub-adviser after the requisite approval by shareholders is obtained; or (b) in the absence of such approval, to the relevant Fund.

3. Each Fund will promptly schedule a meeting of shareholders to vote on approval of the New Agreements to be held within 150 days after the commencement of the Interim Period, but in no event later than on October 1, 1998.

4. Henderson, and not the Funds, will pay the costs of preparing and filing the application and the costs relating to the solicitation of approval of the Funds' shareholders of the New Agreements.

5. The Sub-adviser will take all appropriate steps to ensure that the scope and quality of advisory and other services provided to the Funds during the Interim Period will be at least equivalent, in the judgment of the respective Boards, including a majority of the directors who are not ''interested persons'' of the Funds, as defined in section 2(a)(19) of the Act (''Disinterested Directors''), to the scope and quality of services previously provided. In the event of any material change in the personnel providing services pursuant to the New Agreements, the Sub-adviser will apprise and consult with the Boards of the affected Funds in order to assure that the Boards, including a majority of the Disinterested Directors, are satisfied that the services provided will not be diminished in scope or quality.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 98–6181 Filed 3–10–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35–26837]

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

March 4, 1998.

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 March 30, 1998, to the Secretary, Securities and Exchange Commission, Washington, D.C. 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.

Ameren Corporation, et al. (70–9177)

Notice of Proposal To Issue Common Stock; Order Authorizing Solicitation of Proxies

Ameren Corporation (''Ameren''), a registered holding company, and its subsidiary service company, Ameren Services Company (''Ameren Services''), both located at 1901 Chouteau Avenue, St. Louis, Missouri 63103 (both, ''Declarants''), have filed a declaration under sections 6(a), 7 and 12(e) of the Act and rules 62 and 65 under the Act.

Ameren proposes to: (1) solicit proxies from its shareholders for their approval, at Ameren's 1998 Annual Meeting of Shareholders scheduled for April 28, 1998, of Ameren's Long-Term Incentive Plan of 1998 (''LTIP''), a stock compensation plan approved by the Ameren Board of Directors; and (2) issue and/or acquire in the open market, through March 31, 2003, up to four million shares of its common stock, $0.01 par value (''Common Stock'') for purposes of awards under the LTIP.

The purpose of the LTIP is to give Ameren and its subsidiaries and other associates (''affiliates,'' as defined in the LTIP) a competitive advantage in attracting, retaining and motivating officers, employees and directors by awarding incentives linked to the profitability of Ameren and its businesses. Declarants also state that the LTIP is intended to increase shareholder value. The LTIP will be administered by the Human Resources Committee of the Ameren Board of Directors (''Committee''), which will determine the officers and employees eligible to receive awards and the amount of any award. The Committee will interpret the LTIP and can adopt rules deemed appropriate. No LTIP awards may be made to Committee members, except by action of the full Board of Directors.

The following awards may be granted under the LTIP: (1) performance units—rights, which may be payable in cash, shares of Common Stock, other awards or other property, which is contingent on the achievement of performance goals set by the Committee; (2) restricted stock—rights to receive shares of Common Stock awarded as determined by the Committee, which shares will be subject to transferability or other restrictions; (3) options—rights to purchase shares of Common Stock, or other awards or property, at a specified price during a prescribed time period; and (4) stock appreciation rights—the right to receive a cash payment equal to the excess of the fair market value of Common Stock on the date of exercise over the grant price of the stock appreciation right. The exercise price of options and the grant price of stock appreciation rights will not be less than the fair market value of the Common Stock on the date of the grant.

Any Common Stock used to fund the LTIP may be, at the discretion of Ameren, authorized but unissued shares, treasury shares or shares purchased on the open market by an independent plan administrator or agent. The decision as to whether shares are to be purchased directly from Ameren, in the open market or in privately negotiated transactions, will be based on Ameren's need for common equity and any other factors considered by Ameren to be relevant. Ameren states that the Common Stock used to fund the LTIP will be in addition to the shares of Common Stock proposed to be issued or acquired for other benefit plans and the dividend reinvestment plan.[1]

As mentioned above, Ameren proposes to solicit proxies from its shareholders to approve the LTIP. Ameren and/or Ameren Services propose to mail the proxy materials to the shareholders of Common Stock on or about March 20, 1998. Accordingly, Ameren and Ameren Services request that an order authorizing the solicitation of proxies be issued as soon as practicable under rule 62(d).

It appears to the Commission that Ameren's and Ameren Services' declaration regarding the proposed solicitation of proxies should be permitted to become effective immediately.

It is ordered, under rule 62 under the Act, that the declaration regarding the proposed solicitation of proxies become effective immediately, subject to the terms and conditions contained in rule 24 under the Act.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 98–6178 Filed 3–10–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23057; 812–10994]

Vestaur Securities, Inc. and CoreStates Investment Advisers, Inc.; Notice of Application

March 4, 1998.

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

ACTION: Notice of application for exemption under section 6(c) of the Investment Company Act of 1940 (the ''Act'') from section 15(a) of the Act.

SUMMARY OF APPLICATION: Applicants seek an order to permit the implementation, without prior shareholder approval, of a new investment advisory agreement (''New Agreement'') between Vestaur Securities, Inc. (''Fund'') and CoreStates Investment Advisers, Inc. (''Adviser'') in connection with the merger of CoreStates Financial Corp (''CoreStates'') with and into First Union Corporation (''First Union''). The order would cover a period of up to 120 days following the date of the consummation of the merger (but in no event later than July 31, 1998) (''Interim Period''). The order also would permit the Adviser to receive all fees earned under the New Agreement during the Interim Period following shareholder approval.

APPLICANTS: Fund and Adviser.

FILING DATES: The application was filed on February 6, 1998. Applicants have agreed to file an amendment to the application during the notice period, the substance of which is included in this notice.

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 March 30, 1998, and should be accompanied by proof of service on applicants in the form of an affidavit or, for layers, 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, DC. 20549. Fund, c/o Mark E. Stalnecker, Centre Square West-UM Floor, 15th and Market Streets, Philadelphia, Pennsylvania 19101, and Adviser, c/o Mark E. Stalnecker, 1500 Market Street, P.O. Box 7558, Philadelphia, Pennsylvania 19101–7558.

FOR FURTHER INFORMATION CONTACT: Joseph B. McDonald, Jr., Senior Counsel, at (202) 942–0533, or Edward P. MacDonald, Branch Chief, at (202) 942–0564 (Office of Investment Company Regulation, Division of Investment Management).

[1] *See* Holding Co. Act Release No. 26809 (Dec. 30, 1997).