

room located in the Russell Library, 123 Broad Street, Middletown, Connecticut 06457, and at the Commission Public Document Room, 2120 L Street, NW., Washington, DC 20037.

The NRC will hold a public meeting in the vicinity of the HNP within the next 60 days. The NRC will publish a notice in the **Federal Register** and in the local media announcing the date, time, and location of this meeting along with a brief description of the purpose of the meeting.

Comments regarding the PSDAR should be submitted in writing to Mr. Morton B. Fairtile, Mail Stop 011-B 20, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001 within 30 days after the date of this notice.

Dated at Rockville, Maryland, this 27th day of August 1997.

For the Nuclear Regulatory Commission.

**Seymour H. Weiss,**

*Director, Non-Power Reactors and Decommissioning Project Directorate, Division of Reactor Program Management, Office of Nuclear Reactor Regulation.*

[FR Doc. 97-23474 Filed 9-3-97; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-22802; File No. 812-10566]

### Great-West Life & Annuity Insurance Company, et al.

August 27, 1997.

**AGENCY:** The Securities and Exchange Commission ("Commission")

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

**APPLICANTS:** Great-West Life & Annuity Insurance Company ("GWL&A"), Retirement Plan Series Account (the "Separate Account"), Maxim Series Fund, Inc. ("Maxim") and One-Orchard Equities, Inc. ("Orchard").

**RELEVANT 1940 ACT SECTIONS:** Order requested pursuant to sections 17(b) and 26(b).

**SUMMARY OF APPLICATION:** Applicants request an order pursuant to section 26(b) of the 1940 Act approving a proposed substitution of securities, and pursuant to section 17(b) of the 1940 Act exempting related transactions from section 17(a) of the 1940 Act.

**FILING DATE:** The application was filed on March 12, 1997, and amended on April 18, 1997, July 29, 1997 and August 20, 1997.

**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 September 17, 1997, and should be accompanied by proof of service on Applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Secretary of the Commission.

**ADDRESSES:** Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Applicants, c/o Josephine Cicchetti, Esq., Jorden Burt Berenson & Johnson, LLP, 1025 Thomas Jefferson Street, NW., Suite 400 East, Washington, DC 20007-0805.

#### FOR FURTHER INFORMATION CONTACT:

Ethan D. Corey, Senior Counsel or Kevin M. Kirchoff, Branch Chief, Office of Insurance Products (Division of Investment Management) at (202) 942-0670.

**SUPPLEMENTARY INFORMATION:** The 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. GWL&A, a Colorado stock life insurance company, does business in the District of Columbia, Puerto Rico, and in all states of the United States, except New York.

2. GWL&A is wholly-owned by The Great-West Life Assurance Company, which is a subsidiary of Great-West Lifeco Inc., an insurance holding company. Great-West Lifeco Inc. is a subsidiary of Power Financial Corporation of Canada, which is controlled by Power Corporation of Canada.

3. The Separate Account, established by GWL&A pursuant to Colorado law, is registered with the Commission as a unit investment trust. The Separate Account acts as a funding vehicle for certain individual flexible premium deferred contracts (the "Contracts"). The Separate Account currently has fifteen investment divisions, each of which invest exclusively in one of the corresponding portfolios of Maxim, an open-end management investment company.

4. Orchard, the principal underwriter of the Contracts, is registered as a

broker-dealer pursuant to the Securities Exchange Act of 1934, and is a member of the National Association of Securities Dealers, Inc.

5. The Contracts expressly reserve GWL&A's right, both on its own behalf and on behalf of the Separate Account, to eliminate investment divisions, combine two or more investment divisions, or substitute one or more underlying funds for others in which its investment divisions are invested.

6. GWL&A, on its own behalf and on behalf of the Separate Account, proposes to exercise its contractual right to substitute shares of the Maxim Series Fund Blue Chip Portfolio ("Substituted Portfolio") for respective shares of the Maximum Series Fund Total Return Portfolio ("Eliminated Portfolio") (the "Substitution"). Applicants believe the Substitution will benefit the Contract owners by eliminating a portfolio with below average historical returns and consolidating Contract owners investments in the Substituted Portfolio, which has investment objectives similar to the Eliminated Portfolio.

7. The Substituted Portfolio has been in existence since May 1, 1997, and does not have a performance record. However, the Substituted Portfolio has the same investment objective and the same investment strategy as the Founders Blue Chip Portfolio, which has consistently provided better total returns than the Eliminated Portfolio. In addition, the Substituted Portfolio is sub-advised by the same portfolio manager that advises the Founders Blue Chip Portfolio.

8. Contract owners will be advised that they can transfer their shares in the Eliminated Portfolio to the remaining portfolios of Maxim or leave their shares in the Eliminated Portfolios until the date of the Substitution. As of the date of the Substitution, all Contract values allocated to the Eliminated Portfolio will be automatically reallocated to the Substituted Portfolio. Maxim intends to cease offering shares of the Eliminated Portfolio after the date of the Substitution. Contract owners can always exercise their own judgment as to the most appropriate alternative investment and transfer their Contract values from the Substituted Portfolio to any one of the remaining thirteen investment divisions. No sales load deductions or transfer charges will be assessed in connection with any transfers among the portfolios because of the Substitution or otherwise.

9. Applicants represent that the total expenses of the Substituted Portfolio will be 1.15% while the total expenses of the Eliminated Portfolio are 0.60%. Should Contract owners with current

allocations in the Eliminated Portfolio determine that another investment is more appropriate due to the change in portfolio expenses, such Contract owners can transfer their Contract value to any of the remaining thirteen investment divisions.

### **Applicants Legal Analysis And Conditions**

1. Section 26(b) of the 1940 Act provides that it 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; and the Commission shall issue an order approving such substitution if the evidence establishes that it is consistent with the protection of investors and the purposes fairly intended by the policies and provisions of the 1940 Act. Section 26(b) protects the expectation of investors that the unit investment trust will accumulate shares of a particular issuer and is intended to insure that unnecessary or burdensome sales loads, additional reinvestment costs or other charges will not be incurred due to unapproved substitutions of securities.

2. Applicants request an order pursuant to section 26(b) of the 1940 Act approving the Substitution. Applicants represent that the purposes, terms, and conditions of the Substitution are consistent with section 26(b). Applicants believe the Substitution will benefit the participants by eliminating a portfolio with below average historical returns which, due to its small size, is difficult to manage in compliance with applicable diversification requirements. Applicants represent that the Eliminated Portfolio, when compared to funds with similar objectives, has been performing below average and Maxim Series Fund, Inc. plans to cease offering the Eliminated Portfolio. Its one, five and since inception returns of 19.77%, 12.56%, and 10.15% respectively, have been below average compared to similar funds. GWL&A proposes to provide Contract owners with an investment in the Substituted Portfolio which has similar investment objectives to the Eliminated Portfolio. The Substitution will effectively remove a poorly performing portfolio from the Separate Account while the similarity in investment objectives provides a means for Contract owners to continue their current investment goals and risk expectations.

3. Applicants represent that the Substitution will be effected at net asset value in conformity with sections 22(c)

and 22(g) of the 1940 Act and Rule 22c-1 thereunder. The Substitution may be effected primarily for cash, but also may involve partial redemptions in-kind of securities ("Related Transactions"). The use of in-kind redemptions in conformity with section 22(g) of the 1940 Act would alleviate the impact of the brokerage fees and expenses upon GWL&A or the investment adviser or sub-adviser of the Substituted Portfolios, as these entities will bear all expenses related to the Substitution. The Related Transactions will be effected to the extent consistent with the investment objectives and any applicable diversification requirements.

4. Either GWL&A or the investment adviser of the Substituted Portfolio will assume the transfer and custodial expenses and legal and accounting fees incurred with respect to the Substitution. Participants will not incur any fees or charges as a result of the transfer of account values from any portfolio. Applicants represent that there will be no increase in the Contract or Separate Account fees and charges after the Substitution. Applicants further represent that the Substitution is designed to avoid any adverse federal tax impact to the Contract owners or participants.

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

6. Section 17(b) of the 1940 Act authorizes the Commission to issue an order exempting a proposed transaction from section 17(a) if: (a) The terms of the proposed transaction are fair and reasonable and do not involve overreaching on the part of any person concerned; (b) the proposed transaction is consistent with the policy of each registered investment company concerned; and (c) the proposed transaction is consistent with the general purposes of the 1940 Act.

7. Applicants request an order pursuant to section 17(b) of the 1940 Act exempting the Related Transactions from the provisions of sections 17(a) of the 1940 Act.

8. Applicants represent that the terms of the Substitution are reasonable and fair and do not involve overreaching on the part of any person concerned. The Substitution will be effected at the net asset value of the securities involved and the interests of Contract owners will

not be diluted. In-kind redemptions will alleviate some of the expenses involved with the Substitution and only will be used to the extent they are consistent with the investment objectives and applicable diversification requirements of the affected portfolios. All in-kind redemptions will be conducted in a manner conforming with the conditions of Rule 17a-7 under the 1940 Act.

9. Applicants represent that the Substitution and Related Transactions are consistent with the policies of each investment company involved and the general purposes of the 1940 Act, and comply with the requirements of section 17(b).

### **Conclusion**

Applicants assert that, for the reasons summarized above, the requested order approving the Substitution and Related Transactions should be granted.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 97-23390 Filed 9-3-97; 8:45 am]

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## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-38986; File No. SR-Amex-97-28]

### **Self-Regulatory Organizations, Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by American Stock Exchange, Inc. Relating to the Extension of the Exchange's Pilot Program for Specialists in Portfolio Depositary Receipts and Index Fund Shares To Participate in the After-Hours Trading Facility**

August 27, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on August 6, 1997, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission the proposed rule change as described in Items I, II, and III below, which items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to grant accelerated approval to the proposed rule change.