

the reporting of safety concerns in violation of 10 CFR 50.7, and (2) ComEd intentionally imposed "restrictive confidentiality" aimed at prohibiting employees from providing information to the NRC in violation of 10 CFR 50.7.

The request is being treated pursuant to 10 CFR 2.206 of the Commission's regulations. The Petition has been referred to the Director of the Office of Nuclear Reactor Regulation. The Petitioners' request for immediate action was denied by letter dated April 29, 1998.

A copy of the Petition is available for inspection at the Commission's Public Document Room at 2120 L Street, N.W., Washington, DC 20003-1527.

Dated at Rockville, Maryland, this 29th day of April 1998.

For the Nuclear Regulatory Commission.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 98-12276 Filed 5-7-98; 8:45 am]

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NUCLEAR REGULATORY COMMISSION

Notice of Publication of Draft Commission Paper "Combined License Review Process"

The U.S. Nuclear Regulatory Commission (NRC) has issued a draft version of a Commission paper entitled "Combined License Review Process" and is requesting public comments on this paper. Subpart C of 10 CFR part 52 presents a process for issuing combined licenses (COLs) for nuclear power facilities. A COL is a single license authorizing construction and conditional operation of a nuclear power facility. This draft paper informs the Commission about the NRC staff's positions on a number of issues relating to the COL review process, including: contents of a COL application; COL inspections, tests, analyses, and acceptance criteria (ITAAC); ITAAC for emergency plans; verification of ITAAC; role of the quality assurance program in ITAAC; and emergency plans for early site permits.

An earlier version of the draft paper was issued in April 1993. The NRC received comments from the nuclear industry (NUMARC) on this paper. As a result, several changes were made to the draft paper. The most significant of these changes include; removing a proposed license condition regarding detailed design drawings, removing any mention of hold points in the construction inspection process, revising the format of the sample

license, and shortening the duration of a combined license to conform with the Atomic Energy Act of 1954, as amended. An amendment to the Atomic Energy Act has been proposed to correct the COL duration issue.

A copy of the draft paper has been placed in NRC's Public Document Room, the Gelman Building, 2120 L Street, N.W., Washington, DC. 20037, for review by interested persons. Questions and comments should be directed to Jerry N. Wilson, Mail Stop O-10 D22, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555-0001, Email:jnw@nrc.gov or telephone: 301-415-3145. Comments should be submitted within 120 days of the publication of this notice.

Dated at Rockville, MD, this 1st day of May 1998.

For the Nuclear Regulatory Commission.

Theodore R. Quay,

Director, Standardization Project Directorate, Division of Reactor Program Management, Office of Nuclear Reactor Regulation.

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SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-23168; 812-10598]

Dean Witter Select Equity Trust, et al.; Notice of Application

May 1, 1998.

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

ACTION: Notice of application under sections 6(c), 12(d)(1)(J), and 17(b) of the Investment Company Act of 1940 (the "Act") for an exemption from sections 12(d)(1)(F)(ii) and 17(a) of the Act.

SUMMARY OF APPLICATION: The requested order would permit a trust of funds relying on section 12(d)(1)(F) to offer units with a sales load in excess of the 1.5% limit in section 12(d)(1)(F)(ii) of the Act. In addition, the requested order would permit a terminating series of the trust to sell certain fund shares and fixed income securities issued by the United States government ("Treasuries") to a new series of the trust.

APPLICANTS: Dean Witter Reynolds Inc. (the "Sponsor" or "Dean Witter"); Dean Witter Select Equity Trust and Dean Witter Select Investment Trust (collectively, the "Trusts"); and certain subsequent series of the Trusts sponsored by Dean Witter (each, a "Trust Series").

FILING DATES: The application was filed on March 27, 1997, and amended on

October 15, 1997. Applicants have agreed to file an additional amendment, the substance of which is incorporated in this notice, 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 May 26, 1998, 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 may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 5th Street, N.W., Washington, D.C. 20549. Applicants, Two World Trade Center, New York, New York 10048. Attention: Steven M. Massoni.

FOR FURTHER INFORMATION CONTACT:

Elaine M. Boggs, Senior Counsel, at (202) 942-0572, or Christine Y. Greenlees, 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 at the SEC's Public Reference Branch, 450 5th Street, NW, Washington, DC 20549 (telephone (202) 942-8090).

Applicants' Representations

1. Each Trust Series will be a series of one of the Trusts, each a unit investment trust ("UIT") registered under the Act. Dean Witter will be the sponsor of each Trust Series.

2. The Sponsor intends to offer certain Trust Series based on an asset allocation model. The portfolio of each Trust Series will contain a different asset allocation of shares of one or more open-end investment companies or series thereof, none of which will be an affiliated person of applicants (the "Funds"), and, in some cases, Treasuries. The shares of the Funds will be deposited in each Trust Series at the shares' net asset value and the Treasuries will be valued by an independent evaluator (the "Independent Evaluator"), who will be a "qualified evaluator" as defined in rule 22c-1(b)(2) under the Act, based on the Treasuries' offer-side valuation.

3. Simultaneously with the deposit of Fund shares and Treasuries and/or cash with instructions to the Trust's trustee (the "Trustee") to purchase the securities, the Trustee will deliver to the Sponsor a certificate or receipt for units ("Units") representing the entire ownership of the Trust Series. The Units will be offered at prices based upon the aggregate underlying value of the Fund shares and Treasuries, plus a sales charge. The sales charge imposed on the Units will not, when aggregated with any sales charge or service fees paid by the Trust Series with respect to shares of the underlying Funds, exceed the limits set forth in rule 2830(d) of the National Association of Securities Dealers' ("NASD") Conduct Rules. A Trust Series may invest in a Fund with an asset-based sales charge, provided that any asset-based sales charge received by the Sponsor or the Trustee from a Fund will be rebated to the Trust Series. Although a Trust Series may invest in a Fund with an asset-based sales charge greater than .25% of the Fund's average net assets, if any of the asset-based sales charge is received by the Sponsor or the Trustee as a Fund distribution expense, that amount will not be retained by the Sponsor or the Trustee but will be paid to the Trust Series for the benefit of the Trusts' unitholders.

4. Each Trust Series will terminate approximately one year after it is offered for sale ("Rollover Series"). At that time, the Sponsor intends to create and offer a new Trust Series ("New Trust Series"), the portfolio of which will reflect the then current asset allocation model for the corresponding Trust Series. Investors in the Rollover Series may elect to invest in the New Trust Series.

5. In order to minimize the potential for overreaching, Dean Witter will certify in writing to the Trustee, within five days of each sale of securities from a Rollover Series to a New Trust Series: (a) that the transaction is consistent with the policy of both the Rollover and New Trust Series, as recited in their respective registration statements and reports filed under the Act, (b) the date of the transaction, and (c) the price determined by the Independent Evaluator for the sale date of the Treasuries. The Trustee will then countersign the certificate, unless, in the event that the Trustee disagrees with the price listed on the certificate, the Trustee immediately informs Dean Witter orally of any such disagreement and returns the certificate within five days to Dean Witter with corrections duly noted. Upon Dean Witter's receipt of a corrected certificate, Dean Witter

and the Trustee will jointly determine the correct sales price by reference to a mutually agreeable, published list of prices for the date of the transaction.

Applicants' Legal Analysis

A. Section 12(d)(1)

1. Section 12(d)(1)(A) of the Act provides that no registered investment company may acquire securities issued by another investment company if such securities represent more than 3% of the total outstanding voting stock of the acquired company, more than 5% of the value of the total assets of the acquiring company, or if securities issued by the acquired company and all other investment companies have an aggregate value in excess of 10% of the value of the total assets of the acquiring company.

2. Section 12(d)(1)(F) provides that section 12(d)(1) does not apply to securities purchased or otherwise acquired by a registered investment company if, immediately after the purchase or acquisition, not more than 3% of the total outstanding stock of the acquired company is owned by the acquiring company, and the acquiring company does not impose a sales load on its shares of more than 1.5%. In addition, no acquired company may be obligated to honor any acquiring company's redemption request in excess of 1% of the acquired company's securities during any period of less than 30 days.

3. Section 12(d)(1)(J) provides that the SEC may exempt persons or transactions from any provision of section 12(d)(1) if and to the extent such exemption is consistent with the public interest and the protection of investors. Applicants request an exemption under section 12(d)(1)(J) to permit a Trust Series to offer Units with a sales load in excess of the 1.5% limitation. For the reasons below, applicants believe that the requested relief meets the standards of section 12(d)(1)(J).

4. Applicants argue that section 12(d)(1) is intended to mitigate or eliminate actual or potential abuses that might arise when one investment company acquires shares of another investment company, including the excessive layering of sales charges. For the reasons stated below, applicants do not believe that their proposal will result in excessive sales charges.

5. While each Trust Series will charge a sales load, the Sponsor will deposit the Fund shares at net asset value (*i.e.*, without any sales charge). To further limit the extent to which unitholders may pay indirectly for distribution costs of the underlying Funds, any asset-

based sales charges received by the Sponsor of the Trustee from a Fund with regard to the Fund shares will be rebated to the Trust Series. In addition, applicants have agreed as a condition to the relief that any sales charge assessed with respect to the Units of a Trust Series, when aggregated with any sales charge or service fees paid by the Trust Series with respect to securities of the underlying Funds, will not exceed the limits set forth in rule 2830(d) of the Conduct Rules of the NASD. As a result, the aggregate sales charges will not exceed the limit that otherwise could be charged at any single level.

6. Applicants believe that it is appropriate to apply the NASD's rules to the proposed arrangement instead of the sales load limitation in section 12(d)(1)(F)(ii). Applicants further believe that the condition subjecting any sales charges or service fees to the limits established by the NASD will provide ongoing regulation with the flexibility to accommodate continuing developments in the industry.

7. Administrative fees may be charged at both the Trust Series and underlying Fund levels. Applicants believe, however, that certain expenses of the Trusts may be reduced under the proposed arrangement. For example, when a Trust Series invests in Fund shares (whose net asset value is readily available), applicants anticipate that the evaluator would charge a lower fee, if any at all.

8. Applicants assert that the proposal will benefit potential unitholders as well as shareholders of the Funds. Applicants believe that a Trust Series provides a simple means through which investors can obtain a professionally selected and maintained mix of investment company shares in one package and at one sales load for a relatively small initial investment. In addition, applicants believe that purchasing shares in large quantities will enable a Fund to obtain certain economies of scale, and will benefit certain Funds by permitting them to carry a Trust Series on their books as a single shareholder account, even though there are numerous unitholders, and by providing them with a stable net asset base.

B. Section 17

1. Section 17(a) of the Act generally makes it unlawful for an affiliated person of a registered investment company to sell securities to or purchase securities from the company. Investment companies under common control are considered affiliates of one another. The Trust Series may be deemed to be under common control

because they have Dean Witter as a sponsor and, therefore, unable to sell and buy securities to and from each other without an exemption from section 17(a). Accordingly, applicants request relief to permit a Rollover Series to sell Fund shares and Treasuries to a New Trust Series.

2. Section 17(b) permits the SEC to grant an order permitting a transaction otherwise prohibited by section 17(a) if it finds that the terms of the proposed transaction, including the consideration to be paid or received, are fair and reasonable and do not involve overreaching on the part of any person concerned and the proposed transaction is consistent with the policy of the registered investment company and the general purposes of the Act. Section 6(c) permits the SEC to exempt any person or transaction from any provision of the Act, if such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policies and provisions of the Act. For the reasons stated below, applicants believe that the terms of the transactions meet the standards of sections 6(c) and 17(b).

3. Rule 17a-7 under the Act p[er]mits registered investment companies that might be deemed affiliates solely by reason of having common investment advisers, directors, and/or officers, to purchase securities from or sell securities to one another at an independently determined price, provided certain conditions are met. Applicants represent that they will comply with all of the provisions of rule 17a-7, other than paragraphs (b) and (e).

4. Paragraph (e) of the rule requires an investment company's board of directors to adopt and monitor procedures for these transactions to assure compliance with the rule. Since a UIT does not have a board of directors, there can be no board review of the transaction. Applicants state, however, that review in the context of a UIT would serve little useful purpose in connection with Fund shares and Treasuries because independently verifiable prices are readily available.

5. Paragraph (b) of rule 17a-7 requires that the transactions be effected at the independent current market price of the security. The Fund shares and Treasuries would fall within the paragraph (b)(4) category of "all other securities," for which the current market price under rule 17a-7(b) is the average of the highest current independent bid and lowest current independent offer determined on the basis of reasonable inquiry.

6. With respect to Fund shares, applicants state that Fund shares do not trade at a bid or offer price but at an independently determined net asset value. Applicants state that the Funds' shares will be issued by investment companies that will not be affiliated with the Sponsor and that each Fund will calculate the net asset value of its shares daily. The net asset value would be the price at which the Rollover Series would sell Fund shares to the New Trust Series.

7. With respect to Treasuries, applicants state that the Treasuries would be sold by a Rollover Series to a New Trust Series at the Treasuries' offer-side evaluation. Other Treasuries acquired by the New Trust Series will be acquired at the offer-side evaluation and the New Trust Series would be valued during the Trusts' initial offering period based on the Treasuries' offer-side evaluation. Applicants state that, therefore, there will be uniformity as to price for all of the Treasuries evaluated (both Treasuries bought in the market and Treasuries purchased from a Rollover Series). In addition, all unitholders of the New Trust Series, both unitholders from a Rollover Series and new unitholders, will acquire Unites with a value based on the offer-side evaluation of the Treasuries, which applicants state is consistent with the Trusts' acquisition cost.

8. Applicants believe that engaging in transactions for securities for which market quotations are readily available at an independently determined price will not disadvantage either Trust Series. Applicants state that the sales between Trust Series will reduce transaction costs to unitholders of the Trust Series and will reduce costs to the Fund. In addition, applicants state that the purchases and sales between Trust Series will be consistent with the policy of each Trust Series, as only securities that would otherwise be bought and sold on the open market pursuant to the policy of each Trust Series will be involved in the proposed transactions.

Applicants' Conditions

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

1. Each Trust Series will comply with section 12(d)(1)(F) in all respects except for the sales load limitation of section 12(d)(1)(F)(ii).

2. Any sales charges or service fees charged with respect to Units of a Trust Series, when aggregated with any sales charges or service fees paid by the Trust Series with respect to securities of the underlying Funds, will not exceed the

limits set forth in rule 2830(d) of the NASD's Conduct Rules.

3. Each sale of Fund shares between the Trust Series will be effected at the net asset value of the Fund shares as determined by the Fund on the sale date. Each sale of Treasuries between the Trust Series will be effected at the Treasuries' offer-side evaluation as determined by an Independent Evaluator as of the evaluation time on the sale date. Such sales will be effected without any brokerage charges or other remuneration except customary transfer fees, if any.

4. The nature and conditions of such transactions will be fully disclosed to investors in the appropriate prospectus of each future Rollover Series and New Trust Series.

5. The Trustee of each Rollover Series and New Trust Series will (a) review the procedures relating to the sale of securities from a Rollover Series and the purchase of securities for deposit in a New Trust Series and (b) make changes to the procedures as the Trustee deems necessary that are reasonably designed to comply with paragraphs (a), (c), and (d) of rule 17a-7.

6. A written copy of these procedures and a written record of each transaction pursuant to the requested order will be maintained as provided in rule 17a-7(f).

7. No Trust Series will acquire securities of an underlying Fund which, at the time of acquisition, owns securities of any other investment company in excess of the limits contained in section 12(d)(1)(A) of the Act.

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

Jonathan G. Katz,
Secretary.

[FR Doc. 98-12265 Filed 5-7-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (Homestead Village Incorporated, Common Stock, \$.01 Par Value) File No. 1-12269

May 4, 1998.

Homestead Village Incorporated ("Company") has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act") and Rule 12d2-2(d) promulgated thereunder, to withdraw the above specified security ("Security") from listing and