

**Finding of No Significant Impact**

Based upon the environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the application from CPL dated June 16, 1998, submitted under cover of a letter dated June 19, 1998, from Shaw, Pittman, Potts, and Trowbridge, counsel for CPL, and supplemental letter dated June 23, 1998, and enclosures thereto. These documents are available for public inspection at the Commission's Public Document Room, The Gelman Building, 2120 L Street, NW., Washington, DC 20555, and at the local public document room located at the Wharton County Junior College, J.M. Hodges Learning Center, 911 Boling Highway, Wharton TX 77488.

Dated at Rockville, Maryland, this 22nd day of September 1998.

For the Nuclear Regulatory Commission.

**John N. Hannon,**

*Director, Project Directorate IV-1, Division of Reactor Projects III/IV, Office of Nuclear Reactor Regulation.*

[FR Doc. 98-25833 Filed 9-25-98; 8:45 am]

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**SECURITIES AND EXCHANGE COMMISSION**

[Rel. No. IC-23443; File No. 812-11194]

**London Pacific Life & Annuity Company, et al.; Notice of Application**

September 22, 1998.

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

**ACTION:** Notice of application for an order under Section 26(b) of the Investment Company Act of 1940 ("Act") approving the proposed substitution of securities.

**SUMMARY OF APPLICATION:** Applicants seek an order approving the substitution of shares of the International Magnum Portfolio ("IM Portfolio") of Morgan Stanley Universal Funds, Inc. ("Fund") for shares of the International Stock Portfolio ("IS Portfolio") of LPT Variable Insurance Series Trust ("Trust") held by Separate Account One to fund certain variable annuity contracts ("Contracts") issued by London Pacific Life & Annuity Company.

**APPLICANTS:** London Pacific Life & Annuity Company ("London Pacific")

and LPLA Separate Account One ("Separate Account One").

**FILING DATES:** The application was filed on June 24, 1998.

**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 the Secretary of the SEC and serving Applicants with a copy of the request, in person or by mail. Hearing requests should be revised by the SEC by 5:30 p.m. on October 19, 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 who wish to be notified of a hearing may request notification of a hearing by writing to the Secretary of the SEC.

**ADDRESSES:** Secretary, SEC, 450 Fifth Street, NW, Washington, DC 20549. Applicants, George C. Nicholson, London Pacific Life 7 Annuity Company, 3109 Poplarwood Court, Raleigh, North Carolina 27604.

**FOR FURTHER INFORMATION CONTACT:** Elisa Metzger, Senior Counsel, or Mark Amorosi, 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 SEC, 450 Fifth Street, NW, Washington DC 20549 or call (202) 942-8090.

**Applicants' Representations**

1. London Pacific, a stock life insurance company, is engaged in selling life insurance and annuities. London Pacific's ultimate parent is London Pacific Group Limited, an international fund management firm chartered in Jersey, Channel Islands. London Pacific is the depositor for Separate Account One.

2. Separate Account One is a separate account established by London Pacific for the purpose of funding the Contracts. Separate Account One is registered under the Act as a unit investment trust (File No. 811-8890) and interests in Separate Account One have been registered under the Securities Act of 1933 ("1933 Act") (File Nos. 33-87150 and 333-1779). Separate Account One currently is divided into sub-accounts ("Sub-Accounts"), each of which reflects the investment performance of a corresponding portfolio of an underlying mutual fund.

3. LPMC Insurance Marketing Services ("LPMC"), a registered investment adviser and wholly-owned subsidiary of London Pacific, is the investment adviser to the Trust and provides overall management of the investment strategies and policies of the IS Portfolio. In addition to the other duties which LPMC was performing in its role as investment adviser to the IS Portfolio, it assumed the portfolio management function of the IS Portfolio on June 1, 1998, upon termination of the prior advisory agreement.

4. The primary investment objective of the IS Portfolio is to seek capital growth. The IS Portfolio invests primarily in the equity securities of issuers located outside of the United States. Shares of the IS Portfolio of the Trust are purchased, without sales charge, by the International Stock Sub-Account ("IS Sub-Account") of Separate Account One at the net asset value per share next determined following receipt of a purchase payment by the IS Sub-Account. Shares of the IS Portfolio are redeemed without any charge or fee to Separate Account One.

5. As of June 18, 1998, the IS Portfolio had approximately \$447,000 in net assets (of which approximately \$297,000 consisted of London Pacific's seed money and working capital contributions). The total expenses of the IS Portfolio for the year ended December 3, 1997, were 6.81% of its average net assets, without regard to any expense reimbursement by London Pacific. London Pacific has voluntarily agreed, through December 31, 1998, to reimburse the IS Portfolio for certain expenses, excluding brokerage commissions, in excess of approximately 1.49% annually. This undertaking is subject to termination at any time. Effective May 1, 1998, shares of the IS Portfolio are no longer available for sale.

6. Morgan Stanley Asset Management, Inc. ("MSAM"), a registered investment adviser and subsidiary of Morgan Stanley Dean Witter & Co., is the investment adviser for the IM Portfolio of the Fund. The primary investment objective of the IM Portfolio is to seek long-term capital appreciation. The IM Portfolio invests primarily in common and preferred stocks, convertible securities, rights or warrants to purchase common stocks and other equity securities of non-U.S. issuers domiciled in EAFE countries (including Australia, Japan, New Zealand, most nations located in Western Europe and certain developed countries in Asia, such as Hong Kong and Singapore).

7. On June 18, 1998, the IM Portfolio had approximately \$38.4 million in net

assets. For the period ended December 31, 1997, the IM Portfolio's total expenses were 2.78% of its average net assets without regard to waiver of fees or reimbursement of expenses undertaken by MSAM. MSAM has voluntarily agreed to waive receipt of its management fee and to reimburse the IM Portfolio, if necessary, if such fees and expenses would cause the total annual operating expenses of the IM Portfolio to exceed 1.15% annually. This fee waiver and expense reimbursement arrangement is voluntary and may be terminated by MSAM at any time without notice.

8. London Pacific currently limits transfers under the Contracts so that each transfer must involve a minimum of \$500, or the entire interest of the owner of the Contract ("Contract Owner"), if less. In addition, a partial transfer will not be permitted if the value of any Sub-Account after the transfer would be less than \$500. A maximum of 12 free transfers may be made by Contract Owners in any Contract year.

9. Applicants propose that London Pacific effect a substitution of shares of the IM Portfolio for shares of the IS Portfolio attributable to the Contracts ("Substitution") on the following basis. On the effective date of the Substitution, London Pacific will simultaneously place an order to redeem the shares of the IS Portfolio and an order to purchase shares of the IM Portfolio with the proceeds of the redemption. The Substitution will be a cash transaction. Applicants state that the Substitution will take place at relative net asset values of the IS and IM Portfolios, with no change in any Contract Owner's contract value or in the dollar value of his or her investment in Separate Account One.

10. Applicants state that Contract Owners will not incur any fees or charges as a result of the Substitution as London Pacific will pay all expenses and transaction costs of the Substitution, including any applicable legal and accounting fees, brokerage commissions, and other fees and expenses. Applicants also state that, following the Substitution, Contract Owners will be afforded the same Contract rights, including transfer and surrender rights with regard to amounts invested under the Contracts. Applicants represent that the Substitution will not impose any tax liability on Contract Owners and will not cause the Contract fees and charges to be greater after the Substitution than before the Substitution.

11. Applicants state that, on June 1, 1998, London Pacific supplemented the

prospectus for Separate Account One to reflect the proposed Substitution. The supplement also advised Contract Owners that, prior to the date of the Substitution, an owner may transfer his or her Contract value in the International Stock Sub-Account to any other Sub-Account of Separate Account One without limitation or charge being imposed.

12. Applicants state that within five days after the completion of the Substitution pursuant to any order of the Commission approving the Substitution, London Pacific will sent to affected Contract Owners written notice of the Substitution ("Notice") stating that shares of the IS Portfolio have been eliminated and that shares of the IM Portfolio have been substituted.

Applicants state that Contract Owners also will be advised in the Notice that for a period of thirty days from the mailing of the Notice ("Free Transfer Period"), they may transfer all assets, as substituted, to any other available Sub-Account, without limitation and without charge.

13. Applicants also state that the prospectuses of Separate Account One and the Contracts include provision that reserve the right to effect substitution in compliance with applicable law or undertake to provide notice to the extent required by the Act.

#### **Applicants' Legal Analysis and Conditions**

1. Applicants request an order of the Commission pursuant to Section 26(b) of the Act approving the proposed substitution of shares of the IM Portfolio of the Fund for shares of the IS Portfolio of the Trust which currently are held by Separate Account One.

2. Section 26(b) of the Act makes it unlawful for any depositor or trustee of a register unit investment trust holding the security of a single issuer to substitute another security for such security unless the Commission has approved such substitution. Section 26(b) also provides that 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 policy and provisions of the Act.

3. Applicants assert that the Substitution is an appropriate solution to the limited Contract Owner interest or investment in the IS Portfolio, which currently is, and in the future may be expected to be, of insufficient size to promote consistent investment performance or to reduce operating expenses. Applicants state that the IS Portfolio has not generated the interest

of Contract Owners that was anticipated at the time of its creation and that IS Portfolio's assets have not increased to a level to make it a viable investment option. Applicants state that the total expense ratio of 6.81% for the IS Portfolio for the year ended December 31, 1998, without regard to waiver or reimbursement of expenses undertaken by London Pacific, is relatively high for this type of portfolio. Applicants maintain that since most of the IS Portfolio's expenses are fixed and the size of the IS Portfolio is relatively small, these fixed expenses currently represent and may continue to represent a relatively large percentage of the IS Portfolio's average daily net assets.

4. Applicants assert that Contract Owners will not be exposed to higher expenses following the Substitution and should, in fact, benefit from the IM Portfolio's lower total expense ratio, which was 2.78% for the year ended December 31, 1997, without regard to waiver or reimbursement of expenses undertaken by MSAM. Applicants state that the IM Portfolio had about \$18.8 million in net asset after approximately twelve months of operation and that the IS Portfolio had about \$1.5 million in net assets representing Contract values after approximately twenty three months of operation. Applicants maintain that the prospects for continued growth of the IM Portfolio indicate that greater economics of scale can be expected for the IM Portfolio than for the IS Portfolio.

5. Applicants also state that due to the relatively small size of the IS Portfolio, there are a limited number of attractive security issues available for investment by the IS Portfolio. Applicants assert that the large size of the IM Portfolio lends itself to greater flexibility in purchasing attractive securities and that the IM Portfolio can more readily react to changes in market conditions. Applicants also believe that Contract Owners would benefit through the more effective management of a larger portfolio such as the IM Portfolio.

6. Applicants state that the purposes, terms and conditions of the Substitution are consistent with the principles and purposes of Section 26(b) and do not entail any of the abuses that Section 26(b) is designed to prevent. In particular, Applicants maintain that the Substitution will not result in the type of costly forced redemptions that Section 26(b) was intended to guard against and is consistent with the protection of investors and the purposes fairly intended by the Act for the following reasons:

(a) The Substitution is of shares of the IS Portfolio whose objectives, policies

and restrictions are substantially similar to the objectives, policies and restrictions of the IM Portfolio so as to continue fulfilling the Contract Owners' objectives and risk expectations;

(b) While the advisory fees incurred for the IM Portfolio are somewhat higher than those incurred by the IS Portfolio, through December 31, 1997, the total expenses, without regard to any waiver or reimbursements, incurred by the IM Portfolio were 2.78%, while the total expenses for the IS Portfolio were 6.81%;

(c) If a Contract Owner so requests, during the Free Transfer Period, assets will be reallocated for investment in a Contract Owner-selected sub-account. The Free Transfer Period is sufficient time for Contract Owners to reconsider the Substitution;

(d) The Substitution will, in all cases, be at net asset value of the respective shares, without the imposition of any transfer or similar charge;

(e) London Pacific has undertaken to assume the expenses and transaction costs, including among others, legal and accounting fees and any brokerage commissions, relating to the Substitution in a manner that attributes transaction costs to London Pacific;

(f) The Substitution in no way will alter the insurance benefits to Contract Owners or the contractual obligations of London Pacific;

(g) The Substitution in no way will alter the tax benefits to the Contract Owners;

(h) Contract Owners may choose simply to withdraw amounts credited to them following the Substitution under the conditions that currently exist, subject to any applicable deferred sales charge; and

(i) The Substitution is expected to confer certain economic benefits to Contract Owners by virtue of the enhanced asset size.

## Conclusion

Applicants submit that, for all of the reasons and facts summarized herein, the requested order approving the proposed substitution under Section 26(b) of the Act is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

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

**Jonathan Katz,**  
Secretary.

[FR Doc. 98-25823 Filed 9-25-98; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

### Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (Room Plus, Inc., Common Stock, \$.00133 Par Value; Redeemable Common Stock Purchase Warrants) File No. 1-14478

September 22, 1998.

Room Plus, Inc. ("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 securities ("Securities") from listing and registration on the Boston Stock Exchange, Inc. ("BSE" or "Exchange").

The reasons cited in the application for withdrawing the Securities from listing and registration include the following:

The Company's Securities have been listed for trading on the BSE and the Nasdaq since November 1, 1996.

In making the decision to withdraw its Securities from listing on the BSE, the Company considered the direct and indirect costs and expenses attendant on maintaining the dual listing of its Securities on the Nasdaq and the BSE. The Company does not see any particular advantage in the dual trading of its Securities and believes that dual listing would fragment the market for its Securities.

The Company has complied with the rules of the Exchange by filing a certified copy of the resolution adopted by the Company's Board of Directors authorizing the withdrawal of its Securities from listing and registration on the Exchange and by setting forth in detail to the Exchange the reasons for the proposed withdrawal.

By letter dated August 26, 1998, the Exchange informed the Company that it would not object to the withdrawal of the Company's Securities from listing and registration on the BSE.

The withdrawal from listing of the Company's Securities from the BSE has no effect upon the continued listing of the Securities on the Nasdaq.

By reason of Section 12 of the Act and the rules thereunder, the Company shall continue to be obligated to file reports under Section 13 of the Act with the Commission and the Nasdaq.

Any interested person may, on or before October 13, 1998, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549, facts bearing upon whether the application

has been made in accordance with the rule of the Exchange and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

**Jonathan G. Katz,**  
Secretary.

[FR Doc. 98-25821 Filed 9-25-98; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

### Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (Specialty Teleconstructors, Inc., Common Stock, \$.01 Par Value) File No. 1-13272

September 22, 1998.

Specialty Teleconstructors, Inc. ("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 registration on the Pacific Exchange, Inc. ("PCX" or "Exchange").

The reasons cited in the application for withdrawing the Security from listing and registration include the following:

The Security is listed for trading on the PCX and the Nasdaq.

In making the decision to withdraw its Security from listing on the Exchange, the Company considered the direct and indirect costs and expenses attendant on maintaining the dual listing of its Security on the Nasdaq and the PCX. The Company does not see any particular advantage in the dual trading of its Security and believes that dual listing would fragment the market for its Security.

The Company has complied with Exchange Rule 3.4 by filing with the Exchange a certified copy of the resolutions adopted by the Company's Board of Directors authorizing the withdrawal of its Security from listing and registration on the Exchange and by setting forth in detail to the Exchange the facts and reasons supporting the proposed withdrawal.

By letter dated August 5, 1998, the Exchange informed the Company that it