

For the Nuclear Regulatory Commission.
Peter S. Tam,
Senior Project Manager, Project Directorate II-2, Division of Reactor Projects—I/II, Office of Nuclear Reactor Regulation.
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POSTAL SERVICE

Postal Service Board of Governors

Sunshine Act Meeting

TIME AND DATES: 1:00 p.m., Monday, January 4, 1999; 8:30 a.m., Tuesday, January 5, 1999.

PLACE: Washington, D.C., at U.S. Postal Service Headquarters, 475 L'Enfant Plaza, S.W., in the Benjamin Franklin Room.

STATUS: January 4 (Closed); January 5 (Open).

MATTERS TO BE CONSIDERED:

Monday, January 4—1:00 p.m. (Closed)

1. Strategic Planning.

Tuesday, January 5—8:30 a.m. (Open)

1. Minutes of the Previous Meeting, December 7-8, 1998.
2. Remarks of the Postmaster General/Chief Executive Officer.
3. Consideration of Board Resolution on Capital Funding.
4. Annual Report on Government in the Sunshine Act Compliance.
5. Consideration of the FY 1998 Annual Report.
6. Capital Investment.
 - a. Automatic Airline Assignment/Semiautomatic Scan Where You Band Equipment.
7. Inspector General Report on Procurement Prequalification Process.
8. Election of Chairman and Vice Chairman of the Board of Governors.
9. Tentative Agenda for the February 1-2, 1999, meeting in Ft. Myers, Florida.

CONTACT PERSON FOR MORE INFORMATION:

Thomas J. Koerber, Secretary of the Board, U.S. Postal Service, 475 L'Enfant Plaza, S.W., Washington, D.C. 20260-1000. Telephone (202) 268-4800.

Thomas J. Koerber,
Secretary.

[FR Doc. 98-34472 Filed 12-23-98; 3:36 pm]

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SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC—23618; International Series Release No. 1175; File No. 812-10772]

Telesystem International Wireless Inc.; Notice of Application

December 22, 1998.

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

ACTION: Notice of application under section 6(c) of the Investment Company Act of 1940 (the "Act").

SUMMARY OF APPLICATION: Applicant requests an order that would permit it and its controlled companies to engage in certain foreign telecommunications infrastructure projects without being subject to the provisions of the Act.

FILING DATES: The application was filed on September 8, 1997. Applicant has 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 applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on January 19, 1999, and should be accompanied by proof of service on applicant, 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. Applicant, 1000 de La Gauchetiere Street West, 16th Floor, Montreal, Quebec, H3B 4W5 Canada.

FOR FURTHER INFORMATION CONTACT: David W. Grim, Senior Counsel, at (202) 942-0571, or Nadya B. Roytblat, Assistant Director, 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 Fifth Street, N.W., Washington, D.C. 20549; (202) 942-8090].

Applicant's Representations

1. Applicant, a Canadian corporation, was formed in 1996 in connection with the corporate reorganization of Telesystem International Wireless Corporation, N.V. ("TIWC"), a Netherlands corporation. TIWC was founded in 1992 to pursue international opportunities in the wireless telecommunications services market. Pursuant to the reorganization of TIWC, which was completed concurrently with applicant's initial public offering in Canada in May 1997, TIWC became a direct and indirect wholly-owned subsidiary of applicant. Applicant's subordinated voting shares are traded on the Montreal and Toronto stock exchanges and, since June 1998, on the NASDAQ National Market.

2. Substantially all of applicant's operations are conducted through its subsidiaries and affiliates, which are principally engaged in the development, acquisition, ownership, and operation of wireless telecommunications networks in both developing and developed markets throughout the world. Applicant's operations currently include cellular operations in Romania, China, India, and Brazil, specialized mobile radio operations in the United Kingdom, France, Germany, Spain, Portugal, and Belgium, and paging operations in Mexico and the Netherlands.

3. Applicant and its subsidiaries have benefited historically from the expertise and experience of applicant's shareholders and their affiliates, particularly Telesystem Ltd. ("Telesystem"), in identifying international wireless telecommunications opportunities and providing critical support in forming, developing, and implementing their operations. Telesystem is a privately-owned Canadian holding company engaged in the telecommunications business. Wholly-owned subsidiaries of Telesystem currently own common shares of applicant constituting an approximately 18% economic interest and 39% voting interest in the equity of applicant.

4. Applicant requests relief to permit applicant and each entity now or in the future controlled by, or under common control with, applicant (each, including applicant, a "Covered Entity") to engage, either directly or indirectly through subsidiaries, in certain foreign telecommunications infrastructure projects without being subject to the provisions of the Act. For purposes of the application, applicant represents that "foreign telecommunications infrastructure projects" means

telecommunications facilities, or similar or related facilities or operations.

5. Applicant represents that there are numerous steps that must be pursued by a developer/owner of a foreign telecommunications infrastructure project. Project development involves analyzing tender conditions, identifying license and permitting requirements, and preparing license applications; preparing demand analyses and developing business and marketing strategies and plans; developing financial systems and controls; selecting network equipment manufacturers and suppliers; designing, planning, and constructing networks; selecting and implementing maintenance, billing, and customer management systems; providing ongoing training to management, technical, operational, and customer service personnel; and negotiating interconnection contracts with other telecommunications providers. The management of operating projects involves responsibilities such as employee and customer relations; contract administration; continuing compliance with legal requirements; community and governmental relations; and financial and accounting issues.

6. The physical assets comprising a foreign telecommunications infrastructure project are or will be owned or leased by an entity (a "foreign telecommunications infrastructure project company") in which a Covered Entity has or will have a direct or indirect beneficial economic interest. In most cases, the foreign telecommunications infrastructure project company is or will be a special entity set up for the principal purpose of owning or leasing and operating the assets attributable to one or more foreign telecommunications infrastructure projects.

7. In addition, applicant has organized entities for the purpose of providing development, construction, operational or maintenance services to one or more foreign telecommunications infrastructure project companies ("foreign telecommunications infrastructure service companies"). Such entities are distinguishable from foreign telecommunications infrastructure project companies in that the former do not own or lease the assets directly but rather engage in the business of providing services.

8. For purposes of the application, applicant represents that foreign telecommunications infrastructure project companies and foreign telecommunications infrastructure service companies are included within the term "foreign telecommunications infrastructure company," which is any

company (a) substantially all of whose operations are conducted outside of the United States; and (b) whose business (which may include the ownership of either capital assets or stock of operating companies) primarily relates to or whose operations consist primarily of the development, acquisition, ownership and operation of, or the provision of management, operational, advisory, or maintenance service relating to, foreign telecommunications infrastructure projects. Applicant, directly or through one or more Covered Entities, participates and will participate in foreign telecommunications infrastructure companies by owning or holding a substantial interest in the company (directly or through intermediate entities) and providing active developmental assistance to the company.

9. For purposes of the application, applicant represents that "substantial interest" means any ownership interest that represents at least a 10% economic or voting interest. Applicant further represents that "active developmental assistance" means material involvement in the development, construction, or operation of, or the provision of management, operational, advisory, or maintenance services relating to, foreign telecommunications infrastructure projects. An entity will be deemed to furnish such assistance if it is or has been materially involved in providing such assistance. Thus, if an entity was materially involved in the development of a foreign telecommunications infrastructure company, such entity will be deemed to be providing active developmental assistance to the foreign telecommunications infrastructure company even after such company has moved past the development stage. The requirement of material involvement will not be satisfied, however, by arrangements that are immaterial to the overall development of a foreign telecommunications infrastructure project or overall success of the foreign telecommunications infrastructure company's operations, such as a short-term contract or a non-substantive contract (e.g., a consulting arrangement that is sometimes entered into as part of an executive employee's severance arrangement, pursuant to which the employee is paid but does little in the way of actual consulting).

10. Applicant and the other Covered Entities do not hold their assets as passive or portfolio investments and do not trade their assets as passive or portfolio investments and do not trade their assets for short-term profit. Applicant and the other Covered

Entities have never been registered investment companies (or subject to any analogous regulatory scheme in another jurisdiction) and have never been engaged in the business of investing, reinvesting, or trading in securities.

11. Applicant represents that as the operations of it and the other Covered Entities have expanded, it has become increasingly difficult for them to structure their interests in foreign telecommunications infrastructure companies in a manner that avoids the definition of investment company under the Act. Applicant believes that, in the absence of the requested exemptive order, it will become even more difficult for them to do so in the future.

Applicant's Legal Analysis

1. Section 3(a)(1)(C) of the Act defines an "investment company" as including any issuer that is engaged in the business of investing, reinvesting, owning, holding, or trading in securities, and owns investment securities having a value exceeding 40% of the value of such issuer's total assets (exclusive of Government securities and cash items). Section 3(a)(2) defines "investment securities" to include all securities except, in pertinent part, securities issued by majority-owned subsidiaries of the owner which are not investment companies and which are not excepted from the definition of investment company by section 3(c)(1) or section 3(c)(7). Section 2(a)(24) defines a "majority-owned subsidiary" of a person as a company 50% or more of the outstanding voting securities of which are owned by such person, or by a company which, within the meaning of section 2(a)(24), is a majority-owned subsidiary of such person.

2. Applicant states that some foreign governments are committed to retaining control over foreign telecommunications infrastructure projects. Moreover, applicant represents that, under the laws currently in effect in many host countries, there are limitations on the percentage equity interest in host country entities that can be owned by companies such as the Covered Entities that are organized in jurisdictions other than the host country. Applicant states that, as a result, a company desiring to participate in a project will often to choose between becoming a minority project participant with other companies or not participating at all. Because sections 3(a) and 2(a)(24), taken together, impose limits on the percentage of assets of the Covered Entities that may be attributable to securities representing minority interests in other companies, the Act may, in the absence of the requested

relief, prevent these entities from participating in foreign telecommunications infrastructure projects on desirable terms.

3. Section 6(c) provides that the SEC may exempt any person, security, or transaction from any provision of the Act or any rule or regulation under 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. Applicant requests an order under section 6(c) to permit applicant and the other Covered Entities to engage, directly or through subsidiaries, in foreign telecommunications infrastructure projects without being subject to the provisions of the Act.

4. Applicant believes that the requested relief is necessary and appropriate in the public interest. Applicant's business does not entail the types of risk to public investors that the Act was designed to eliminate or mitigate. Applicant's assets cannot be characterized as liquid, mobile, and readily negotiable, or as large liquid pools of funds. Applicant represents that its assets, as well as the assets of the other Covered Entities, are not held as passive or portfolio investments and are not traded for short-term profit. In addition, applicant asserts that the requirement that applicant or another Covered Entity provide active developmental assistance to the foreign telecommunications infrastructure projects is inconsistent with the notion that its assets are liquid, mobile, and readily negotiable. Applicant also states that investment companies of the type intended to be regulated under the Act could not engage in the activities that would be covered by the exemptive order because, unlike the Covered Entities, they lack the expertise and resources to provide active developmental assistance to foreign telecommunications infrastructure projects.

5. Applicant believes that the requested relief is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicant states that the Act was not intended to regulate the kind of industrial activity in which the Covered Entities engage. Applicant historically has developed as an operating industrial company rather than an investment pool, engaging principally in the telecommunications business. In addition, its proposed participation in foreign telecommunications infrastructure projects through the provision of active

developmental assistance is consistent with the type of activities typically associated with an operating industrial company. Finally, applicant does not hold itself out as engaged in the business of investing, reinvesting, or trading in securities or otherwise as an investment pool of the type intended to be regulated by the Act, and the exemptive order would not be available to any Covered Entity that holds itself out as engaged in the business of investing, reinvesting, or trading in securities.

Applicant's Conditions

Applicant agrees that the order granting the requested relief shall be subject to the following conditions:

1. No Covered Entity that proposes to rely on the requested relief will hold itself out as being engaged in the business of investing, reinvesting, or trading in securities.

2. A Covered Entity may rely on the order granting the requested relief only to the extent that the manner in which it is involved in foreign telecommunications infrastructure projects does not differ materially from that described in the application.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-34401 Filed 12-28-98; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-23620; File No. 812-11358]

Western Reserve Life Assurance Co. of Ohio, et al.

December 22, 1998.

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

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

SUMMARY OF APPLICATION: Applicants request an order approving the substitution of securities issued by certain management investment companies and held by the Account to support individual flexible premium deferred variable annuity contracts (the "Contracts") issued by Western Reserve.

APPLICANTS: Western Reserve Life Assurance Co. of Ohio ("Western Reserve") and WRL Series Annuity Account (the "Account").

FILING DATE: The application was filed on October 15, 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 to the SEC's Secretary and serving Applicants with a copy of the request, in person or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on January 18, 1999, 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 of a hearing by writing to the Secretary of the SEC.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, Thomas E. Pierpan, Esquire, Western Reserve Life Assurance Co. of Ohio, 570 Carillon Parkway, St. Petersburg, FL 33716-1202.

FOR FURTHER INFORMATION CONTACT: Kevin P. McEnery, Senior Counsel, or Mark C. 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 SEC's Public Reference Branch, 450 Fifth St., N.W., Washington, D.C. 20549 (tel (202) 942-8090).

Applicants' Representations

1. Western Reserve, a stock life insurance company, is principally engaged in the business of writing life insurance policies and annuity contracts and is authorized to do business in the District of Columbia and all states except New York. Western Reserve is a wholly-owned subsidiary of First AUSA Life Insurance Company which is a wholly-owned subsidiary of AEGON USA, Inc. AEGON USA, Inc. is a wholly-owned indirect subsidiary of AEGON nv, a Netherlands corporation, which is a publicly traded international insurance group. Western Reserve is the sponsor and depositor of the Account.

2. Western Reserve issues individual flexible premium deferred variable annuity contracts (the "Contracts") through the Account. The Account is a separate account and is registered under the 1940 Act as a unit investment trust. Interests in the Account offered through the Contracts have been registered