

Dated: March 16, 1999.

Margaret P. Crenshaw,
Secretary.

Attachment A—List of Procedures and Related Deadlines Proposed by Postal Service (in its March 10, 1999 Motion to Establish Procedural Mechanisms Concerning Settlement in Docket No. MC99-1)

(1) Enter the Postal Service's Request (with associated attachments), the testimony and exhibits filed with this Request, and the Stipulation and Agreement into the record in this docket;

(2) give parties until March 29, 1999, to intervene;

(3) give notice of a formal pre-hearing conference to be convened on March 30, 1999, at 11:00 a.m.;

(4) make the Commission hearing room available to the Postal Service and the participants on that date at 9:30 a.m. as the venue for an informal off-the-record meeting to discuss the proposed Stipulation and Agreement and related matters in advance of the pre-hearing conference;

(5) provide notice to intervenors that, if they wish to contest re-establishment of the experimental classifications and fees in the Postal Service's Request and the proposed Stipulation and Agreement, they must, by April 2, 1999, file a statement of their intention to do so. Any such statement should identify with specificity the classification and fees and other issues contested, and state whether the intervenor intends to offer evidence on any such classification, fees, and issues.

(6) If no such statements are filed, the record in this case shall be closed and the case submitted to the Commission for summary adjudication;

(7) If one or more such statements are filed, the filing parties shall have until April 9, 1999, to conduct discovery of the Postal Service;

(8) The same parties shall have until April 23, 1999, to submit testimony and/or pleadings seeking to establish either that, owing to the existence of genuine issues of material fact, the proceeding is not suited to summary adjudication or that the Stipulation and Agreement is arbitrary, capricious, or otherwise not in accordance with applicable law. Responsive pleadings by other parties shall be due on April 30, 1999. The record shall then be closed provisionally and the issues adjudicated by the Commission.

(9) If the Commission finds that there are no genuine issues of material fact, it will promptly notify the parties of such and indicate its intention to issue a Recommended Decision accepting the classification and fees proposed in the Request and the Stipulation and Agreement.

(10) If the Commission finds (a) that there are genuine issues of material fact that prevent summary adjudication, or (b) that there are no genuine issues of material fact, but that it declines to recommend renewal of the experimental classification and fees for weight-averaged nonletter-size BRM proposed in the Docket No. MC99-1 Request and the Stipulation and Agreement, then it

shall promptly notify the parties, identifying the genuine issues of material fact or other reasons for declining to adopt the proposed classifications and fees, and immediately set an expedited schedule for such additional discovery and hearings which may be necessary for litigation of those matters.

During that litigation period, any party to the Stipulation and Agreement may fully litigate the matters identified as disputed by the Commission, including discovery on the Postal Service with respect solely to those issues and presentations of testimony without withdrawing from the Stipulation and Agreement, provided that such party (a) continues to support a Commission recommendation of the classifications and fees proposed in the Postal Service's Request and (b) agrees to remain bound by the terms of the Stipulation and Agreement.

(11) If none of the actions by the Commission provided for in paragraphs 9 and 10 above have occurred by May 7, 1999,¹ any party to the Stipulation and Agreement may determine not to be bound further by that agreement and must provide written notice to all parties of this fact within three (3) business days of the above date. Any exercise of such right by one or more signatories shall not affect the operation of the Stipulation and Agreement as to other signatories.

[FR Doc. 99-6841 Filed 3-18-99; 8:45 am]

BILLING CODE 7710-12-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release NO. 23738; 812-11274]

Market Street Funds, Inc. et al.; Notice of Application

March 12, 1999

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

ACTION: Notice of application under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from section 15(a) of the Act and rule 18f-2 under the Act.

SUMMARY OF THE APPLICATION: Market Street Funds, Inc. ("MSF"), on behalf of AllPro Large Cap Growth Portfolio, AllPro SmallCap Growth Portfolio, AllPro Large Cap Value Portfolio and AllPro Small Cap Value Portfolio (each a "Fund" and collectively, the "Funds"), and Provident mutual Investment Management Company ("PIMC"), request an order that would permit applicants to enter into and materially amend sub-advisory

agreements without shareholder approval.

FILING DATE: The application was filed on August 26, 1998. Applicants have agreed to file an amendment to the application during the notice period, the substance of which is reflected in this notice.

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 Commission's Secretary 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 April 6, 1999, 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 Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, c/o David S. Goldstein, Esq., Sutherland, Asbill & Brennan, 1275 Pennsylvania Avenue, N.W., Washington, D.C. 20004-2415.

FOR FURTHER INFORMATION CONTACT: Emerson S. Davis, Sr., Senior Counsel, at (202) 942-0714, or George J. Zornada, 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 from the Commission's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549 (telephone (202) 942-8090).

Applicants' Representations

1. MSF, a Maryland corporation, is registered under the Act as an open-end management investment company. MSF is currently comprised of eleven series, including the Funds, each of which has its own investment objectives, policies and restrictions.¹ The shares of the Funds serve or will serve as funding

¹ Applicants also request relief with respect to future series of MSF and all future registered open-end management investment companies that are (a) advised by PIMC or any entity controlling, controlled by, or under common control with PIMC, and (b) which operate in substantially the same manner as the Funds and comply with the terms and conditions contained in the application ("Future Funds"). MSF is the only existing investment company that currently intends to rely on the order.

¹ The Postal Service desires to allow adequate time for the Commission to take action under either paragraph 9 or 10, but is strongly in favor of expedited resolution of this docket. It is thus hoped that the Commission would be able to act prior to the suggested May 7, 1999, date.

vehicles for variable annuity contracts offered through separate accounts of the Provident Mutual Life Insurance Company ("PMLIC") or a subsidiary of PMLIC.

2. PIMC, a Pennsylvania corporation, serves as the investment adviser to the Funds, and is registered under the Investment Advisers Act of 1940 ("Advisers Act"). PIMC is an indirect wholly-owned subsidiary of PMLIC.

3. PIMC serves as investment adviser to the Funds pursuant to an investment advisory agreement between MSF and PIMC that was approved by the board of directors of MSF ("the Board"), including a majority of the directors who are not "interested persons," as defined in section 2(a)(19) of the Act ("Independent Directors"), and the shareholders of the Funds ("Management Agreement"). Under the Management Agreement, PIMC has overall general supervisory responsibility for the investment program of the Funds and recommends to the Board the selection of one or more subadvisers (each a "Subadviser" and collectively, "subadvisers") to provide one or more Funds with day-to-day portfolio management services ("Manager of Subadvisers Strategy"). Each Subadvisers is (or will be) an investment adviser registered under the Advisers Act and performs (or will perform) services pursuant to a written agreement with PIMC (the "Sub-Advisory Agreement"). Subadvisers' fees are (or will be) paid by PIMC out of its fees from the Funds at rates negotiated with the Subadvisers by PIMC.

4. PIMC has supervised subadvisers since 1991 and uses a Manager of Subadvisers Strategy for each of the Funds. PIMC makes qualitative evaluations of each subadviser's skills and demonstrated performance in managing assets under particular investment styles. PIMC recommends to the Board for selection those Subadvisers that have consistently distinguished themselves and demonstrated a high level of service and responsibility to investors. PIMC reviews, monitors and reports to the Board regarding the performance and procedures of the Subadvisers. PIMC may recommend to the Board reallocation of assets of a Fund among Subadvisers, if necessary, and PIMC also may recommend hiring additional Subadvisers or the termination of Subadvisers in appropriate circumstances.

5. Applicants request relief to permit PIMC to enter into and materially amend Sub-Advisory Agreements

without shareholder approval.² The requested relief will not extend to a Subadviser that is an affiliated person, as defined in section 2(a)(3) of the Act, of MSF or PIMC, other than by reason of serving as a Subadviser to one or more of the Funds (an "Affiliated Subadviser").

Applicants' Legal Analysis

1. Section 15(a) of the Act provides, in relevant part, that it is unlawful for any person to act as an investment adviser to a registered investment company except pursuant to a written contract that has been approved by the vote of the company's outstanding voting securities. Rule 18f-2 under the Act provides that each series or class of stock in a series company affected by a matter must approved such matter if the Act requires shareholder approval.

2. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction or any class or classes of persons, securities, or transactions from any provision of the Act, or from any rule thereunder, 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 policy and provisions of the Act. Applicants request an exemption under section 6(c) of the Act from section 15(a) of the Act and rule 18f-2 under the Act to permit them to enter into and materially amend Sub-Advisory Agreements without shareholder approval.

3. Applicants assert that under the Manager of Subadvisers Strategy, the Fund's investors will rely on PIMC to select and monitor one or more Subadvisers best suited to achieve a Fund's investment objectives. Therefore, applicants believe that, from the perspective of the investor, the role of the Subadvisers is comparable to that of individual portfolio managers employed by other investment advisory firms. Applicants contend that requiring shareholder approval of Sub-Advisory Agreements would impose expenses and unnecessary delays on the Funds, and may preclude PIMC from promptly acting in a manner considered advisable by the Board. Applicants note that the Management Agreement between all Funds and PIMC will remain subject to section 15(a) of the Act and rule 18f-2 under the Act, including the requirements for shareholder approval.

²The term "shareholder" includes variable life insurance policy and variable annuity contract owners that are unit holders of any separate account for which the Funds serve as a funding medium.

Applicants' Conditions

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

1. PIMC will provide management services to the Funds, including overall supervisory responsibility for the general management and investment of each Fund, and, subject to review and approval by the Fund's Board will (a) set each Fund's overall investment strategies; (b) evaluate, select and recommend Subadvisers to manage all or a part of a Fund's assets; (c) when appropriate, allocate and reallocate a Fund's assets among multiple Subadvisers; (d) monitor and evaluate the investment performance of Subadvisers; and (e) implement procedures reasonably designed to ensure that the Subadvisers comply with the relevant Fund's investment objectives, policies, and restrictions.

2. Before a Fund may rely on the order, the operation of the Fund in the manner described in the application will be approved by a majority of the Fund's outstanding voting securities (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, pursuant to voting instructions provided by the unitholders of the sub-account), as defined in the Act, or in the case of a new Fund whose public shareholders (or variable contract owners through a separate account) purchase shares on the basis of a prospectus(es) containing the disclosure contemplated by Condition 4 below, by the sole initial shareholder(s) before the shares of such Fund are offered to the public (or the variable contract owners through a separate account).

3. Within 90 days of the hiring of any new Subadviser, PIMC will furnish shareholders (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, PMLIC or a subsidiary of PMLIC will furnish the unit holders of the sub-account) with respect to the appropriate Fund with an information statement about the new Subadviser or Subadvisory Agreement that would be included in a proxy statement. Such information will include any changes caused by the addition of a new Subadviser. To meet this condition, PIMC will provide shareholders (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, then by providing unitholders of the sub-account) with an information statement meeting the requirements of Regulation 14C, Schedule 14C, and Item 22 of Schedule 14A under the Securities Exchange Act of 1934.

4. Any Fund relying on the requested relief will disclose in its prospectus the existence, substance and effect of any order granted pursuant to this application. In addition, any such Fund will hold itself out as employing the Manager of Subadvisers Strategy described in the application. The prospectus will prominently disclose that PIMC has ultimate responsibility to oversee the Subadvisers and recommend their hiring, termination, and replacement.

5. No director or officer of MSF or PIMC will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by such director or officer) any interest in a Subadviser except for (a) ownership of interests in PIMC or any entity that controls, is controlled by, or is under common control with PIMC; or (b) ownership of less than 1% of the outstanding securities of any class of equity or debt securities of a publicly-traded company that is either a Subadviser or controls, is controlled by, or is under common control with a Subadviser.

6. No Fund will enter into a Subadvisory Agreement with an Affiliated Subadviser without such agreement, including the compensation to be paid thereunder, being approved by the shareholders of the Fund (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, then pursuant to voting instructions by the unitholders of the sub-account).

7. At all times, a majority of each Fund's Board will be persons who are Independent Directors, and the nomination of new or additional Independent Director will be at the discretion of the then-existing Independent Directors.

8. When a change of Subadviser is proposed for a Fund with an Affiliated Subadviser, the Fund's Board, including a majority of the Independent Directors, will make a separate finding, reflected in the Fund's Board minutes, that such change of Subadviser is in the best interests of the Fund and its shareholders (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, in the best interests of the Fund and the unitholders of any sub-account) and that the change does not involve a conflict of interest from which PIMC or the Affiliated Subadviser derives an inappropriate advantage.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99-6786 Filed 3-18-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-26990]

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

March 12, 1999.

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 under the Act. 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 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 April 5, 1999, to the Secretary, Securities and Exchange Commission, Washington, DC 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 should 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 April 5, 1999, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Eastern Edison Company (70-9453)

Eastern Edison Company ("EEC"), 110 Mulberry Street, Brockton, Massachusetts 02403, an electric utility subsidiary company of Eastern Utilities Associates, a registered holding company, has filed a declaration under section 12(b) of the Act and rules 45 and 54 under the Act.

EEC's electric utility subsidiary company, Montaup Electric Company ("MEC"), has entered into settlement agreements ("Agreements") with, among others, its state retail rate regulators,

Massachusetts and Rhode Island.¹ Under the Agreements, MEC is divesting its generating assets and existing power purchase agreements ("Existing Power Contracts").

In conjunction with this divestiture, MEC has agreed to sell to Constellation Power Source, Inc. ("CPS"), a nonassociate company, under a Power Purchase and Sale Agreement ("Sale Agreement"), the economic benefits and performance obligations associated with certain Existing Power Contracts, subject to MEC's continuing obligation to make certain payments under those Existing Power Contracts. In accordance with the Sale Agreement, EEC proposes to guarantee MEC's performance, and to pay CPS' expenses for enforcing its rights, under the Sale Agreement ("Guaranty").

EEC may be relieved of its obligations under the Guaranty if MEC either provides CPS with certain collateral or demonstrates that it meets certain creditworthiness criteria.

The Guaranty could be reinstated if MEC has not provided the collateral and fails to continue to meet the prescribed criteria.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (Titan Pharmaceuticals, Inc., Units (consisting of 1 share of Common Stock, \$.001 par value, and 1 Redeemable Class A Warrant)) File No. 1-13341

March 15, 1999.

Titan Pharmaceuticals, 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 (the "Units") from listing and registration on the Pacific Exchange, Inc. ("PCX" or "Exchange").

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

¹ The Agreements were approved by the Federal Energy Regulatory Commission by orders dated August 8, 1997 in Docket Nos. ER97-2800-000, ER97-3127-000 and ER97-2338-000.