

meeting are urged to contact the above named individual one or two working days prior to the meeting to be advised of any changes in schedule, etc., that may have occurred.

Dated: November 12, 1997.

Sam Duraiswamy,

Chief, Nuclear Reactors Branch.

[FR Doc. 97-30969 Filed 11-25-97; 8:45 am]

BILLING CODE 7590-01-M

NUCLEAR REGULATORY COMMISSION

Advisory Committee on Reactor Safeguards Meeting of the ACRS Subcommittee on Plant Operations

The ACRS Subcommittee on Plant Operations will hold a meeting on December 2, 1997, in Room T-2B3, 11545 Rockville Pike, Rockville, Maryland.

The entire meeting will be open to public attendance.

The agenda for the subject meeting shall be as follows:

Tuesday, December 2, 1997—8:30 a.m. until the conclusion of business

The Subcommittee will review the staff's Safety Evaluation Report on the BWR Owners' Group Utility Resolution Guidance to address emergency core cooling system suction strainer blockage. The Subcommittee will also review the results of licensee responses to NRC Bulletins to address strainer blockage, research associated with debris generation and transport, and proposed actions to provide closure to these issues. The purpose of this meeting is to gather information, analyze relevant issues and facts, and to formulate proposed positions and actions, as appropriate, for deliberation by the full Committee.

Oral statements may be presented by members of the public with the concurrence of the Subcommittee Chairman; written statements will be accepted and made available to the Committee. Electronic Recordings will be permitted only during those portions of the meeting that are open to the public, and questions may be asked only by members of the Subcommittee, its consultants, and staff. Persons desiring to make oral statements should notify the cognizant ACRS staff engineer named below five days prior to the meeting, if possible, so that appropriate arrangements can be made.

During the initial portion of the meeting, the Subcommittee, along with any of its consultants who may be present, may exchange preliminary views regarding matters to be

considered during the balance of the meeting.

The Subcommittee will then hear presentations by and hold discussions with representatives of the NRC staff, and other interested persons regarding this review.

Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by containing the cognizant ACRS staff engineer, Mr. Amarjit Singh (telephone 301/415-6899) between 7:30 a.m. and 4:15 p.m. (EST). Persons planning to attend this meeting are urged to contact the above named individual one or two working days prior to the meeting to be advised of any potential changes to the agenda, etc., that may have occurred.

Dated: November 13, 1997.

Sam Duraiswamy,

Chief, Nuclear Reactors Branch.

[FR Doc. 97-30970 Filed 11-25-97; 8:45 am]

BILLING CODE 7590-01-M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-22897; File No. 812-10760]

Western Reserve Life Assurance Co. of Ohio, et al.; Notice of Application

November 19, 1997.

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 ("1940 Act") approving the proposed substitution of securities.

SUMMARY OF APPLICATION: Applicants request an order approving the substitution of securities issued by certain registered management investment companies and held by the Accounts to support individual flexible premium deferred variable annuity contracts and individual flexible premium variable life insurance policies issued by Western Reserve.

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

FILING DATES: The application was filed on August 15, 1997, and an amended and restated application was filed on October 22, 1997.

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 December 15, 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 of a hearing by writing to the Secretary of the SEC.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, c/o Thomas E. Pierpan, Esquire, Western Reserve Life Assurance Co. Of Ohio, 201 Highland Avenue, Largo, Florida 33770-2597.

FOR FURTHER INFORMATION CONTACT: Michael Koffler, Attorney, 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 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., which in turn 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 Accounts.

2. Western Reserve issues individual flexible premium variable life insurance policies and individual flexible premium deferred variable annuity contracts (collectively, the "Contracts") through the Life Account and the Annuity Account respectively. Each of the Accounts is a separate account and is registered under the 1940 Act as a unit investment trust. Interests in the Accounts offered through the Contracts

have been registered under the Securities Act of 1933 ("1933 Act"). Each Account is comprised of sub-accounts established to receive and invest net purchase payments of the Contracts. Each sub-account invests exclusively in the shares of a specified portfolio of the WRL Series Fund, Inc. (the "Fund") and supports the Contracts.

3. The Fund is registered under the 1940 Act as an open-end management investment company. The Fund is a series investment company as defined by rule 18f-2 under the 1940 Act and is currently comprised of 21 investment portfolios (the "Portfolios"). The Fund issues a separate series of shares of stock in connection with each Portfolio and has registered these shares under the 1933 Act. WRL Investment Management, Inc. ("WRL Management"), a direct wholly-owned subsidiary of Western Reserve, is the investment adviser to the Fund.

4. Applicants state that the following Portfolios of the Fund have not generated substantial Contract owner interest since their inception: the Short-to-Intermediate Government Portfolio, the C.A.S.E. Quality Growth Portfolio, the C.A.S.E. Growth & Income Portfolio, the Foreign Sector Portfolio and the US Sector Portfolio (collectively, the "Replaced Portfolios"). In addition, the Replaced Portfolios are each relatively small in terms of assets compared to many other similar investment portfolios of open-end management investment companies available as investment vehicles for variable annuity and variable life insurance products. Applicants state that, as a result, the annual expense ratios of the Replaced Portfolios, absent any expense reimbursement, have been higher than the ratios of most similar, but larger portfolios. Moreover, the current expense reimbursement arrangements for the Replaced Portfolios are voluntary and there is no assurance these arrangements will continue in the future. Applicants also state that the performance of the Replaced Portfolios since their inception has been unremarkable given overall market performance during the relevant time periods.

5. For these reasons, Applicants propose that Western Reserve substitute shares of the Bond Portfolio for shares of the Short-to-Intermediate Government Portfolio; shares of the U.S. Equity Portfolio for shares of the US Sector Portfolio; shares of the Global Portfolio for shares of the Foreign Sector Portfolio; shares of the C.A.S.E. Growth Portfolio for shares of the C.A.S.E. Quality Growth Portfolio; and shares of

the C.A.S.E. Growth Portfolio for shares of the C.A.S.E. Growth & Income Portfolio.

6. Applicants represent that the Portfolios proposed as substitutes for each of the Replaced Portfolios (the "Substitute Portfolios") are substantially larger than their Replaced Portfolio counterparts. Applicants also represent that each Substitute Portfolio also has lower expense ratios and (with the exception of the U.S. Equity Portfolio, which does not yet have a performance record of significant duration) has either outperformed or performed comparably, relative to the corresponding Replaced Portfolio.

7. Applicants state that, by supplements to the prospectuses for the Contracts of the Accounts, all owners and prospective owners of the Contracts were notified of Western Reserve's intention to take the necessary actions to substitute the Replaced Portfolios with the Substitute Portfolios. The supplements advised owners and prospective owners that they will be unable to allocate net purchase payments to, or transfer cash values to, the sub-accounts of the Accounts corresponding to each of the Replaced Portfolios after November 15, 1997. The supplements also advised owners and prospective owners that on the date of the proposed substitutions, the Substitute Portfolios will replace the Replaced Portfolios as the underlying investments for such sub-accounts. The supplements further apprised owners and prospective owners that from the date of the supplements until 30 days after the date of the proposed substitutions, owners will be permitted to make one transfer per affected sub-account of all the cash value under a Contract invested in such affected sub-account to other available subaccount(s), other than one of the other affected sub-accounts, without that transfer(s) counting as one of the 12 transfers permitted in a Contract year free of charge. In addition, the supplements informed owners and prospective owners that Western Reserve will not exercise any rights reserved by Western Reserve under any of the Contracts to impose additional restrictions on transfers until at least 30 days after the proposed substitutions.

8. Applicants state that at least 60 days before the date of the proposed substitutions, affected owners were provided with a prospectus for the Fund which includes complete current information concerning the Substitute Portfolios.

9. Applicants propose to have Western Reserve redeem shares of each Replaced Portfolio in cash and purchase

with the proceeds shares of the relevant Substitute Portfolio. Applicants represent that redemption requests and purchase orders will be placed simultaneously so that Contract values will remain fully invested at all times.

10. Applicants state that the proposed substitutions will take place at relative net asset value with no change in the amount of any Contract owner's cash value or death benefit or in the dollar value of his or her investment in any of the Accounts. Applicants represent that Contract owners will not incur any fees or charges as a result of the proposed substitutions and that their rights and Western Reserve's obligations under the Contracts will not be altered in any way. All expenses incurred in connection with the proposed substitutions, including legal, accounting and other fees and expenses, will be paid by Western Reserve. In addition, Applicants represent that the proposed substitutions will not impose any tax liability on Contract owners. The proposed substitutions will not cause the Contract fees and charges currently paid by existing Contract owners to be greater after the proposed substitutions than before the proposed substitutions.

11. Within 5 days after the proposed substitutions, any owners who were affected by a substitution will be sent a written notice informing them that the substitutions were carried out and that they may make one transfer of all cash value under a Contract invested in each of the affected subaccounts to other subaccount(s) until 30 days after the substitution without that transfer counting as one of the 12 transfers permitted in a Contract year free of charge. The notice will also reiterate that Western Reserve will not exercise any rights reserved by Western Reserve under any of the Contracts to impose additional restrictions on transfers until at least 30 days after the proposed substitutions.

Applicants' Legal Analysis

1. Applicants request that the Commission issue an order pursuant to Section 26(b) of the 1940 Act approving the substitutions by Western Reserve of (1) shares of the Bond Portfolio for shares of the Short-to-Intermediate Government Portfolio; (2) shares of the U.S. Equity Portfolio for shares of the US Sector Portfolio; (3) shares of the Global Portfolio for shares of the Foreign Sector Portfolio; (4) shares of the C.A.S.E. Growth Portfolio for shares of the C.A.S.E. Quality Growth Portfolio; and (5) shares of the C.A.S.E. Growth Portfolio for shares of the C.A.S.E. Growth & Income Portfolio held by

corresponding sub-accounts of the Accounts.

2. Section 26(b) of the 1940 Act provides, in pertinent part, that "[i]t 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." Section 26(b) of the 1940 Act also provides that the Commission shall issue an order approving such substitution if the evidence establishes that the substitution is consistent with the protection of investors and the purposes fairly intended by the policies and provisions of the 1940 Act.

3. Applicants assert that the Contracts give Western Reserve the right, subject to Commission approval, to substitute shares of another open-end management investment company for shares of an open-end management investment company held by a sub-account of the relevant Account. Applicants also assert that the prospectuses for the Contracts and the Accounts contain appropriate disclosure of this right.

4. Applicants contend that the Substitute Portfolios will have lower or equal future expense ratios than the past expense ratios of the Replaced Portfolios. Each of the Substitute Portfolios is substantially larger than the corresponding Replaced Portfolio and each Substitute Portfolio (except the U.S. Equity Portfolio, which commenced operations on January 2, 1997) has had more favorable expense ratios over the last two years than the corresponding Replaced Portfolio.

5. As of November 15, 1997, the Replaced Portfolios will no longer be available for new investment, and most likely will experience the net redemption of their shares from that date forward. Therefore, Applicants assert that it is highly likely that in the near future each Replaced Portfolio's asset base will decrease and, accordingly, each Replaced Portfolio's expense ratio will increase.

6. Applicants state that each Substitute Portfolio has performed favorably over the past two years (except the U.S. Equity Portfolio, which commenced operations on January 2, 1997), and since its inception compared to the corresponding Replaced Portfolio. Applicants therefore anticipate that after the proposed substitutions, the Substitute Portfolios will provide Contract owners with more favorable or comparable investment results than would be the case if the proposed substitutions do not take place.

7. Applicants represent that each of the Substitute Portfolios is a suitable

and appropriate investment vehicle for Contract owners and that each Substitute Portfolio has, or will have, substantially identical or similar investment objectives and policies to its corresponding Replaced Portfolio.

Conclusion

Applicants submit that, for all the reasons summarized above, the proposed substitutions are consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97-31016 Filed 11-27-97; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-22898]

Allied Capital Corporation (File No. 811-907) and Allied Capital Lending Corporation (File No. 811-2708); Notice of Proposed Deregistration

November 20, 1997.

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

ACTION: Notice of proposed deregistration under section 8(f) of the Investment Company Act of 1940 (the "Act").

SUMMARY OF NOTICE: The SEC proposes to declare by order on its own motion that the registrations of Allied Capital Corporation ("Allied") and Allied Capital Lending Corporation ("Allied Lending") under the Act have ceased to be in effect as of June 28, 1991, and November 12, 1993, respectively, the dates that each elected to be regulated as a business development company ("BDC").

HEARING OR NOTIFICATION OF HEARING: An order will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving the relevant registrant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on December 15, 1997, and should be accompanied by proof of service on the registrant, 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 5th Street, N.W., Washington, D.C. 20549. Allied and Allied Lending: 1666 K Street, N.W., 9th Floor, Washington, D.C. 20006-2803.

FOR FURTHER INFORMATION CONTACT: Elaine M. Boggs, Senior Counsel, at (202) 942-0572, or Mercer E. Bullard, Branch Chief, at (202) 942-0572, (Office of Investment Company Regulation, Division of Investment Management).

SUPPLEMENTARY INFORMATION:

Statement of Facts

1. Allied and Allied Lending, both Maryland corporations and closed-end investment companies registered under the Act, filed Notifications of Registration under the Act on September 29, 1959 and November 23, 1976, respectively. In January 1960, Allied began a public offering. Until November 23, 1993, Allied Lending was a wholly-owned subsidiary of Allied. Allied Lending filed a registration statement under the Act and the Securities Act of 1933 that became effective on November 16, 1993. Allied commenced an initial public offering of its shares on November 23, 1997.

2. Section 54(a) of the Act provides that any company that satisfies the definition of a BDC under sections 2(a)(48) (A) and (B) of the Act may elect to be subject to the provisions of sections 55 through 65 of the Act and be regulated as a BDC by filing with the SEC a notification of the election, if the company: (i) has a class of its equity securities registered under section 12 of the Securities Exchange Act of 1934 (the "Exchange Act"); or (ii) has filed a registration statement pursuant to section 12 of the Exchange Act for a class of its equity securities. On June 28, 1991, and November 12, 1993, Allied and Allied Lending, respectively, each elected BDC status by filing a Form N-54A. Allied Lending filed a registration statement under the Exchange Act on November 12, 1993. Allied did not file a registration statement under the Exchange Act in reliance on the exemption provided by rule 12g-2 under the Exchange Act.

3. Section 8(a) of the Act, which requires registration of investment companies, does not apply to BDCs. After an existing registered investment company has filed an election to be regulated as a BDC, the SEC on its own motion will declare by order under section 8(f) that the company's registration under the Act has ceased to be in effect. The order will be effective retroactively, as of the date the SEC