

## POSTAL SERVICE BOARD OF GOVERNORS

### Sunshine Act Meeting

#### *Board Votes to Close Meeting*

In person and by telephone vote on October 16, 1998, a majority of the members contacted and voting, the Board of Governors voted to close to public observation a meeting held in Washington, D.C. via teleconference. The Board determined that prior public notice was not possible.

**ITEM CONSIDERED:** 1. Postal Rate Commission Opinion and Recommended Decision in Docket No. MC98-1, Mailing Online.

**GENERAL COUNSEL CERTIFICATION:** The General Counsel of the United States Postal Service has certified that the meeting was properly closed under the Government in the Sunshine Act.

**CONTACT PERSON FOR MORE INFORMATION:** Requests for information about the meeting should be addressed to the Secretary of the Board, Thomas J. Koerber, at (202) 268-3800.

**Thomas J. Koerber,**  
*Secretary.*

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BILLING CODE 7710-12-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-23487; 812-11178]

### The Dreyfus/Laurel Tax-Free Municipal Funds; Notice of Application

October 15, 1998.

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

**ACTION:** Notice of application for an order under section 17(b) of the Investment Company Act of 1940 (the "Act") for an exemption from section 17(a) of the Act.

**SUMMARY OF APPLICATION:** Applicant requests an order to permit one series of The Dreyfus/Laurel Tax-Free Municipal Funds ("Trust") to acquire all of the assets and liabilities of two other series of the Trust.

**FILING DATES:** The application was filed on June 17, 1998, and amended on September 28, 1998. Applicant has agreed to file an amendment 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 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 November 9, 1998, and should be accompanied by proof of service on the 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: 200 Park Avenue, New York, NY 10166.

**FOR FURTHER INFORMATION CONTACT:** Timothy R. Kane, Staff Attorney, at (202) 942-0615, or Mary Kay Frech, 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 Fifth Street, N.W., Washington, D.C. 20549 (telephone 202-942-8090).

#### **Applicant's Representations**

1. The Trust, a Massachusetts business trust, is registered under the Act as an open-end management investment company. Dreyfus Premier Limited Term Municipal Fund ("Acquiring Fund") is one of seven series of the Trust. Dreyfus Premier Limited Term California Municipal Fund ("California Fund") and the Dreyfus Premier Limited Term New York Municipal Fund ("New York Fund") are also series of the Trust. California Fund and New York Fund are collectively referred to as the "Acquired Funds." The Acquiring Fund and the Acquired Funds collectively are referred to as the "Funds."

2. The Dreyfus Corporation ("Adviser"), an investment adviser registered under the Investment Advisers Act of 1940, serves as investment adviser for the Acquiring Fund and the Acquired Funds. The Adviser is a wholly-owned subsidiary of Mellon bank, N.A., which is a wholly-owned subsidiary of Mellon Bank Corporation ("Mellon"). Mellon owns, with power to vote in the aggregate, approximately 58% of the outstanding voting securities of the California Fund, approximately 57% of the outstanding voting securities of the New York Fund, and approximately 53% of the

outstanding voting securities of the Acquiring Fund.

3. On April 23, 1998, the Trust's board of trustees ("Board"), including the non-interested trustees, unanimously approved an Agreement and Plan of Reorganization ("Plan of Reorganization") for each Acquired Fund pursuant to which the Acquiring Fund will acquire all of the assets and liabilities of each Acquired Fund in exchange for shares of the corresponding classes of the Acquiring Fund having an aggregate net asset value equal to the assets transferred minus the liabilities of the Acquired Fund ("Reorganization"). Each Acquired Fund will endeavor to discharge all of its known liabilities and obligations prior to closing of the Reorganization, presently expected to occur on or about November 13, 1998 ("Closing Date").

4. The Acquiring Fund and the Acquired Funds offer four share classes: Class A, Class B, Class C, and Class R. Each class of the Acquired Funds has identical rights and expense ratios as its corresponding share class of the Acquiring Fund. Class A shares are sold with a maximum sales charge of 3%, Class B shares are subject to a maximum 3% contingent deferred sales charge ("CDSC") if redeemed within five years of purchase, and convert to Class A shares in approximately six years after the date of purchase; Class C shares are subject to a 0.75% CDSC if redeemed within one year of purchase; and Class R shares pay no sales charges. Classes A, B, and C pay for distribution expenses at various rates through a rule 12b-1 plan.

5. As a result of the Reorganization, each Acquired Fund shareholder will receive Acquiring Fund shares having an aggregate net asset value equal to the aggregate net asset value of the corresponding Acquired Fund's shares held by that shareholder calculated as of the Closing Date. For purposes of calculating the CDSC on Classes B and C and the conversion rights of Class B shares, Class B and Class C shareholders of the Acquired Funds will be deemed to have held Class B and Class C shares of the Acquiring Fund since the date the shareholders initially purchased the shares of the Acquired Funds.

6. The investment objectives of the Acquiring Fund and each Acquired Fund are to maximize current income exempt from federal income tax. The California Fund has the additional objective of seeking income exempt from California's state income tax; the New York Fund has the additional objective of seeking income exempt from both the state of New York's