

members or the management members may caucus separately with the Chairman to devise strategy and formulate positions. Premature disclosure of the matters discussed in these caucuses would unacceptably impair the ability of the Committee to reach a consensus on the matters being considered and would disrupt substantially the disposition of its business. Therefore, these caucuses will be closed to the public because of a determination made by the Director of the Office of Personnel Management under the provisions of section 10(d) of the Federal Advisory Committee Act (Pub. L. 92-463) and 5 U.S.C. 552b(c)(9)(B). These caucuses may, depending on the issues involved, constitute a substantial portion of the meeting.

Annually, the Chairman compiles a report of pay issues discussed and concluded recommendations. These reports are available to the public, upon written request to the Committee's Secretary.

The public is invited to submit material in writing to the Chairman on Federal Wage System pay matters felt to be deserving of the Committee's attention. Additional information on these meetings may be obtained by contacting the Committee's Secretary, Office of Personnel Management, Federal Prevailing Rate Advisory Committee, Room 5559, 1900 E Street NW., Washington, DC 20415 (202) 606-1500.

Dated: March 11, 1996.

Anthony F. Ingrassia,  
*Chairman, Federal Prevailing Rate Advisory Committee.*

[FR Doc. 96-6267 Filed 3-15-96; 8:45 am]

BILLING CODE 6325-01-M

## RAILROAD RETIREMENT BOARD

### Actuarial Advisory Committee With Respect to the Railroad Retirement Account; Notice of Public Meeting

Notice is hereby given in accordance with Public Law 92-463 that the Actuarial Advisory Committee will hold a meeting on April 2, 1996, at 10 a.m. at the office of the Chief Actuary of the U.S. Railroad Retirement Board, 844 North Rush Street, Chicago, IL, on the conduct of the 20th Actuarial Valuation of the Railroad Retirement System. The agenda for this meeting will include a discussion of the assumptions to be used in the 20th Actuarial Valuation. A report containing recommended assumptions and the experience on which the recommendations are based

will have been sent by the Chief Actuary to the Committee before the meeting.

The meeting will be open to the public. Persons wishing to submit written statements or make oral presentations should address their communications or notices to the RRB Actuarial Advisory Committee, c/o Chief Actuary, U.S. Railroad Retirement Board, 844 North Rush Street, Chicago, IL 60611-2092.

Dated: March 12, 1996.

Beatrice Ezerski,

*Secretary to the Board.*

[FR Doc. 96-6392 Filed 3-15-96; 8:45 am]

BILLING CODE 7905-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-21819; File No. 812-9370]

### Southwestern Life Insurance Company, et al.

March 11, 1996.

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

**ACTION:** Notice of application for exemption under the Investment Company Act of 1940 (the "Act").

**APPLICANTS:** Southwestern Life Insurance Company ("Southwestern Life"), Variable Annuity Fund I of Southwestern Life (the "Separate Account"), and Philadelphia Life Asset Planning Company ("PLAPCO").

**RELEVANT 1940 ACT SECTIONS:** Order requested under Section 6(c) for exemptions from Sections 26(a)(2)(C) and 27(c)(2) of the Act.

**SUMMARY OF APPLICATION:** An order is sought exempting Applicants to the extent necessary to permit the payment to Southwestern Life of a mortality and expense risk charge from the assets of the Separate Account under certain variable annuity contracts ("Contracts") issued through the Separate Account.

**FILING DATE:** The application was filed on December 19, 1994 and amended and restated on March 14, 1995, November 24, 1995, and February 28, 1996.

**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 Secretary of the SEC 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 April 5, 1996, 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 Secretary of the SEC.

**ADDRESSES:** Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549; Applicants, Daniel B. Gail, Esq., Southwestern Life Corporation, 500 North Akard Street, Dallas, Texas 75201.

**FOR FURTHER INFORMATION CONTACT:** Edward P. Macdonald, Staff Attorney, or Wendy Friedlander, Deputy Chief (Office of Insurance Products), Division of Investment Management, at (202) 942-0670.

**SUPPLEMENTARY INFORMATION:** Following is a summary of the application. The complete application is available for a fee from the Public Reference Branch of the SEC.

### Applicants' Representations

1. Southwestern Life, a stock life insurance company incorporated under the laws of the State of Texas, is wholly-owned by Southwestern Life Acquisition Corp., a Delaware corporation, which in turn is wholly-owned by Southwestern Financial Corporation, a Delaware corporation. Southwestern Life, the depositor of the Separate Account, is engaged in the sale of life insurance and annuity policies in 39 states, Washington, D.C. and Guam.

2. The Separate Account was established by Southwestern Life as a management investment company on December 19, 1967, under the laws of the State of Texas to serve as the funding medium for the Contracts. The Separate Account is in the process of converting from a management investment company to a unit investment trust. Contractowners approved the conversion at a meeting of Contractowners held on July 28, 1995. Upon conversion, Contractowners will receive in exchange for their shares of the Separate Account units of interest in the Separate Account representing beneficial interests in shares of Scudder Growth Portfolio, portfolio of Scudder Variable Life Investment Fund. If the conversion is not consummated, the Separate Account will remain a managed open-end separate investment account and there will be no exchange of shares for units of interest. However, Southwestern Life expects that the conversion will be consummated promptly upon the issuance of an order by the SEC granting the exemptive relief requested in the application.

3. PLAPCO, formerly but not currently an affiliate of Southwestern Life, is the principal underwriter for the

Contracts. PLAPCO is registered with the SEC as a broker-dealer and is a member of the National Association of Securities Dealers, Inc. PLAPCO is a wholly-owned subsidiary of Wabash Life Insurance Company, which is a wholly-owned subsidiary of Life Partners Group, Inc. No Contracts have been marketed or distributed by PLAPCO or any other party for approximately ten years and there are currently no plans to do so. However, Southwestern Life continues to receive purchase payments under outstanding Contracts and new participants to existing Contracts may be added.

4. Six forms of Contracts are currently issued through the Separate Account by Southwestern. Four of the Contracts are individual variable annuity Contracts, and two are group variable annuity Contracts for retirement plans qualified under Section 401(a) or 403(b) of the Internal Revenue Code.

5. A death benefit is available under the Contracts. Prior to the Annuity Date the death benefit is equal to the value of the Contractowner's individual account as of the date on which due proof of death is received by Southwestern Life. If the Annuitant under a Contract dies after the Annuity Date, the death benefit, if any, depends upon the form of annuity payment in effect at the time of death.

6. Southwestern Life makes a deduction from each purchase payment received for sales and administrative expenses relating to the Contracts. The deduction for group Contracts is  $3\frac{1}{4}\%$  for the sales charge and 3% for administrative expenses. The deduction for individual Contracts is  $4\frac{1}{2}\%$  for the sales charge and  $3\frac{3}{4}\%$  for administrative expenses. Southwestern Life represents that these charges are guaranteed not to increase for the duration of the Contracts. Southwestern Life also represents that the deductions for administrative expenses are "at cost" in reliance upon Rule 26a-1.

7. Southwestern Life deducts from the assets of the Separate Account a charge to reimburse if for auditing the Separate Account. This charge of .20% will be made pursuant to Rule 26a-1 under the Act and Southwestern Life represents that it will not make a profit from this charge.

8. Southwestern Life also deducts a charge for premium taxes, which range from .5% up to 3%.

9. Southwestern Life imposes an annual charge of 1.00% on the net assets of the Separate Account to compensate it for bearing certain mortality and expense risks in connection with the Contracts. Of that amount .70% is attributable to the mortality risk, and

.30% is attributable to the expense risk. Southwestern Life guarantees that this charge will never exceed an annual rate of 1.00%. If the mortality and expense risk charges under the Contracts are insufficient to cover actual costs and assumed risks, the loss will be borne by Southwestern Life. Conversely, if the charge is more than sufficient to cover such costs, any excess will be profit to Southwestern Life. Southwestern Life currently anticipates a profit from this charge.

10. The mortality risk born by Southwestern Life arises from its contractual obligation to make annuity payments regardless of how long all annuitants or any individual annuitant may live. This undertaking assures that neither an annuitant's own longevity, nor an improvement in general life expectancy, will adversely affect the periodic annuity payments that an annuitant will receive under a Contract. Southwestern Life also incurs a mortality risk in connection with the death benefit guarantee.

11. The expense risk assumed by Southwestern Life is the risk that its actual administrative costs will exceed the amount recovered from the administrative charge.

#### Applicants' Legal Analysis

1. Section 6(c) of the Act authorizes the SEC to grant an exemption from any provision, rule or regulation of the Act to the extent that it 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. Sections 26(a)(2)(C) and 27(c)(2) of the Act, in relevant part, prohibit a registered unit investment trust, its depositor or principal underwriter, from selling periodic payment plan certificates unless the proceeds of all payments, other than sales loads, are deposited with a qualified bank and held under arrangements which prohibit any payment to the depositor or principal underwriter except a reasonable fee, as the SEC may prescribe, for performing bookkeeping and other administrative duties normally performed by the bank itself.

2. Applicants request exemptions from Sections 26(a)(2)(C) and 27(c)(2) of the Act to the extent necessary to permit the deduction of a charge of 1.00% from the assets of the separate Account to compensate Southwestern Life for the assumption of mortality and expense risks. Applicants assert that the requested exemptions are necessary and 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.

3. Southwestern Life represents that the charge of 1.00% on an annual basis under the Contracts made for mortality and expense risks is within the range of industry practice with respect to comparable annuity products. This representation is based upon an analysis of publicly available information about similar industry products, taking into consideration such factors as current charge levels, the existence of charge level guarantees, and guaranteed annuity rates. Southwestern Life will maintain at its administrative office, available to the SEC, a memorandum setting forth in detail the products analyzed in the course of, and the methodology and results of, the comparative survey.

4. Southwestern Life acknowledges that the proceeds of the sales charges may be insufficient to cover all costs relating to the distribution of the Contracts. Southwestern Life also acknowledges that, if a profit is realized from the mortality and expense risk charge, all or a portion of such profit may be viewed as being offset by distribution expenses not reimbursed by the sales charge. Southwestern Life has concluded that there is a reasonable likelihood that the proposed distribution financing arrangements will benefit the Separate Account and the Contract owners. The basis for such conclusion is set forth in a memorandum which will be maintained by Southwestern Life at its administrative offices and will be available to the SEC. Southwestern Life also represents that the Separate Account will only invest in management investment companies which undertake, in the event any such company adopts a plan under Rule 12b-1 to finance distribution expenses, to have a board of directors (or trustees), a majority of whom are not interested persons of the company as defined in the Act, formulate and approve any such plan under Rule 12b-1.

#### Conclusion

For the reasons set forth above, Applicants represent that the exemptions requested are necessary and appropriate in the public interest and consistent with the protection of investors and purposes fairly intended by the policy and provisions of the Act.

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

Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 96-6323 Filed 3-15-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36957; File No. 4-388]

### Symposium on Intangible Assets

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Notice of symposium participants.

**SUMMARY:** In Release No. 34-36892 (61 FR 8313 March 4, 1996) the Securities and Exchange Commission ("Commission") announced that it would hold a symposium on issues related to the financial accounting and reporting of intangible assets. In connection with that announcement, the Commission is publishing notice of the participants in the symposium.

**DATES:** The symposium will be held on Thursday, April 11, 1996 from 1:00 p.m. to 5:30 p.m., and on Friday, April 12, 1996 from 9:00 a.m. to 4:30 p.m.

**ADDRESSES:** The symposium will take place in Room 1C-30 at the Securities and Exchange Commission, 450 Fifth Street NW., Washington, D.C. 20549.

**FOR FURTHER INFORMATION CONTACT:** The symposium is open to the public. Members of the public planning to attend the symposium are encouraged to contact Terry Warfield at (202) 942-4400 or Andre Owens at (202) 942-0800.

#### I. Introduction

The symposium will consist of various panels that will address such topics as the nature and types of intangible assets, including intellectual property, human capital, research and development, software and related items. Discussion at the symposium also will center upon the types of companies that utilize intangible assets, the importance of disclosure relating to these assets from the perspective of investors and other users of financial reporting, and the sources of information relating to intangible assets. Invited panelists also will discuss issues related to the measurement of intangible assets by preparers of financial reports, concerns about disclosures related to intangible assets, academic research pertaining to such assets, and the experience of U.S. and foreign standards setters with regard to accounting and disclosure of intangible assets. The symposium will conclude with a

general discussion of issues raised by the various panels and measures that might be taken to address these issues.

#### II. Participants in Symposium

The participants in the symposium and the schedule for the panel discussions are:

*Thursday, April 11, 1996*

Plenary Speaker (1:15 p.m.-2:15 p.m.)  
[To be announced]

User Panel (2:15 p.m.-3:45 p.m.)

*Moderator:* Patricia McQueen,  
Association for Investment  
Management and Research  
Lewis Alexander—Chief Economist,  
U.S. Department of Commerce  
John Bajkowski—Financial Analyst,  
American Association of Individual  
Investors

J. J. Jelencic—Investment Officer,  
CALPERS

James F. Morgan—Partner, OneLiberty  
Ventures (National Venture Capital  
Association)

I. Rossa O'Reilly, CFA—Vice Chair,  
Wood Gundy, Inc.

Gerald White, CFA—Grace & White,  
Inc.

Preparer Panel (4:00 p.m.-5:30 p.m.)

*Moderator:* Jonathan Low, Deputy  
Assistant Secretary for Work and  
Technology Policy—U.S.  
Department of Labor.

Michael Brown—Chief Financial  
Officer, Microsoft Corporation  
Leif Edvinsson—Vice President and  
Director of Intellectual Capital,  
Skandia AFS

Gordon Petrash—Global Director of  
Intellectual Assets & Capital, The  
Dow Chemical Company

Jonathan Southern—Director of  
Accounting, Grand Metropolitan  
Plc.

*Friday, April 12, 1996*

Accounting and Reporting Research  
Panel (9:00 a.m.-10:30 a.m.)

*Moderator:* Professor John Elliott,  
Associate Dean, Johnson School of  
Management, Cornell University  
Professor Paul Healy—Sloan School  
of Business, Massachusetts Institute  
of Technology

Professor David Larcker—Wharton  
School of Business, University of  
Pennsylvania

Professor Baruch Lev—Stern School  
of Business, New York University  
Standard-Setting Panel (10:30 a.m.-  
12:00 p.m.)

*Moderator:* Michael H. Sutton, Chief  
Accountant—U.S. Securities and  
Exchange Commission

Dennis R. Beresford—Chairman,  
Financial Accounting Standards  
Board

Michael Crooch—AICPA Accounting

Standards Committee

James Salomon—Chief Accountant,  
Ontario Securities Commission  
"Where from Here" Panel (2:00 p.m.-  
4:30 p.m.)

*Moderator:* Steven M. H. Wallman,  
Commissioner—U.S. Securities and  
Exchange Commission

Dennis R. Beresford—Chairman,  
Financial Accounting Standards  
Board

Michael Brown—Chief Financial  
Officer, Microsoft Corporation  
Leif Edvinsson—Vice President and  
Director of Intellectual Capital,  
Skandia AFS

Dr. George N. Hatsopoulos—Chairman  
& President, Thermo Electron  
Corporation

Professor Baruch Lev—Stern School  
of Business, New York University  
Gerald White, CFA—Grace & White,  
Inc.

Michael H. Sutton—Chief  
Accountant, U.S. Securities and  
Exchange Commission.

Dated: March 12, 1996.

Jonathan G. Katz,  
*Secretary.*

[FR Doc. 96-6319 Filed 3-15-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36955; File No. SR-ASD-95-59]

### Self-Regulatory Organizations; Order Approving Proposed Rule Change by National Association of Securities Dealers, Inc. To Amend Section 65 of the Uniform Practice Code To Require Members Who Are Participants in a Registered Clearing Agency To Use the Electronic Facilities of Such Agency To Transmit Customer Account Transfer Instructions

March 11, 1996.

On December 16, 1995,<sup>1</sup> the National Association of Securities Dealers, Inc. ("NASD" or "Association") filed a proposed rule change with the Securities and Exchange Commission ("SEC" or "Commission") pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>2</sup> and Rule 19b-4 thereunder.<sup>3</sup> The rule change amends Section 65 of the Uniform

<sup>1</sup> On March 11, 1996, the NASD filed Amendment No. 1 with the Commission. Amendment No. 1 was technical in nature and does not require republication of notice and filing. The text of Amendment No. 1 may be examined in the Commission's Public Reference Room. See Letter from Elliott R. Curzon, Assistant General Counsel, NASD, to Mark P. Barracca, Branch Chief, Division of Market Regulation, Commission, dated March 11, 1996.

<sup>2</sup> 15 U.S.C. 78s(b)(1).

<sup>3</sup> 17 CFR 240.19b-4.