Rule 24 requires the filing with the Commission of certain information indicating that an authorized transaction has been carried out in accordance with the terms and conditions of the Commission order relating thereto. The rule imposes a burden of about 358 hours annually on approximately 253 respondents.

General comments regarding the estimated burden hours should be directed to the Desk Officer for the Securities and Exchange Commission at the address below. Any comments concerning the accuracy of the estimated average burden hours for compliance with Commission rules and forms should be directed to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549 and Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, DC 20503.

Dated: May 30, 1996.

Jonathan G. Katz,

Secretary.

[FR Doc. 96–14176 Filed 6–5–96; 8:45 am]

BILLING CODE 8010–01–M

[Investment Company Act Rel. No. 21995; 812–9974]

American AAdvantage Funds, et al.; Notice of Application

May 30, 1996.

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

ACTION: Notice of Application for Exemption under the Investment Company Act of 1940 (''Act'').

APPLICANTS: Amrican AAdvantage Funds (the ''AAdvantage Trust''), American AAdvantage Mileage Funds (the ''Mileage Trust''), AMR Investment Services Trust (the ''AMR Trust,'' collectively with the AAdvantge Trust and the Mileage Trust, the ''Trusts''), and AMR Investment Services, Inc. (''Manager''), on behalf of themselves and all future investment companies or series funds of the Trusts that employ the ''multi-manager'' structure described in the application and are advised by the Manager or an entity controlling, controlled by, or under common control (within the meaning of section 2(a)(9) of the Act) with the Manager.

RELEVANT ACT SECTIONS: Exemption requested under section 6(c) of the Act from the provisions of section 15(a) and rule 18f–2.

SUMMARY OF APPLICATION: Applicants seek a conditional order permitting the Manager, as investment adviser to the Trusts, to enter into sub-advisory contracts on behalf of one or more series funds of the Trusts without obtaining prior shareholder approval.

FILING DATES: The application was filed on January 29, 1996, and amended on May 6, 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 SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on June 24, 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 such notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW., Washington, DC 20549. Applicants, 4333 Amon Carter Boulevard, MD 5645, Forth Worth, Texas 76155.

FOR FURTHER INFORMATION CONTACT: Courtney S. Thornton, Senior Counsel, at (202) 942–0583, or David M. Goldenberg, 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 SEC's Public Reference Branch.

Applicants' Representations

1. The AAdvantage Trust, which currently has eight series funds (the ''AAdvantage Funds''), and the Mileage Trust, which currently has seven series funds (the ''Mileage Funds,'' collectively with the AAdvantage Funds, the ''Funds''), are Massachusetts business trusts registered under the Act as open-end management investment companies. Each Fund is a separate investment series of the AAdvantage Trust or the Mileage Trust and has distinct investment objectives and policies. Because applicants believe that returns can be enhanced by careful selection and blending of styles of several investment managers within a single asset class, three of the Funds have operated as ''multi-manager'' funds (the ''Multi-Manager Funds'') since their organization in 1987. Each of the Multi-Manager Funds has relied upon at least two sub-advisers with different investment styles (the ''Money Managers'') for the provision of investment advisory services.

2. The Funds implemented a ''master-feeder'' structure on November 1, 1995. Under this structure, each Fund (other than the American AAdvantage Short-Term Income Fund, which invests directly in investment securities) invests all of its investable assets in a corresponding series fund (''Portfolio'') of the AMR Trust, a New York common law trust that is registered under the Act as an open-end management investment company.[1] Each of the seven Portfolios has investment objectives identical to those of the corresponding Funds.

3. With the conversion of the majority of the Funds to a master-feeder structure, the three Portfolios in which the Multi-Manager Funds invest were structured as multi-manager investment vehicles employing tow or more Money Managers (the ''Multi-Manager Portfolios''). Each Money Manager provides investment advisory services for the Multi-Manager Portfolios and their corresponding Funds pursuant to a separate investment advisory agreement (the ''Money Manager Agreement'') with the Manager, who pays the fees of the Money Managers out of the investment advisory fees it receives from the Trusts. As long as a Fund invests all of its investable assets in a corresponding Multi-Manager Portfolio, however, a Money Manager will receive an advisory fee only on behalf of the Multi-Manager Portfolio and not on behalf of the corresponding Fund(s). The Manager currently serves as the sole investment adviser to the non-Multi-Manager Portfolios, to which the requested relief will not apply unless they elect to employ two or more Money Managers.

4. The Manager, a wholly-owned subsidiary of AMR Corporation, the parent corporation of American Airlines, Inc., is registered as an investment adviser under the Investment Advisers Act of 1940. The Manager provides the Trusts with administrative and asset management services, including the oversight of all investment advisory and portfolio management services for the Funds and the Portfolios pursuant to investment advisory contracts (the ''Management Agreements''). However, as a result of the master-feeder structure, all investment management for the Multi-

[1] Interests in the AMR Trust are offered to the Advantage Trust and the Mileage Trust pursuant to an exemption from registration under the private offering exemption contained in section 4(2) of the Securities Act of 1933.

Manager Funds takes place at the Portfolio level, rather than at the Fund level. As part of its responsibilities, the Manager recommends and supervisors the Money Managers, subject to the oversight and approval of the board of trustees (the ''Board'') of the applicable Trusts. To discharge its duties, the Manager from time to time recommends the replacement or addition of Money Managers and/or changes in the Money Manager Agreements.

5. At a recent shareholders meeting, shareholders of the Funds and the Portfolios approved the adoption of a policy that would permit the Manager to hire Money Managers and modify Money Manager Agreements solely with Board approval, without prior shareholder approval. Accordingly, applicants request an exemption from section 15(a) and rule 18f–2 to permit the Money Managers to act as investment advisers to one or more Portfolios or Funds pursuant to a written contract that has not been approved by the shareholders of the applicable Portfolios or Funds.[2]

Applicants' Legal Analysis

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

2. Applicants assert that by choosing the invest in a Fund that invests its assets in a Multi-Manager Portfolio, investors have indicated their reliance upon the Manager to select and monitor the Portfolio's sub-advisers. Applicants believe that unless the Multi-Manager Portfolios have the ability to act promptly upon the Manager's recommendations with respect to the Money Managers, investors' expectations are frustrated and the Funds and their shareholders could be seriously disadvantaged in certain circumstances.

3. Applicants contend that the structure of the Multi-Manager Portfolios is unlike that of a conventional mutual fund in that it divides responsibility for general management and investment advisory services between the Manager and the Money Managers. Applicants argue that because shareholders rely upon the Manager to manage the Portfolios' sub-advisers, the selection or change of a Money Manager is not an event that significantly alters the nature of shareholders' investment, nor does it implicate the policy concerns regarding shareholder approval. Applicants assert that investors will continue to exercise control over their relationship with the Manager, the party they have chosen to hold accountable for investment results and related services, by voting on matters relating to the Management Agreement.

4. Applicants believe that requiring shareholder approval of a new or amended Money Manager Agreement prior to its effective date is not necessary to effect the policies and purposes of the act, particularly as doing so will increase expenses and delay prompt implementation of action the Manager has determined is most beneficial to the shareholders of the Multi-Manager Portfolios and the corresponding Funds. Applicants also assert that even though shareholders will not vote on Money Manager changes, they will receive an information statement that includes all the information about a new Money Manager or Money Manager Agreement that would be included in a proxy statement. In addition, applicants state that all fees payable by the Manager to the Money Manager will be disclosed in the prospectus of the applicable Fund.

5. Finally, applicants argue that, unlike the normal fund/adviser relationship, the relationship between the Manager and a Money Manager is entirely arm's length. Applicants assert that the terms of the requested order will ensure that there can be no significant financial interest between the directors, officers, and trustees of the Trusts and the Manager and the Money Managers themselves (other than through a pooled investment vehicle that is not controlled by any such director, officer, or trustee).

6. Section 6(c) of the Act provides that the SEC may exempt any person, security, or transaction from any provision of 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 policies and purposes fairly intended by the policies and provisions of the Act. Applicants believe that the requested relief meets this standard.

Applicants' Conditions

Applicants agree that the requested exemption will be subject to the following conditions:

1. Before a Fund or a Portfolio may rely on the order requested in the application, the operation of the Fund or the Portfolio in the manner described in the application will be approved by a majority of the outstanding voting securities, as defined in the Act, of the Fund and the Portfolio or, in the case of a new Fund whose public shareholders purchased shares on the basis of a prospectus containing the disclosure contemplated by condition 2 below, by the sole initial shareholder(s) before offering shares of such Fund to the public.

2. Any Fund relying on the requested relief will disclose in its prospectuses the existence, substance, and effect of any order granted pursuant to the application.

3. The Manager will provide management and administrative services to the Funds and the Portfolios, and, subject to the review and approval of their respective Boards, will: set the overall investment strategies of the Funds and the Portfolios; recommend Money Managers; allocate, and when appropriate, reallocate the assets of the Funds and the Portfolios among Money Managers; monitor and evaluate the investment performance of the Money Mangers, including their compliance with the investment objectives, policies, and restrictions of the Funds and the Portfolios; and manage short-term investments of the Funds and the Portfolios.

4. A majority of each Board will be persons each of whom is not an ''interested person'' of the Trust (as defined in section 2(a)(19) of the Act) (the ''Independent Trustees''), and the nomination of new or additional Independent Trustees will be placed within the discretion of the then existing Independent Trustees.

5. The Trusts will not enter into Money Manager Agreements with any Money Manager that is an ''affiliated person,'' as defined in section 2(a)(3) of the Act, of the Funds, the Portfolios, or the Manger other than by reason of serving as a Money Manager to one or more of the Funds or the Portfolios (an ''Affiliated Money Manager'') without such agreement, including the compensation to be paid thereunder, being approved by the shareholders of the applicable Fund and Portfolio.

6. When a change of Money Manager is proposed for a Fund or a Portfolio with an Affiliated Money Manager, the Board of the applicable Trust, including

[2] The requested relief would not apply to any of the Funds unless they decide to invest their assets directly and employ two or more Money Managers to provide investment advisory services as described in the application.

a majority of the Independent Trustees, will make a separate finding, reflected in the Board minutes of the Trust, that any such change of Money Manager is in the best interest of the Trust and its shareholders and does not involve a conflict of interest from which the Manager or Affiliated Money Manager derives an inappropriate advantage.

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

8. Within 90 days of the hiring of any new Money Manager or the implementation of any proposed material change in a Money Manager Agreement, the affected Fund and Portfolio will furnish their shareholders with all information about the new Money Manager or Money Manager Agreement that would be included in a proxy statement. Such information will include any change in such disclosure caused by the addition of a new Money Manager or any proposed material change in the Money Manager Agreement of a Fund or a Portfolio. The Fund and the Portfolio will meet this condition by providing shareholders, within 90 days of the hiring of a Money Manager or the implementation of any material change to the terms of a Money Manager Agreement, with an information statement meeting the requirements of Regulation 14C and Schedule 14C under the Securities Exchange Act of 1934 (the ''Exchange Act''). The information statement also will meet the requirements of Item 22 of Schedule 14A under the Exchange Act.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 96–14178 Filed 6–05–96; 8:45 am]

BILLING CODE 8010–01–M

[Investment Company Act Release No. 21996; 811–5591]

The Dreyfus/Laurel Investment Series

May 30, 1996.

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

ACTION: Notice of Application for Deregistration under the Investment Company Act of 1940 (the ''Act'').

APPLICANT: The Dreyfus/Laurel Investment Series.

RELEVANT ACT SECTION: Section 8(f).

SUMMARY OF APPLICATION: Applicant requests an order declaring that it has ceased to be an investment company.

FILING DATES: The application was filed on April 9, 1996 and amended on May 20, 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 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 June 24, 1996 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 may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 5th Street, NW., Washington, DC 20549. Applicant, 200 Park Avenue, New York, New York 10166.

FOR FURTHER INFORMATION CONTACT: Sarah A. Buescher, Staff Attorney, at (202) 942–0573, or David M. Goldenberg, 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 SEC's Public Reference Branch.

Applicant's Representations

1. Applicant is an open-end management investment company organized as a Massachusetts business trust. On May 31, 1988, applicant filed a Notification of Registration on Form N–8A pursuant to section 8(a) of the Act, and a registration statement on Form N–1A pursuant to section 8(b) of the Act and the Securities Act of 1933. The registration statement became effective on October 11, 1988, and the initial public offering of applicant's shares commenced on October 12, 1988. Applicant's board of trustees had authorized both Investor and Class R shares of the Fund, but only Investor shares of the Fund were issued.

2. On July 26, 1995, applicant's board of trustees approved the liquidation of the last remaining series of applicant (the ''Fund'') and the subsequent dissolution of applicant. Applicant's board approved the liquidation based on the less than expected growth and performance of the Fund. The board also approved the retention by applicant's transfer agent of one Investor share of the Fund following the Fund's liquidation so that the transfer agent could act as shareholder to approve applicant's dissolution.

3. On September 15, 1995, applicant made a liquidating distribution of $351,113 to shareholders of record at $11.86 per share. The distribution to shareholders was based on net asset value. On September 18, 1995, applicant's transfer agent, as the sole remaining shareholder of the Fund, approved the dissolution of applicant in accordance with applicant's trust agreement.

4. In connection with its liquidation, applicant is expected to incur approximately $7,500 of aggregate expenses, consisting primarily of legal expenses, all of which have been or will be paid by The Dreyfus Corporation, applicant's investment adviser. Applicant's portfolio securities were sold at market prices and no brokerage commissions were incurred.

5. As of the date of the application, applicant had no assets, no liabilities, and no shareholders. Applicant is not a party to any litigation or administrative proceeding. Applicant is not engaged, nor proposes to engage, in any business activities other than those necessary for the winding-up of its affairs.

6. Applicant intends to file a notice of termination with the appropriate Massachusetts authorities.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 96–14181 Filed 6–5–96; 8:45 am]

BILLING CODE 8010–01–M