

to enter into and materially amend subadvisory agreements without shareholder approval and would grant relief from certain disclosure requirements.

Applicants: Oppenheimer Select Managers ("Select Managers") and OppenheimerFunds, Inc. ("OFI").

Filing Dates: The application was filed on December 18, 2000 and amended on February 6, 2003.

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 March 3, 2003, 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 may request notification of a hearing by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Applicants, 6803 South Tucson Way, Englewood, CO 80112.

FOR FURTHER INFORMATION CONTACT: John L. Sullivan, Senior Counsel, at (202) 942-0681, 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 Commission's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549-0102 (tel. 202-942-8090).

Applicants' Representations

1. Select Managers, a business trust organized under the laws of Massachusetts, is registered under the Act as an open-end management investment company. Select Managers is currently comprised of six series (each a "Series"),¹ each with a different

investment objective and policies. Shares of some Series may be sold as a funding option for variable life insurance policies and variable annuity contracts issued by an insurance company.

2. OFI is registered as an investment adviser under the Investment Advisers Act of 1940. OFI currently serves as investment adviser to each Series.

3. Select Managers (on behalf of each Series) has entered into separate investment management agreements with OFI (each, an "Advisory Agreement") that were approved by Select Manager's board of trustees ("Board"), including a majority of the trustees who are not "interested persons," as defined in section 2(a)(19) of the Act ("Independent Trustees"), and either the initial shareholder of the Series (before the Series' shares are offered to the public) or the Series' public shareholders.²

4. OFI may delegate day-to-day portfolio management responsibilities for a Series by entering into an investment subadvisory agreement ("Subadvisory Agreement") with a subadviser ("Subadviser"), subject to Board approval. OFI monitors and evaluates the Subadvisers and recommends to the Board their hiring, retention or termination. Subadvisers recommended to the Board by OFI are selected and approved by the Board, including a majority of the Independent Trustees. Each Subadviser's fees are paid by OFI out of the management fees received by OFI under its Advisory Agreement.

5. Applicants request relief to permit OFI, subject to Board approval, to enter into and materially amend Subadvisory Agreements without shareholder approval. 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 Select Managers or OFI, other than by reason of serving as a Subadviser to one or more of the Series ("Affiliated Subadviser").

6. Applicants also request an exemption from the various disclosure provisions described below that may require each Series to disclose fees paid by OFI to the Subadvisers. An exemption is requested to permit the Series to disclose (as both a dollar amount and as a percentage of a Series' net assets): (a) Aggregate fees paid to OFI and Affiliated Subadvisers, and (b) aggregate fees paid to the Subadvisers other than Affiliated Subadvisers

("Aggregate Fee Disclosure"). If a Series employs an Affiliated Subadviser, the Series will provide separate disclosure of any fees paid to the 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 a majority 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 approve such matter if the Act requires shareholder approval.

2. Form N-1A is the registration statement used by open-end investment companies. Item 15(a)(3) of Form N-1A requires disclosure of the method and amount of the investment adviser's compensation.

3. Rule 20a-1 under the Act requires proxies solicited with respect to an investment company to comply with Schedule 14A under the Securities Exchange Act of 1934 ("Exchange Act"). Items 22(c)(1)(ii), 22(c)(1)(iii), 22(c)(8), and 22(c)(9) of Schedule 14A, taken together, require a proxy statement for a shareholder meeting at which the advisory contract will be voted upon to include the "rate of compensation of the investment adviser," the "aggregate amount of the investment adviser's fee," a description of the "terms of the contract to be acted upon," and, if a change in the advisory fee is proposed, the existing and proposed fees and the difference between the two fees.

4. Form N-SAR is the semi-annual report filed with the Commission by registered investment companies. Item 48 of Form N-SAR requires investment companies to disclose the rate schedule for fees paid to their investment advisers, including the Subadvisers.

5. Regulation S-X sets forth the requirements for financial statements required to be included as part of investment company registration statements and shareholder reports filed with the Commission. Sections 6-07.2(a), (b) and (c) of Regulation S-X require that investment companies include in their financial statements information about investment advisory fees.

6. 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

¹ Applicants also request relief with respect to future series of Select Managers and any future registered open-end management investment companies or series thereof that (a) are advised by OFI or an entity controlling, controlled by or under common control with OFI, (b) use the multi-manager structure as described in the application, and (c) comply with the terms and conditions stated in the application (included in the term "Series"). Select Managers is the only existing investment company that currently intends to rely on the order. If the name of any Series contains the name of a Subadviser (as defined below), it will be preceded by OFI.

² The term "shareholder" includes variable life insurance policy and variable annuity contract owners that are unitholders of any separate account for which a Series serves as a funding medium.