

commissions ranging from 3% to 11% of the standard commissions. A special arrangement has been entered into with one foreign dealer because of its additional costs, unique problems, and high volume; under this agreement that firm is paid a higher rate than other dealers. Also, some of the higher volume dealers receive 108% of the standard commissions allowed to dealers on second through tenth or fifteenth year payments. The commission rates may be revised from time to time by The Dreyfus Corporation.

EXCERPT FROM THE OPPENHEIMER MANAGEMENT CORPORATION PROPECTUS DATED MAY 1, 1967

The General Distributor of OSCAP Plans is Oppenheimer Management Corporation (the "Management Corporation") 5 Hanover Square, New York, New York 10004. The Management Corporation is also General Distributor of the shares of Oppenheimer Fund as well as Investment Adviser to the Fund. As such General Distributor, the Management Corporation may be considered as the Underwriter of OSCAP Plans and the shares of Oppenheimer Fund as that term is used under the Securities Act of 1933. As General Distributor, the Management Corporation receives compensation from the sales charges deducted by the Custodian from payments by Planholders and on sales of shares of the Fund. A major portion of such sales charges is reallocated to dealers through whom Plans are sold.

On Single Payment Plans dealer commissions currently vary from .90 of 1% to 7.98% of the offering price. On Systematic Capital Accumulation Plans, With or Without Insurance, commissions currently vary from 80% to 95% of the sales commissions deducted from the first year's monthly payments and from 35% to 70% of the sales commissions deducted from the remaining payments.

Dealers may under certain circumstances receive in the calendar year in which they qualify:

(A) Yearly Production Bonus equal to 5%-10% of the total OSCAP commissions (Single Payment, first year and trail commissions) paid to them during the calendar year in which they qualify.

(B) Yearly Service Bonus equal to 1/20th of 1% to 1/10th of 1% of the total net asset value of all shares credited to the OSCAP accounts of their clients as of the end of the calendar year in which such dealers qualify.

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During the year ended December 31, 1966, selling charges on the shares of the Fund's stock amounted to \$941,358 on 1,689,035 shares. Of the foregoing Oppenheimer & Co. received \$174,289 including \$57,318 as General Distributor and \$116,971 as Dealer; \$710,004 was reallocated to other dealers. Oppenheimer Management Corporation was appointed General Distributor June 28, 1966 and received \$57,065. Oppenheimer & Co. as General Distributor for the Oppenheimer Systematic Capital Accumulation Program received \$317,137 for its services and it also received \$48,657 for services as dealer for said Plans.

For the year ended December 31, 1966, the net investment advisory fee received by Oppenheimer Management Corporation was \$703,340, after allowing against the fee of \$761,219 a credit of \$57,879 for certain salary and related expense paid directly by the Fund. As of December 31, 1966 there was a reserve for advisory fee of \$606,735 the payment of which is contingent upon the realization of investment gains.

For the year ended December 31, 1966 total brokerage commissions paid amounted to \$710,331 of which Oppenheimer & Co. received \$421,925 at customary rates.

Oppenheimer & Co. has a broker's blanket indemnity bond of \$10,000,000 covering partners and employees and the employees of the Fund and the Management Corporation.

EXCERPT FROM FIDELITY CAPITAL FUND, INC., PROSPECTUS DATED APRIL 28, 1967

The Plans were organized under and are governed by the laws of the Commonwealth of Massachusetts. The Plans are considered to be a unit investment trust under the Investment Company Act of 1940 and are so registered with the Securities and Exchange Commission. Such registration does not imply supervision of management or investment practices or policies by the Commission.