

participant would benefit to a greater extent than any other. Applicants also believe that a Registered Investing Entity's contribution of portfolio securities, in lieu of cash, in exchange for shares of the Investment Trust, creates no adverse effects on any other Investment Entity because all shares of the Investment Trust will be sold at net asset value.

Applicants' Conditions

Applicants agree that any order of the SEC granting the requested relief will be subject to the following conditions:

1. The shares of the Investment Trust sold to and redeemed from the Investing Entities will not be subject to a sales load, redemption fee, distribution fee under a plan adopted in accordance with rule 12b-1, or service fee (as defined in rule 2830(b)(9) of the National Association of Securities Dealers' Rules of the Association). There will be no investment advisory fee charged to the Investment Trust.

2. Investment in shares of the Investment Trust will be in accordance with each Registered Investing Entity's respective investment restrictions and will be consistent with each Registered Investing Entity's policies as set forth in its prospectuses and statements of additional information.

3. The Investment Trust shall not acquire securities of any other investment company in excess of the limits contained in section 12(d)(1)(A) of the Act.

4. A majority of the directors of each Registered Investing Entity (except the Elfun Funds and the S&S Funds³) will not be "interested persons" as defined in section 2(a)(19) of the Act.

5. Each Investing Entity, the Investment Trust, and any future fund that may rely on the order shall be advised by one of the Advisers or a person controlling, controlled by, or under common control with one of the Advisers.

6. Each of the Registered Investing Entities will invest uninvested cash in, and hold shares of, the Investment Trust only to the extent that the Registered Investing Entity's aggregate investment

in the Investment Trust does not exceed 25% of the Registered Investing Entity's total assets.

7. The Investment Trust will comply with the requirements of sections 17(a), (d), and (e), and 18 of the Act as if the Investment Trust were a registered open-end investment company. With respect to all redemption requests made by a Registered Investing Entity, the Investment Trust will comply with section 22(e) of the Act. The Investment Trust will value its shares, as of the close of business on each business day in accordance with section 2(a)(41) of the Act.

8. The Advisers shall adopt procedures designed to ensure that the Investment Trust complies with sections 2(a)(41), 17(a), (d), and (e), 18, and 22(e) to the same extent that procedures for compliance with these sections have been adopted for the Registered Investing Entities. The Advisers will also periodically review and update as appropriate such procedures and will maintain books and records describing such procedures, and maintain the records required by rules 31a-1(b)(1), 31a-1(b)(2)(ii), and 31a-1(b)(9) under the Act. All books and records required to be kept under this condition will be maintained and preserved for a period of not less than six years from the end of the fiscal year in which any transaction occurred, the first two years in an easily accessible place, and will be subject to examination by the SEC and its staff.

9. Each Investing Entity will purchase and redeem shares of the Investment Trust as of the same time and at the same price, and will receive dividends and bear its proportionate shares of expenses on the same basis, as other shareholders of the Investment Trust. A separate account will be established in the shareholder records of the Investment Trust for the account of each Investing Entity.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-22625 Filed 9-4-96; 8:45 am]

BILLING CODE 8010-01-M

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

APPLICANT: The Jefferson Funds Trust.

RELEVANT ACT SECTION: Section 8(f).

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

FILING DATE: The application was filed on February 23, 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 September 23, 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 Fifth Street, NW., Washington, DC 20549. Applicant, 233 South Wacker Drive, Suite 4500, Chicago, Illinois 60606.

FOR FURTHER INFORMATION CONTACT: Sarah A. Buescher, Staff Attorney, at (202) 942-0573, or Elizabeth G. Osterman, Assistant Director, 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, diversified management investment company organized as a Delaware business trust. Applicant has one series, the Jefferson U.S. Treasury Money Market Fund. On June 19, 1995, applicant filed a notification of registration on Form N-8A under section 8(a) of the Act, and filed a registration statement on Form N-1A under section 8(b) of the Act. Applicant's registration statement became effective on July 8, 1995; however, applicant made no public offering of its shares.

2. On December 31, 1995, applicant's board of trustees approved a resolution to dissolve applicant. Applicant sold no securities, and has no securityholders, assets, or liabilities. Applicant is not a

³ Each Elfun Fund and S&S Fund is an "employees' securities company" as defined in the Act. Each of these funds has obtained an SEC order exempting it from section 10(a) of the Act to permit more than 60% of its respective trustees to be "interested persons" as defined in the Act and from section 15(c) to exempt it from the requirement that a majority of its disinterested trustees approve any renewal of its advisory contract (Elfun Funds, Investment Company Act Release Nos. 17038 (June 30, 1989) (notice) and 17083 (July 25, 1989) (order) and S&S Funds, Investment Company Act Release Nos. 10929 (Nov. 6, 1979) (notice) and 10971 (Dec. 4, 1979) (order)).

[Investment Company Act Release No. 22182; 811-9056]

The Jefferson Funds Trust; Notice of Application

August 28, 1996.

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

party to any litigation or administrative proceeding. Applicant is not now engaged, and does not propose to engage, in any business activities other than those necessary for the winding-up of its affairs.

3. Applicant filed a Certificate of Cancellation with the Delaware Secretary of State on February 15, 1996.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-22577 Filed 9-4-96; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-22189; File No. 812-10180]

The Lincoln National Life Insurance Company, et al.

August 29, 1996.

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

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

APPLICANTS: The Lincoln National Life Insurance Company ("Lincoln Life"), Lincoln Life & Annuity Company of New York ("Lincoln Life of NY"), Lincoln National Variable Annuity Account L ("Account L"), Lincoln Life & Annuity Company of New York Variable Annuity Account L ("Account L-NY"), and LNC Equity Sales Corporation ("LNC").

RELEVANT ACT SECTIONS: Order requested pursuant to Section 17(b) of the 1940 Act from Section 17(a) thereof, and pursuant to Section 11 of the 1940 Act.

SUMMARY OF APPLICATION: Applicants request an order approving: (i) the transfer of assets from the VA-1 Separate Account of UNUM Life Insurance Company of America ("UNUM VA-1 Separate Account") to Account L and Account L-NY, and from the VA-1 Separate Account of First UNUM Life Insurance Company of America ("First UNUM VA-1 Separate Account") to Account L-NY; and (ii) the offer of exchange of interests in the UNUM VA-1 Separate Account for interests in Account L and Account L-NY, and the offer of exchange of interests in the First UNUM VA-1 Separate Account for interests in Account L-NY, through the assumption reinsurance by Lincoln Life and Lincoln Life of NY of group variable annuity contracts issued by UNUM Life Insurance Company of America ("UNUM") and First UNUM Life Insurance Company of America ("First UNUM").

FILING DATE: The application was filed on June 3, 1996, and amended and restated on August 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 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 September 23, 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: SEC, Secretary, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, John L. Steinkamp, Esq., The Lincoln National Life Insurance Company, 1300 South Clinton Street, P.O. Box 1110, Fort Wayne, Indiana 46801.

FOR FURTHER INFORMATION CONTACT: Edward P. Macdonald, Staff Attorney, or Patrice M. Pitts, Special Counsel, Office of Insurance Products, Division of Investment Management, at (202) 942-0670.

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the Public Reference Branch of the SEC.

Applicants' Representations

1. Lincoln Life, a stock life insurance company organized in Indiana in 1905, is principally engaged in the sale of life insurance and annuity policies. Lincoln Life is wholly-owned by Lincoln National Corporation, a publicly-held insurance and financial services company.

2. Lincoln Life of NY is a stock life insurance company incorporated under the laws of New York in 1996. Lincoln Life of NY is principally engaged in the sale of life insurance and annuity policies in the State of New York, and is a wholly-owned subsidiary of Lincoln Life.

3. LNC will serve as the principal underwriter and distributor of group variable annuity contracts issued through Account L (the "Lincoln Life Contracts") and group variable annuity contracts issued through Account L-NY (the "Lincoln Life of NY Contracts"). LNC is registered under the Securities Exchange Act of 1934 as a broker-dealer and is a member of the National

Association of Securities Dealers, Inc. LNC is a wholly-owned subsidiary of Lincoln National Corporation.

4. Account L, a separate account established in Indiana on April 29, 1996, pursuant to a resolution of the board of directors of Lincoln Life, will be the funding medium for Lincoln Life Contracts.

5. Account L-NY, a separate account established in New York on July 24, 1996, pursuant to a resolution of the board of directors of Lincoln Life of NY, will be the funding medium for Lincoln Life of New Contracts.

6. Lincoln Life and UNUM have entered into an amended and restated asset transfer and acquisition agree, dated as of January 24, 1996 (the "UNUM Acquisition Agreement"), which provides for the sale of UNUM's tax-sheltered annuity business to Lincoln Life and the assumption of UNUM's obligations under its group variable annuity contracts by Lincoln Life. The UNUM Acquisition Agreement provides that UNUM's group variable annuity contracts issued in states other than New York (the "UNUM Non-NY Contracts") will be assumed directly by Lincoln Life, and that UNUM's group variable annuity contracts issued in New York (the "UNUM NY Contracts") will be assumed by Lincoln Life of NY.¹ The UNUM Acquisition Agreement also provides that, for a limited period of time after the acquisition is effected and at Lincoln Life's request, UNUM will issue in certain states group variable annuity contracts of the type being assumed by Lincoln Life. The acquisition is to be effected on September 30, 1996, subject to certain state insurance regulatory approvals (the "Closing Date").

7. Lincoln Life, on behalf of Lincoln Life of NY, has entered into a virtually identical acquisition agreement with First UNUM dated March 20, 1996 (the "First UNUM Acquisition Agreement"), which provides for the sale of First UNUM's tax-sheltered annuity business to Lincoln Life of NY and the assumption of First UNUM's obligations under its group variable annuity contracts (the "First UNUM Contracts") by Lincoln Life of NY. The First UNUM Acquisition Agreement also provides that for a limited period of time after the acquisition is effected (also on the Closing Date), and at the request of Lincoln Life of NY, First UNUM will issue in New York group variable annuity contracts of the type being assumed by Lincoln Life of NY.

¹ UNUM formerly issued contracts in New York but no longer does business in that state.