and State Street Bank and Trust Company (''State Street'') became the custodian, of applicant. Shortly thereafter, sales of new Security Plans ceased.

3. Fidelity Systematic Investment Plans (''Destiny Plans UIT'') also is a custodial arrangement for systematic investment plans. The Destiny Plans II series of the Destiny Plans UIT invests in shares of the Fund. The terms of such plans are substantially similar to the terms of Security Plans. Applicant states that separate prospectuses, financial statements, reports, and records were being prepared and maintained for applicant and Destiny Plans II, although they were substantially identical systematic investment plans. Accordingly, FDC, as sponsor, and State Street, as custodian, determined that a combination of applicant and Destiny Plans II would contribute to administrative efficiencies and the reduction of administrative costs borne by shareholders and the sponsor.

4. On September 16, 1994, all of applicant's assets were transferred to Destiny Plans II in exchange for shares of Destiny Plans II that are of equal value (''Merger''). Applicant obtained an order of the SEC under section 17(b) of the Act granting an exemption from section 17(a) of the Act to permit the Merger.[1] In connection with that order, applicant stated (1) that no dilution of or increase in plan values would occur as a result of the proposed transaction, (2) that, immediately after the Merger was consummated, shareholders' interests in applicant will have been replaced with interests of equal value in Destiny Plans II and would continue to represent an interest in the same number of underlying shares of the Fund, and (3) that the Merger would not result in any change in charges, costs, fees, or expenses borne by shareholders of applicant or Destiny Plans II, except that a service fee may be reduced.

5. The net asset value of the Security Plans on the date of the Merger was $422,332,602. Pursuant to the Merger, applicant transferred all of its assets to Destiny Plans II in exchange for 14,443,659 shares of Destiny Plans II with an aggregate net asset value of $422,322,602.

6. The Merger was effected without approval by applicant's shareholders pursuant to rights reserved to the sponsor and custodian to make changes that would not adversely affect shareholder interests, and shareholder authorization was not required or provided for under the Security Custodian Agreement or Security Plans.

7. Applicant has no assets, or any debts or other liabilities. FDC has paid or will pay all expenses incurred by all parties in connection with the termination of the Application.

8. Persons who were shareholders of applicant at the time of the Merger received distributions in complete liquidation of their interests. All of the applicant's security holders at the time of the Merger effectively received plans issued by Destiny Plans II identical to their Security Plans issued by applicant. Applicant is not a party to any litigation or administrative proceeding. Applicant has no shareholders and is not now engaged, nor does it propose to engage, in any business activities other than those necessary for the winding up of its affairs.

9. Applicant has not filed and does not intend to file any documents relating to its dissolution because applicable Kansas law does not require filing of any such documents.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96–29551 Filed 11–18–96; 8:45 am]

BILLING CODE 8010–01–M

[1] *Fidelity Systematic Investment Plans*, Investment Company Act Release Nos. 19822 (October 29, 1993) (notice) and 19902 (Nov. 24, 1993) (order).

[Investment Company Act Rel. No. 22328; 812–10244]

The Enterprise Group of Funds, Inc., et al.; Notice of Application

November 13, 1996.

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

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

APPLICANTS: The Enterprise Group of Funds, Inc. (''Enterprise Group''), Enterprise Accumulation Trust (''Accumulation Trust'') (collectively with Enterprise Group, ''Funds'') and Enterprise Capital Management, Inc. (''Adviser'').

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

SUMMARY OF APPLICATION: Applicants request an order permitting the Adviser to enter into new or amended agreements with the Funds' subadvisers without shareholder approval.

FILING DATES: The application was filed on July 11, 1996, and amended on September 9, 1996 and November 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 December 9, 1996, and should be accompanied by proof of service on the 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, N.W., Washington, D.C. 20549. Applicants, c/o Catherine R. McClellan, Esq., Enterprise Capital Management, Inc., Atlanta Financial Center, 3343 Peachtree Road, N.E., Suite 450, Atlanta, Georgia 30326–1022.

FOR FURTHER INFORMATION CONTACT: Harry Eisenstein, Staff Attorney, at (202) 942–0552, or Mercer E. Bullard, 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. Enterprise Group, registered under the Act as an open-end management investment company, is organized as a Maryland corporation that currently has ten separate investment portfolios (''Group Portfolios''). Each Group Portfolio is structured in three classes of shares, Class A, Class B, and Class Y. Class A shares of each Group Portfolio, other than the Money Market Porfolio, are offered at net asset value plus a front-end sales charge, for which a contingent deferred sales charge is substituted for purchases exceeding $1 million. Class A shares of the Money Market Portfolio are not subject to any sales charge. Class B shares are subject to a declining contingent deferred sales charge. Class A shares and Class B shares (including those issued by the Money Market Portfolio) pay distribution fees under a plan adopted under rule 12b–1 under the Act. Class Y shares are not subject to any sales charge.

2. Accumulation Trust, registered under the Act as an open-end management investment company, is organized as a Massachusetts business

trust that currently has five separate investment portfolios. (''Trust Portfolios'' and collectively with the Group Portfolios, ''Portfolios''). Trust Portfolios shares are sold exclusively to separate accounts of the Municipal Life Insurance Company of New York (''MONY'') and a life insurance company affiliate of MONY that were established to fund certain Flexible Payment Variable Annuity and Life Insurance contracts. Shares of each Trust Portfolio are priced at the net asset value of such Portfolio, without sales charges, or surrender or redemption fees; however, MONY imposes certain charges upon a complete or partial surrender of a policy. Each fund is managed by the Adviser.

3. The Funds have each entered into an investment advisers agreement with the Adviser, which is registered as an investment adviser under the Investment Advisers Act of 1940. The Adviser is responsible for conducting all operations of the Funds, except for those operations which have been contracted to the transfer agent and custodian. The Adviser is also responsible for selecting portfolio managers (''Portfolio Managers''), subject to the review and approval of the Board of Directors or Trustees of each Fund (''Boards''), to provide investment advice for the Portfolios. A Portfolio may be managed by one or more Portfolio Managers. Currently, no Porfolio has more than a single Portfolio Manager. The Adviser renders portfolio advice directly to one of the Group Portfolios.

4. Each Portfolio Manager's responsibilities are limited to providing investment advice with respect to a Portfolio's assets and directing securities transactions pursuant to such advice. Such transactions must accord with investment objectives and restrictions of the Portfolio set forth in the Fund's registration statement. The Funds pay the Adviser a fee for its services as a percentage of the value of the average daily net assets of each Portfolio and, in turn, the Adviser pays the fee of each Portfolio Manager. One of the Portfolio Managers, 1740 Advisers, Inc. is an affiliated person of the Adviser, as defined in section 2(a)(3) of the Act. None of the other Portfolio Managers is an affiliated person of the Adviser within the meaning of section 2(a)(3).

5. Applicants request an exemption from section 15(a) of the Act and Rule 18f–2 thereunder to permit the Adviser to enter into new and amended agreements with Portfolio Managers (''Portfolio Manager Agreements'') without obtaining shareholder approval.[1] Such relief would include any Portfolio Manager Agreement necessitated because the prior Portfolio Manager Agreement was terminated as a result of an ''assignment,'' as defined in section 2(a)(4) of the Act.

Applicants' Legal Analysis

1. Section 15(a) of the Act makes it 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 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 the primary party on which an investor in a Fund will rely will be the Adviser. Applicants also believe that shareholders will understand and expect that the Adviser will change Portfolio Managers when appropriate. The Funds' prospectuses disclose information concerning the identity, ownership, qualifications and compensation of the Portfolio Managers in full compliance with Form N–1A. In addition, information regarding a new Portfolio Manager or a material change in a Portfolio Manager Agreement would be disclosed in an information statement provided to shareholders to the same extent as would be set forth in a proxy statement.

3. Applicants contend that the proposed arrangement would avoid the administrative burden and expense associated with a formal proxy solicitation, while allowing investors to make an informed decision regarding the purchase or retention of shares in a Portfolio. Since commencement of operations of the Adviser in 1987, seventeen changes in Portfolio Managers or material changes in Portfolio Manager Agreements for the Group Portfolios have been submitted for shareholder approval. The Adviser became the investment adviser to Accumulation Trust in 1994.

4. 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 purposes fairly intended by the policy and provisions of the Act. Applicants state that the requested exemptions would be in accordance with the standards of section 6(c).

Applicants' Conditions

Applicants agree that the order shall be subject to the following conditions:

1. The Adviser will provide general management and administrative services to the Funds, including overall supervisory responsibility for the general management and investment of the Funds' securities portfolios, and, subject to review and approval by each Board with respect to its respective Portfolios, will (i) set the Portfolios' overall investment strategies; (ii) select Portfolio Managers; (iii) monitor and evaluate the performance of Portfolio Managers; (iv) allocate and, when appropriate, reallocate a Portfolio's assets among its Portfolio Managers in those cases where a Portfolio has more than one Portfolio Manager; and (v) implement procedures reasonably designed to ensure that the Portfolio Managers comply with the relevant Fund's investment objectives, policies, and restrictions.

2. Before a Portfolio may rely on the order requested in the application, the operation of the Portfolio in the manner described in the application will be approved by a majority of its outstanding voting securities (or, in the case of Accumulation Trust, by the unitholders of any separate account for which Accumulation Trust serves as a funding medium), as defined in the Act, or, in the case of a new Portfolio whose public shareholders purchased shares on the basis of a prospectus containing the disclosure contemplated by condition 4 below, by the sole shareholder before offering of shares of such Portfolio to the public.

3. Each Fund will furnish to its shareholders all information about a new Portfolio Manager or Portfolio Manager Agreement for one of its Portfolios that would be included in a proxy statement. Such information will include disclosure as to the level of fees to be paid to the Adviser and each Portfolio Manager of the Portfolio and any change in such information caused by the addition of a new Portfolio Manager or any proposed material change in a Portfolio Manager Agreement. Each Fund will meet this condition by providing its shareholders with an informal information statement complying with the provisions of Regulation 14C under the Securities Exchange Act of 1934 and Schedule 14C

[1] Applicants also request relief for any series of the Funds organized in the future, and any open-end management investment companies in the future advised by the Adviser or by a person controlling, controlled by, or under common control with the Adviser that operates in substantially the same manner as either Fund and complies with the conditions to the requested order as set forth in the application.

thereunder. With respect to a newly retained Portfolio Manager, or a change in a Portfolio Manager Agreement, this information statement will be provided to shareholders of the Portfolio a maximum of sixty (60) days after the addition of the New Portfolio Manager or the implementation of any change in a Portfolio Manager Agreement. The information statement will also meet the requirements of Schedule 14A. Accumulation Trust will ensure that the information statement is furnished to the unitholders of any separate account for which Accumulation Trust serves as a funding medium.

4. Each Fund will disclose in its prospectuses the existence, substance and effect of any order granted pursuant to the application. In addition, each Trust Portfolio will hold itself out to the public as employing the ''manager of managers'' approach described in the application. The prospectuses and any sales materials or other shareholder communications relating to a Trust Portfolio will prominently disclose that the Adviser has ultimate responsibility for the investment performance of the Portfolio due to its responsibility to oversee Portfolio Managers and recommend their hiring, termination, and replacement.

5. No director, trustee or officer of the Funds or director or officer of the Adviser 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 any Portfolio Manager except for (i) ownership of interests in the Adviser or any entity that controls, is controlled by or is under common control with the Adviser; or (ii) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicy-traded company that is either a Portfolio Manager or any entity that controls, is controlled by or is under common control with a Portfolio Manager.

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

7. At all times, a majority of the members of the Board will be persons each of whom is not an ''interested person'' of the respective Fund as defined in section 2(a)(19) of the Act (''Independent Directors''), and the nomination of new or additional Independent Directors will be placed within the discretion of the then existing Independent Directors.

8. When a Portfolio Manager change is proposed for a Portfolio with an Affiliated Portfolio Manager, the Board, including a majority of the Independent Directors, will make separate finding, reflected in the Board's minutes, that such change is in the best interests of the Portfolio and its shareholders (or, in the case of Accumulation Trust, of the unitholders of any separate account for which Accumulation Trust serves as a funding medium) and does not involve a conflict of interest from which the Adviser or the Affiliated Portfolio Manager derives an inappropriate advantage.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96–29553 Filed 11–18–96; 8:45 am]

BILLING CODE 8010–01–M

[Rel. No. IC–22329; International Series Release No. 1026; File No. 812–10202]

ING Bank N.V. and ING Bank Eurasia ZAO; Notice of Application

November 13, 1996.

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

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

APPLICANTS: ING Bank N.V. (''ING Bank'') and ING Bank Eurasia ZAO (''ING Bank Eurasia'').

RELEVANT ACT SECTIONS: Order requested under section 6(c) of the Act for an exemption from section 17(f) of the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit any investment company registered under the Act (other than an investment company registered under section 7(d) of the Act) (a ''U.S. Investment Company'') and any custodian for such U.S. Investment Company to maintain securities and other assets in The Russian Federation (''Russia'') in the custody of ING Bank Eurasia, a wholly-owned subsidiary of ING Bank.

FILING DATES: The application was filed on June 13, 1996, and amended on September 24, 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 December 9, 1996 and should be accompanied by proof of service on the 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 5th Street, N.W., Washington, D.C. 20549. Applicants: ING Bank N.V., Strawinskylaan 2631, 1077 ZZ Amsterdam, The Netherlands; ING Bank Eurasia ZAO, Leningradskyi Prospect 80, 125178 Moscow, The Russian Federation.

FOR FURTHER INFORMATION CONTACT: Christine Y. Greenlees, Senior Counsel, at (202) 942–0581, 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.

Applicants' Representations

1. ING Bank is a Dutch banking institution that is part of ING Groep N.V. (''ING Groep''), the largest financial services group in The Netherlands and one of the major financial institutions in Europe. At December 31, 1995, ING Groep had combined shareholders' equity in excess of $14.5 billion. ING Bank is regulated in The Netherlands by the Dutch Ministry of Finance and the Dutch Central Bank, each of which is an agency of the Dutch Government within the meaning of rule 17f-5(c)(2) of the Act. At December 31, 1995, ING Bank had shareholders' equity in excess of $6.3 billion. As part of its services to international investors and financial institutions, ING Bank provides a range of custody and subcustody services through a network of correspondent banks worldwide.

2. ING Bank Eurasia is a Russian banking organization that is regulated by the Central Bank of Russia. ING Bank Eurasia is a wholly-owned subsidiary of ING Bank. At December 31, 1995, ING Bank Eurasia had shareholders' equity of $10 million. ING Bank Eurasia currently provides a range of custody services in connection with the settlement and safekeeping of debt and equity securities purchased in Russia.