

be final when the extension expires if a hearing request has not been received. An answer or a request for hearing shall not stay the immediate effectiveness of this Order.

For the Nuclear Regulatory Commission.

Dated at Rockville, Maryland this 26th day of June 1998.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 98-17773 Filed 7-2-98; 8:45 am]

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NUCLEAR REGULATORY COMMISSION

[Docket No. 50-22]

Westinghouse Electric Corporation (CBS Corporation) Westinghouse Test Reactor; Environmental Assessment and Finding of No Significant Impact

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility License No. TR-2, now held by the CBS Corporation, formerly named the Westinghouse Electric Corporation. The license authorizes possession only of the Westinghouse Test Reactor (WTR), located in Westmoreland County, Pennsylvania.

Environmental Assessment

Identification of the Proposed Action

The proposed action would amend Facility License No. TR-2 for the WTR to reflect the change in the legal name of the licensee from Westinghouse Electric Corporation to CBS Corporation, which occurred on December 1, 1997.

The proposed action is in accordance with the licensee's application for amendment dated December 22, 1997, as supplemented on June 15, 1998.

Need for the Proposed Action

The proposed action is needed to accurately reflect the legal name of the licensee.

Environmental Impacts of the Proposed Action

The proposed action does not modify the WTR facility configuration, procedures or requirements, or affect licensed activities. The employees responsible for the licensed WTR facility will still be responsible notwithstanding the new name of the licensee. The proposed action will not affect the financial qualifications of the licensee to possess and decommission the facility.

In light of the foregoing, the Commission concludes that the change will not increase the probability or consequences of accidents, no changes are being made in the types of any effluents that may be released offsite, and there will be no significant increase in the allowable individual or cumulative occupational radiation exposure. Accordingly the Commission concludes that there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential nonradiological impacts, the proposed action is administrative in nature and does not involve any physical features of the plant. Thus, it does not affect nonradiological plant effluents and has no other environmental impact. Accordingly, the Commission concludes that there are no significant nonradiological environmental impacts associated with the proposed action.

Alternatives to the Proposed Action

Since the Commission has concluded there is no measurable environmental impact associated with the proposed action, any alternatives with equal or greater environmental impact need not be evaluated. As an alternative to the proposed action, the staff considered denial of the proposed action. Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources

No alternatives appear that will have different or lesser effect on the use of available resources.

Agencies and Persons Contacted

In accordance with its stated policy, on June 23, 1998, the NRC staff consulted with the Pennsylvania State Official, Ray Woods, of the Bureau of Radiation Protection, Pennsylvania Department of Environmental Protection, regarding the environmental impact of the proposed action. The State official had no comments.

Finding of No Significant Impact

Based upon the environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's submittals dated December 22, 1997 and June 15, 1998, which are available for

public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington DC.

Dated at Rockville, Maryland, this 26th day of June 1998.

For the Nuclear Regulatory Commission.

Seymour H. Weiss,

Director, Non-Power Reactors and Decommissioning Project Directorate, Division of Reactor Project Management, Office of Nuclear Reactor Regulation.

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SECURITIES AND EXCHANGE COMMISSION

[Rel No. IC-23287; 812-10696]

Cash Management Portfolio, et al.; Notice of Application

June 26, 1998.

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

ACTION: Notice of application for exemption under sections 6(c) and 17(b) of the Investment Company Act of 1940 (the "Act") from section 17(a) of the Act.

SUMMARY OF APPLICATION: Applicants seek an order to permit redemption in-kind of shares of certain registered investment companies by certain shareholders who are affiliated persons of the investment companies.

APPLICANTS: Cash Management Portfolio, Treasury Money Portfolio, Tax Free Money Portfolio, NY Tax Free Money Portfolio, International Equity Portfolio, Utility Portfolio, Equity 500 Index Portfolio, Short/Intermediate U.S. Government Securities Portfolio, Asset Management Portfolio, Capital Appreciation Portfolio, Intermediate Tax Free Portfolio, BT Investment Portfolios (each a "Portfolio"), BT Investment Funds, BT Institutional Funds, BT Pyramid Mutual Funds, BT Advisor Funds (each a "Fund"), and Bankers Trust Company (the "Investment Advisor"). Applicants also request relief for each subsequently created series of the Funds and the Portfolios and any other registered open-end investment company advised by, or substantially all of whose assets are invested in a Portfolio advised by, the Investment Advisor or any entity controlling, controlled by or under common control with the Investment Advisor.¹

¹ All investment companies that currently intend to rely on the order have been named as applicants.

Continued

FILING DATES: The application was filed on June 6, 1997, and amended on March 17, 1998.

HEARING OR NOTIFICATION OF HEARING: An order granting the requested relief 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 July 21, 1998 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 5th Street, NW, Washington, DC 20549. Applicants, 130 Liberty Street, New York, NY 10006.

FOR FURTHER INFORMATION CONTACT: Lisa McCrea, Attorney Adviser, at (202) 942-0562, 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 SEC's Public Reference Branch, 450 5th Street, NW, Washington, DC 20549 (tel. 202-942-8090).

Applicants' Representations

1. Each of the Funds and the Portfolios is registered as an open-end management investment company under the Act. The Investment Advisor, a New York banking corporation and a wholly-owned subsidiary of Bankers Trust New York Corporation, is exempt from registration under the Investment Advisers Act of 1940. The Investment Advisor serves an investment adviser to each of the Portfolios and certain of the Funds. Certain other Funds are feeder funds ("Feeder Funds") in a master-feeder structure and seek to achieve their investment objectives by investing all of their assets in a Portfolio with an identical investment objective.

2. Shares of the BT PreservationPlus Fund (the "PreservationPlus Fund"), a Feeder Fund that is a series of the BT Pyramid Mutual Funds, are offered solely to participant-directed employee benefit plans meeting specific criteria ("Plans"). The PreservationPlus Fund

invests all of its assets in the PreservationPlus Portfolio. The PreservationPlus Portfolio's investment objective is a high level of current income while seeking to maintain a stable value per share.

3. Each of the Portfolios, including the PreservationPlus Portfolio, is authorized to sell its shares to investors other than Feeder Funds. The PreservationPlus Fund, however, is the sole shareholder of the PreservationPlus Portfolio.

4. The PreservationPlus Portfolio enters into contracts ("Wrapper Agreements") with financial institutions, such as insurance companies and banks ("Wrapper Providers"), that are intended by the PreservationPlus Portfolio to stabilize the value per share of the PreservationPlus Portfolio and the PreservationPlus Fund by offsetting fluctuations in the value of the portfolio securities under certain conditions. Each Wrapper Agreement obligates the Wrapper Provider to maintain the book value of a portion of the PreservationPlus Portfolio's assets ("Covered Assets") up to a specified maximum dollar amount, upon the occurrence of certain events.

5. Applicants request relief to permit in-kind redemptions of shares of the Portfolios and/or the Funds by (a) any shareholder of a Fund that owns five percent or more of the outstanding voting securities of the Fund; (b) any shareholder of a Feeder Fund that owns five percent or more of the outstanding voting securities of a Portfolio; and (c) any shareholder of a Portfolio, other than a Feeder Fund, that owns five percent or more of the outstanding voting securities of the Portfolio (collectively, "Affiliated Shareholders").² With respect to the PreservationPlus Fund, the requested relief would extend only to non-participant directed redemptions by Plans, and only to redemptions that exceed \$500,000 or 1% of the net asset value of the PreservationPlus Fund.

6. Under the requested relief, the PreservationPlus Fund would make a redemption in-kind in portfolio securities and in Wrapper Agreements. The PreservationPlus Fund would assign to the redeeming Plan one or more Wrapper Agreements (the "Cloned Wrapper Agreements") issued by the Wrapper Providers covering the portfolio securities distributed in-kind. The Cloned Wrapper Agreements would represent the redeeming Plan's

proportional interest in Wrapper Agreements covering the PreservationPlus Fund's assets covered by Wrapper Agreements. The terms and conditions of the Cloned Wrapper Agreements provided to a redeeming Plan will be the same or substantially similar to the terms and conditions of the Wrapper Agreements held by the PreservationPlus Portfolio.³ The distribution of portfolio securities and Cloned Wrapper Agreements to a redeeming Plan will be proportionate to each other in order to achieve the PreservationPlus Funds' investment objective of maintaining a stable value per share for both the redeeming Plan and the PreservationPlus Fund's remaining shareholders.

7. The PreservationPlus Portfolio intends to make in-kind distributions of mortgage-backed securities in its portfolio based upon groups or "baskets" of such securities, all of which share common characteristics, rather than a pro-rata basis of each individual pool of mortgages. Consequently, rather than receiving a pro-rata distribution of every individual mortgage pool, a redeeming Plan will receive a pro-rata distribution of securities from each different type of mortgage pool (each a "Basket"), proportionate to the PreservationPlus Portfolio's holdings. The Baskets would be determined by application of the Lehman Brothers Mortgage-Backed Securities Index. A redeeming shareholder would receive a pro-rata share of each Basket of securities held by the PreservationPlus Portfolio.

Legal Analysis

1. Section 17(a)(2) of the Act makes it unlawful for an affiliated person of a registered investment company or an affiliated person of such a person, acting as principal, to knowingly "purchase" from such registered investment company any security or other property (except securities of which the seller is the issuer). Section 2(a)(3)(A) of the Act defines *affiliated person* to include any person owning 5% or more of the outstanding voting securities of such other person.

2. Section 17(b) authorizes the SEC to exempt a proposed transaction from section 17(a) provided that: (a) the terms of the proposed transaction, including the consideration to be paid or received, are fair and reasonable and do not involve overreaching on the part of any person concerned; (b) the transaction is

and any other existing or future investment company that subsequently may rely on the order will comply with its terms and conditions.

² Each of the Funds, other than the PreservationPlus Fund, has elected to be governed by rule 18f-1 under the Act. Any redemption in-kind by the Fund, therefore, will comply with the requirements of that rule.

³ The PreservationPlus Fund may incur costs in obtaining Cloned Wrapper Agreements from Wrapper Providers. These costs will be payable from, and are not expected to exceed, any applicable redemption fee.

consistent with the policy of the investment company, as recited in its registration statement and reports filed under the Act; and (c) the proposed transaction is consistent with the general purposes of the Act.

3. Section 6(c) of the Act provides that the SEC may exempt classes of persons or transactions from the Act, where an 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.

4. Applicants request an order under sections 6(c) and 17(b) of the Act exempting applicants from section 17(a) of the Act to permit Affiliated Shareholders to redeem their shares in-kind. The requested order would not apply to redemptions by shareholders who are affiliated persons of a Fund or Portfolio within the meaning of sections 2(a)(3) (B) through (F) of the Act.

5. Applicants submit that the proposed transactions meet the standards set forth in sections 6(c) and 17(b) of the Act. Applicants believe that the use of proposed objective standards for the selection and valuation of securities to be distributed in an in-kind redemption to an Affiliated Shareholder will ensure that the proposed transactions will be on terms that are reasonable and fair to the Portfolios, the Affiliated Shareholders, and non-Affiliated Shareholders, and will not involve overreaching on the part of any person.

6. Applicants submit that the proposed transactions are consistent with the investment policy of each Fund and Portfolio. Applicants further submit that the proposed transactions are consistent with the general purposes of the Act because no Affiliated Shareholder would receive any advantage over any other shareholder if the proposed transactions are effected. Affiliated Shareholders who wish to redeem shares would receive the same in-kind distribution of securities, and in the case of the PreservationPlus Fund, Cloned Wrapper Agreements, and cash on the same basis as other shareholders wishing to redeem their shares.

Applicants' Conditions

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

1. The portfolio securities distributed to Affiliated Shareholders and non-Affiliated Shareholders pursuant to a redemption in-kind (the "In-Kind Portfolio Securities") will be limited to securities that are traded on a public securities market or for which quoted bid and asked prices are available.

2. The In-Kind Portfolio Securities will be distributed to Affiliated Shareholders on a pro rata basis after excluding: (a) securities which, if distributed, would be required to be registered under the Securities Act of 1933; and (b) securities issued by entities in countries which restrict or prohibit the holding of securities by non-nationals other than through qualified investment vehicles, such as the Portfolios. Cash will be paid for that portion of the Portfolio's assets represented by cash equivalents (such as certificates of deposit, commercial paper, and repurchase agreements) and other assets that are not readily distributable (including receivables and prepaid expenses), net of all liabilities (including accounts payable). In addition, cash will be distributed in lieu of portfolio securities not amounting to round lots or fractional shares.

3. The terms and conditions of the Cloned Wrapper Agreements will be substantially similar to those Wrapper Agreements held by the PreservationPlus Portfolio.

4. The board of trustees of a Fund or Portfolio ("Board"), including a majority of the disinterested trustees, will determine no less frequently than annually: (a) whether the In-Kind Portfolio Securities and Cloned Wrapper Agreements have been distributed in accordance with conditions 1, 2 and 3; and (b) whether the distribution of any such In-Kind Portfolio Securities and Cloned Wrapper Agreements is consistent with the policies of the relevant Fund or Portfolio as reflected in the prospectus of the Fund or the Portfolio. In addition, each Board shall make and approve such changes as the Board deems necessary in its procedures for monitoring compliance by applicants with the terms and conditions of the application.

5. The relevant Fund or Portfolio will maintain and preserve for a period of not less than six years from the end of the fiscal year in which any redemption in-kind to an Affiliated Shareholder occurred, the first two years in an easily accessible place, a written record of each such redemption setting forth a description of each security distributed, the identity of the Affiliated Shareholder, the terms of the distribution, and the information or materials upon which the valuation was made.

6. In-Kind Portfolio Securities and Cloned Wrapper Agreements distributed to Affiliated Shareholders and non-Affiliated Shareholders will be valued in the same manner as they would be valued for computing a Fund's or a Portfolio's net asset value per share.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 98-17712 Filed 7-2-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Releases No. IC-23289, 812-11120]

The Evergreen Equity Trust, et al.; Notice of Application

June 26, 1998.

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

ACTION: Notice of application for an order under section 17(b) of the Investment Company Act of 1940 (the "Act") for an exemption from section 17(a) of the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit certain series of registered open-end management investment companies to acquire all of the assets and certain stated liabilities of certain series of another registered open-end management investment company.

APPLICANTS: Evergreen Equity Trust, Evergreen Select Equity Trust, Evergreen International Trust, Evergreen Fixed Income Trust, Evergreen Select Fixed Income Trust, Evergreen Municipal Trust, Evergreen Money Market Trust, Evergreen Select Money Market Trust (together with their series, the "Evergreen Funds"), CoreFunds, Inc. (with its series, the "CoreFunds") and together with the Evergreen Funds, the "Funds"), and First Union National Bank ("FUND").

FILING DATES: The application was filed on April 23, 1998 and amended on June 24, 1998. Applicants have agreed to file an amendment during the notice period, the substance of which is reflected in this notice.

HEARING ON NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request 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 July 21, 1998, 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 notification by writing to the SEC's Secretary.