

set forth in the trust agreement establishing the Trust and may be changed only with the approval of all the Holders of such Trust's outstanding Securities.

3. The underlying securities to be purchased by each Trust will be sufficient to provide payments to Holders of Securities that are consistent with the investment objectives and policies of the Trust as recited in the Trust's registration statement and will be consistent with the interests of the Trust and the Holders of its Securities.

4. The terms of the transactions will be fair to the Holders of the Securities issued by each Trust and will not involve overreaching of the Trust or the Holders of Securities thereof on the part of any person concerned. Prior to the sale of the Shares and the Limited Partnership Interest to each Trust, the trustees of such Trust, including a majority of trustees who are not interested persons of the Trust, shall have determined that the terms of the transaction, including the price at which the Shares and the Limited Partnership Interest are to be purchased by such Trust, are reasonable and fair and do not involve overreaching on the part of any person concerned.

5. No fee, spread, or other remuneration shall be received by HSBC Securities in connection with the sale of the Shares or the Limited Partnership Interests to the Trust.

6. Each Trust will comply with rule 12d-3 under the Act, except paragraph (c) of the rule to the extent permitted by the order.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-27066]

Filings Under the Public Utility Holding Company Act of 1935, as Amended ("Act")

August 23, 1999.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated under the Act. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The

application(s) and/or declaration(s) and any amendments is/are available for public inspection through the Commission's Branch of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by September 21, 1999, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549-0609, and serve a copy on the relevant applicant(s) and/or declaration(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After September 21, 1999, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Eastern Utilities Associates (70-9527)

Eastern Utilities Associates ("EUA"), One Liberty Square, P.O. Box 2333, Boston, Massachusetts 02107, a registered holding company, Eastern Edison Company ("Eastern Edison"), 750 West Center Street, West Bridgewater, Massachusetts 02379, an electric utility subsidiary of EUA, and Montaup Electric Company ("Montaup"), 750 West Center Street, West Bridgewater, Massachusetts 02379, a nonutility subsidiary of Eastern Edison, have filed an application-declaration under sections 6(a)(2), 7, 9(a), 10, and 12(c) of the Act and rules 43 and 46 under the Act.

EUA proposes to acquire from Eastern Edison, and Eastern Edison proposes to transfer to EUA, the securities of Montaup, including: (1) preferred stock; (2) common stock; and (3) debentures ("Montaup Securities"). The transfer of the Montaup Securities to EUA by Eastern Edison will take the form of, and it is also proposed that Eastern Edison make, a special dividend payment comprising all remaining capitalization of Montaup. Eastern Edison further proposes to make the dividend payment out of retained earnings to the maximum extent possible and, thereafter, out of paid-in capital and unearned surplus. Eastern Edison proposes that the dividend payment take the form of a redemption of its common stock, which will be funded with Montaup Securities.

Prior to executing the transactions proposed above (and subject to Commission authorization and the

consent of Eastern Edison, as sole shareholder of Montaup), Montaup proposes to amend its corporate charter to eliminate its status as a Section 9A company under Chapter 164 of the Massachusetts General Laws so that its ability to transmit and sell electricity will not be tied to its sole shareholder.

Cinergy Corp., et al. New Century Energies, Inc., et al. (70-9531)

Cinergy Corp. ("Cinergy"), a registered holding company located at 139 East Fourth Street, Cincinnati, Ohio 45202, New Century Energies, Inc. ("NCE"), a registered holding company located at 1225 17th Street Denver, Colorado 80202, and Cadence Network LLC ("Cadence" and together with Cinergy and NCE, "Applicants"), a nonutility company and subsidiary of each of Cinergy and NCE, located at 105 East Fourth Street, Suite 200 Cincinnati, Ohio 45202, have filed a joint application under sections 6(a), 7, 9(a) and 10 of the Act and rule 54 under the Act.

Cinergy and NCE acquired their ownership interests in Cadence in September 1997 under rule 58. Each of Cinergy and NCE indirectly holds a one-third ownership interest in Cadence. Cinergy holds its one-third interest in Cadence through its wholly owned, special-purpose nonutility subsidiary, Cinergy-Cadence, Inc. ("Cinergy-Cadence"); NCE holds its one-third interest in Cadence through its wholly owned, special-purpose nonutility subsidiary, New Century-Cadence, Inc. ("New Century-Cadence"). Both of these subsidiaries were formed under rule 58 in order to acquire and hold Cinergy's and NCE's respective interests in Cadence.

Applicants state that Cadence uses information to reduce energy-related costs for commercial businesses that own and operate families of chain stores or other multi-location retail establishments. Cadence collects, centralizes and redistributes to customers relevant cost information using sophisticated technology. Through The Cadence Network ("Network"), an Internet-based interactive reporting tool developed by Cadence, Cadence's are able to track and manage electricity, natural gas and related costs incurred at their facilities (e.g., with respect to heating ventilation and air conditioning, water/sewage, telephone, cable, and trash collection). The Network anchors other services offered by Cadence that are specifically targeted at reducing the customers's energy-related costs. Currently these services consist of bill verification and

correction,¹ "best rate" assurance,² and consulting with respect to gas and electric commodity purchasing³ and energy efficiency projects.⁴ Customers compensate Cadence on a fixed fee or shared savings basis. At June 30, 1999, Cadence was serving customers with operations in all 50 states.

As an "energy-related company," as defined under rule 58, substantially all of Cadence's revenues must derive, and, according to Applicants, have derived, from permissible energy-related activities carried out within the United States. However, Applicants assert that this geographical restriction imposes significant business and competitive disadvantages on Cadence, noting, among other things, that certain of Cadence's customers have locations

outside of the United States for which they would like Cadence to provide services consistent with the services Cadence provides them in the United States.

Applicants propose that Cadence be permitted to market its utility-related cost reporting and reduction services anywhere outside the United States, without restriction on the amount or proportion of revenues derived from these activities outside the United States. In connection with this proposal, Cinergy and NCE request authority to retain their ownership interests in Cadence, Cinergy-Cadence and New Century-Cadence previously acquired under rule 58. In addition, Applicants propose that this authority cover not merely the utility-related cost reporting and reduction services now in place, but include additional similar and complementary energy-related services that Cadence may develop and seek to offer to customers in future, both in the United States and abroad, provided that in no event would these future services be broader in scope than the energy management services and consulting services approved for Cinergy's nonutility subsidiary, Cinergy Solutions, Inc.⁵ Applicants further request that Cadence be granted the flexibility to provide its services directly or indirectly through one or more special-purpose subsidiaries, formed as corporations, partnerships, limited liability companies or other legal entities, as applicable business, legal, tax, accounting or strategic considerations dictate.⁶ Cinergy and NCE commit that they will not seek recovery through higher rates to customers of their utility subsidiaries for any losses or inadequate returns arising from the proposed transactions.

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

Margaret H. McFarland,

Deputy Secretary.

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⁵ See *Cinergy Corp.*, Holding Co. Act Release No. 26662 (February 7, 1997).

⁶ Cinergy and NCE anticipate that they will meet their allocable shares of Cadence's financing needs through capital contributions or loans exempt under rules 45 and 52. In addition, Cadence may issue its securities to outside parties to finance its business in transactions exempt under rule 52. To the extent necessary, any Cinergy guarantees in respect to Cadence securities would be issued under the authority granted to Cinergy in Holding Co. Act Release No. 26984 (March 1, 1999). Likewise, any NCE guarantees in respect of Cadence securities would be issued under the authority granted to NCE in Holding Co. Act Release No. 27000 (April 7, 1999).

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23962; 812-11716]

The Victory Portfolios, et al.; Notice of Application

August 23, 1999.

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

ACTION: Notice of an application under sections 6(c) and 17(b) of the Investment Company Act of 1940 (the "Act") for an exemption from sections 12(d)(1)(A) and 17(a) of the Act, and under section 17(d) of the Act and rule 17d-1 under the Act to permit certain joint transactions.

Summary of Application

Applicants seeks to amend a prior order that permits non-money market series of a registered open-end management investment company to purchase shares of one or more of the money market series of such registered investment company by adding one registered open-end management investment company and one investment adviser as applicants.

Applicants

The Victory Funds (formerly known as The Society Funds), The Highmark Group, The Parkstone Group of Funds, The Conestoga Family of Funds, The AmSouth Funds (formerly known as The ASO Outlook Group), The Sessions Group, American Performance Funds, The Coventry Group, BB&T Mutual Funds Group (collectively, the "Original Funds"); Society Asset Management, Inc., Union Bank of Californian, N.A. (formerly known as The Bank of California), First of America Investment Corporation, Meridian Investment Company, AmSouth Bank (formerly known as AmSouth Bank, N.A.), National Bank of Commerce, BancOklahoma Trust Company, AMR Investment Services, Inc., Boatmen's Trust Company, AMCORE Capital Management, Inc., and Branch Banking and Trust Company (collectively, the "Original Advisers"); BISYS Fund Services Limited Partnership (formerly known as The Winsbury Company) ("BISYS"), BISYS Fund Services Ohio, Inc. (formerly known as The Winsbury