

Privacy Act requirements may be included in this system as part of a PA/FOIA case record. Such material retains its exemption if it is included in this system of records. The section of this notice titled Systems Exempted from Certain Provisions of the Act explains the exemptions for this system. Individuals wishing to request amendment to their records should contact the system manager or the program office where their original Privacy Act or Freedom of Information Act requests were sent or from which they received responses to such requests.

Individuals must furnish the following information for their records to be located and identified:

- a. Name.
- b. Date of birth.
- c. Appropriate dates of Privacy Act or Freedom of Information Act correspondence between OPM and the individual.

Individuals requesting amendment must also comply with OPM's Privacy Act regulations regarding verification of identity and amendment of records (5 CFR part 297).

Note: The amendment provisions of this system are not intended to permit an individual a second opportunity to request amendment of a record which was the subject of the initial Privacy Act amendment request which created the record in this system. That is, after an individual has requested amendment of a specific record in an OPM system under provisions of the Privacy Act, that specific record may itself become part of this system of PA/FOIA Case Records. An individual may not subsequently request amendment of that specific record again, simply because a copy of the record has become part of this second system of PA/FOIA Case Records.

RECORD SOURCE CATEGORIES:

Information in this system of records is obtained from—

- a. The individual to whom the information applies.
- b. Officials of OPM.
- c. Official documents of OPM.

SYSTEMS EXEMPTED FROM CERTAIN PROVISIONS OF THE ACT:

OPM has claimed exemptions for several of its other systems of records under 5 U.S.C. 552a (k)(1), (2), (3), (4), (5), (6), and (7). During the course of a PA/FOIA action, exempt materials from those other systems may become part of the case records in this system. To the extent that copies of exempt records from those other systems are entered into these PA/FOIA case records, the office has claimed the same exemptions for the records as they have in the

original primary systems of records which they are a part.

[FR Doc. 99-25612 Filed 9-30-99; 8:45 am]

BILLING CODE 6325-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24052; 812-11784]

Daewoo Capital Management Co., Ltd., et al.; Notice of Application

September 24, 1999.

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

ACTION: Notice of an application under section 6(c) of the Investment Company Act of 1940 ("Act") for an exemption from section 15(a) of the Act.

SUMMARY OF THE APPLICATION: The requested order would permit the implementation, without prior shareholder approval, of a new investment subadvisory agreement ("New Agreement") for a period continuing until the New Agreement is approved or disapproved by shareholders of the investment company (but in no event later than December 31, 1999).

Applicants: Daewoo Capital Management Co., Ltd. ("Subadviser") and Scudder Kemper Investments, Inc. ("Adviser").

Filing Date: The application was filed on September 24, 1999.

Hearing or Notification of Hearing: An order granting the application will be issued unless the Commission orders a hearing. Interested person may request a hearing by writing to the Commission's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on October 18, 1999 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 by writing to the Commission's Secretary.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. Applicants: c/o Adviser, Attn: Bruce H. Goldfarb, Esq., 345 Park Avenue, New York, NY 10154.

FOR FURTHER INFORMATION CONTACT: Rachel H. Graham, Senior Counsel, at (202) 942-0583, 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 from the Commission's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549-0102 (telephone (202) 942-8090).

Applicants' Representations

1. The Korea Fund, Inc. ("Fund") is registered under the Act as a closed-end management investment company. The Adviser is registered under the Investment Advisers Act of 1940 ("Advisers Act") and serves as investment adviser to the Fund.

2. The Subadviser, a Korean corporation and a subsidiary of Daewoo Securities Co., Ltd. ("Daewoo Securities"), is registered as an investment adviser under the Advisers Act. The Subadviser serves as subadviser to the Fund pursuant to an investment subadvisory agreement with the Adviser ("Existing Agreement"). The Adviser pays the Subadviser out of the fee that the Adviser receives from the Fund.

3. Prior to August 30, 1999, approximately 15% of the common stock of Daewoo Securities was owned by Daewoo Corporation and certain of its affiliates which are members of the Daewoo Group, a Korean chaebol. Because of financial difficulties, certain members of the Daewoo Group agreed on August 30, 1999 to transfer their interests in Daewoo Securities to a group of six Korean creditor banks. As a result of this transfer, the six banks jointly acquired ownership of approximately 14.4% of the outstanding common stock of Daewoo Securities. On September 7, 1999, Daewoo Securities conducted a rights issuance pursuant to which the six Korean banks and three additional Korean banks (collectively, the "Creditor Banks") subscribed on an individual basis to each acquire, on September 21, 1999 ("Acquisition Date"), newly issued shares of common stock of Daewoo Securities. The Creditor Banks also agreed to each acquire, on an individual basis, additional shares of Daewoo Securities stock through third-party allotments. The two acquisitions by the Creditor Banks collectively are referred to as the "Acquisition." Upon completion of the Acquisition, the Creditor Banks will own in the aggregate approximately 32.58% of the common stock of Daewoo Securities. The proposed terms and timing of the Acquisition were not available to the Subadviser until approximately September 9, 1999 and to

the Adviser until approximately September 13, 1999.

4. Applicants understand that the Creditor Banks have agreed to act in concert in certain respects as to their holdings in Daewoo Securities. Applicants state that the Acquisition may involve the transfer of a controlling block of Daewoo Securities stock by certain members of the Daewoo Group and the acquisition of a controlling block of that stock by the Creditor Banks. Applicants state that the Acquisition therefore may result in an assignment, and thus the automatic termination, of the Existing Agreement. Applicants request an exemption to permit the implementation, during the Interim Period and prior to obtaining shareholder approval, of the New Agreement. The requested exemption would cover a period commencing on the filing date of the application¹ and continuing until the New Agreement is approved or disapproved by Fund shareholders (but in no event later than December 31, 1999) ("Interim Period"). The requested order also would permit the Subadviser to receive from the adviser all fees earned under the New Agreement during the Interim Period, if and to the extent that the New Agreement is approved by Fund shareholders. Applicants represent that the New Agreement will contain substantially the same terms and conditions as the Existing Agreement, except for the effective and termination dates. Applicants further represent that the Fund will receive, during the Interim Period, the same scope and quality of investment subadvisory services, provided in the same manner by substantially the same personnel, at the same fee levels as it received prior to the Acquisition.

5. Applicants state that the Fund's board of directors ("Board") will meet within one week of the Acquisition Date to consider approval of the New Agreement and submission of the New Agreement to the shareholders for their approval, in accordance with section 15(c) of the Act.² Applicants state that

the Board will evaluate whether the terms of the New Agreement are in the best interests of the Fund and its shareholders.

6. Applicants submit that it will not be possible to obtain shareholder approval of the New Agreement in accordance with section 15(a) of the Act prior to the Acquisition Date. Applicants state that the shareholders will vote on approval of the New Agreement at the annual meeting previously scheduled to be held on October 20, 1999. Proxy materials concerning the shareholder vote on the New Agreement will be mailed on or about October 5, 1999.

7. The fees earned by the Subadviser under the New Agreement during the Interim Period will be maintained in an interest-bearing escrow account with an unaffiliated financial institution. The amounts in the escrow account (including any interest earned) will be paid: (i) to the Subadviser upon approval of the New Agreement by the Fund's shareholders; or (ii) to the Fund, if shareholder approval is not obtained and the Interim Period has ended. Before any such release is made, the Board will be notified.

Applicant's Legal Analysis

1. Section 15(a) of the Act provides, in relevant part, that it is unlawful for any person to serve as an investment adviser to a registered investment company, except pursuant to a written contract that has been approved by the vote of a majority of the outstanding voting securities of the investment company. Section 15(a) further requires the written contract to provide for its automatic termination in the event of its assignment. Section 2(a)(4) of the Act defines "assignment" to include any direct or indirect transfer of a controlling block of the assignor's outstanding voting securities by a security holder of the assignor. Section 2(a)(9) of the Act defines "control" as the power to exercise a controlling influence over the management or policies of a company, and beneficial ownership of more than 25% of the voting securities of a company is presumed under Section 2(a)(9) to reflect control. Applicants state that the Acquisition may result in an assignment of the Existing Agreement and that such agreement will terminate according to its terms.

2. Rule 15a-4 under the Act provides, in relevant part, that if an investment

persons" of the Fund, as that term is defined in section 2(a)(19) of the Act ("Independent Directors"), but in no event earlier than the filing date of the application.

advisory contract with a registered investment company is terminated by an assignment, the adviser may continue to serve for 120 days under a written contract that has not been approved by the company's shareholders, provided that: (i) the new contract is approved by that company's board of directors, including a majority of the non-interested directors; (ii) the compensation to be paid under the new contract does not exceed the compensation that would have been paid under the contract most recently approved by the company's shareholders; and (iii) neither the adviser nor any controlling person of the adviser "directly or indirectly receives money or other benefit" in connection with the assignment. The Subadviser states that it may not rely on rule 15a-4 because of the benefits to Daewoo Securities arising from the Acquisition.

3. Section 6(c) of the Act provides that the Commission 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 both the protection of investors and the purposes fairly intended by the policy and provisions of the Act. The Subadviser believes that the requested relief meets this standard.

4. Applicants state that the terms and timing of the Acquisition were determined in response to a number of factors beyond the scope of the Act and substantially unrelated to the Fund. Applicants state that it will not be possible for the Fund to obtain shareholder approval of the New Agreement prior to the Acquisition Date. Applicants assert that the requested relief would prevent any disruption in the delivery of investment subadvisory services to the Fund during the Interim Period.

5. Applicants submit that they will take all appropriate actions to ensure that the scope and quality of advisory and other services provided to the Fund during the Interim Period will be at least equivalent to the scope and quality of services previously provided. During the Interim Period, the Subadviser will operate under the New Agreement, which will be substantially the same as the Existing Agreement, except for the effective and termination dates. Applicants state that the fees payable to the Subadviser under the New Agreement during the Interim Period will be at the same rate as the fees paid under the Existing Agreement.

¹ Applicants state that, since the Acquisition Date precedes issuance of the requested order, the Subadviser will continue to serve as subadviser after the Acquisition Date (and prior to the issuance of the order) in a manner consistent with its fiduciary duty to provide investment subadvisory services to the Fund even though approval of the New Agreement has not yet been secured from the Fund's shareholders.

² Applicants acknowledge that, to the extent that the Board has not met to approve the New Agreement prior to the Acquisition Date, any relief granted by the Commission will allow the Subadviser to receive fees under the New Agreement only for the period following approval of the New Agreement by the Board, including a majority of the directors who are not "interested

Applicants' Conditions

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

1. The New Agreement will contain substantially the same terms and conditions as the Existing Agreement, except for the dates of execution and termination.
2. The fees earned by the Subadviser under the New Agreement during the Interim Period will be maintained in an interest-bearing escrow account (including interest earned on such amounts), and amounts in the account will be paid: (i) to the Subadviser after the requisite approval of the New Agreement by the Fund's shareholders is obtained; or (ii) in the absence of such approval by the end of the Interim Period, to the Fund.
3. The shareholders of the Fund will vote on the approval of the New Agreement at the annual meeting scheduled to be held on October 20, 1999, or any adjournment thereof (but in no event later than December 31, 1999).
4. The Subadviser or its affiliates will pay the costs of preparing and filing the application and the costs relating to the solicitation and approval of the Fund's shareholders of the New Agreement.
5. The Subadviser will take all appropriate actions to ensure that the scope and quality of subadvisory and other services provided to the Fund by the Subadviser during the Interim Period under the New Agreement will be at least equivalent, in the judgment of the Board, including a majority of the Independent Directors, to the scope and quality of services currently provided under the Existing Agreement. In the event of any material change in personnel providing services pursuant to the New Agreement during the Interim Period, the Subadviser will apprise and consult with the Board to assure that the Board, including a majority of the Independent Directors, is satisfied that the services provided by the Subadviser will not be diminished in scope or quality.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99-25502 Filed 9-30-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24054; 812-11476]

Endeavor Series Trust, et al.; Notice of Application

September 27, 1999.

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

ACTION: Notice of application for an exemption under section 6(c) of the Investment Company Act of 1940 ("Act") from section 15(a) of the Act and rule 18f-2 under the Act, as well as from certain disclosure requirements.

SUMMARY OF APPLICATION: Endeavor Series Trust (the "Trust") and Endeavor Management Co. (the "Adviser") request an order that would permit applicants to enter into and materially amend sub-advisory agreements without shareholder approval and grant relief from certain disclosure requirements.

APPLICANTS: The Trust and the Adviser.

FILING DATE: The application was filed on January 20, 1999. Applicants have agreed to file an amendment to the application, the substance of which is reflected in this notice, during the notice period.

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 October 22, 1999, 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 Fifth Street, N.W., Washington, D.C. 20549-0609. Applicants, 2101 East Coast Highway, Suite 300, Corona del Mar, CA 92625.

FOR FURTHER INFORMATION CONTACT:

Bruce R. MacNeil, Staff Attorney, at (202) 942-0634, or Michael W. Mundt, 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, 450 Fifth Street, N.W., Washington, D.C. 20549-0102 (tel. (202) 942-8090).

Applicants' Representations

1. The Trust, a Massachusetts business trust, is registered under the Act as an open-end management investment company. The Trust is currently comprised of thirteen separate series (each a "Fund," and together, the "Funds"), each with its own investment objectives, policies, and restrictions.¹ The Funds are currently offered for sale only to various separate accounts of a life insurance company and its affiliates to fund variable annuity contracts or variable life insurance policies. The Adviser, a California corporation, serves as the investment adviser to the Funds and is registered under the Investment Advisers Act of 1940 ("Advisers Act").

2. The Adviser serves as investment adviser to the Funds pursuant to an investment advisory agreement between the Trust and the Adviser that was approved by the Trust's board of trustees ("Board"), including a majority of the trustees who are not "interested persons" as defined in section 2(a)(19) of the Act ("Independent Trustees"), and each Fund's shareholders ("Advisory Agreement"). In addition, each Fund currently is advised by a subadviser ("Subadviser") pursuant to a separate investment advisory agreement ("Sub-Advisory Agreement"). Each Subadviser is an investment adviser registered under the Advisers Act. In the future, a Fund may be advised by more than one Subadviser. The Adviser selects each Subadviser, subject to approval by the Board, and compensates the Subadviser out of fees paid to the Adviser by the Fund.

3. Applicants request relief to permit the Adviser to enter into and amend Sub-Advisory Agreements without shareholder approval. The requested relief will not extend to a Subadviser that is an affiliated person, as defined in section 2(a)(3) of the Act, of the Trust or the Adviser, other than by reason of serving as a Subadviser to one or more of the Funds (an "Affiliated Subadviser").

4. Applicants also request an exemption from the various disclosure

¹ Applicants also request relief with respect to future series of the Trust and all future registered open-end management investment companies that (a) are advised by the Adviser or any entity controlling, controlled by or under common control with the Adviser; (b) use the multi-manager structure described in the application; and (c) comply with the terms and conditions in the application ("Future Funds"). The Trust is the only existing investment company that currently intends to rely on the order.