

The Exchange has informed the Company that it has no objection to the withdrawal of the Company's Securities from listing on the PCX.

This application relates solely to the withdrawal by the Company of the Securities' listing on the PCX and shall have no effect upon the continued listing of such Securities on the NYSE. By reason of Section 12(b) of the Act and the rules and regulations of the Commission thereunder, the Company shall continue to be obligated to file reports with the Commission and the NYSE under Section 13 of the Act.

Any interested person may, on or before November 8, 1999, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-0609, facts bearing upon whether the application has been made in accordance with the rules of the Exchange and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Jonathan G. Katz,
Secretary.

[FR Doc. 99-27596 Filed 10-21-99; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24086; 812-11812]

Equity Managers Trust and Neuberger Berman Equity Trust; Notice of Application

October 15, 1999.

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

ACTION: Notice of an application 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, Equity Managers Trust ("Managers Trust") and Neuberger Berman Equity Trust ("Berman Trust"), seek an order to permit an in-kind redemption of shares of a series of the Berman Trust ("Feeder Fund") by an affiliated person of the Feeder Fund.

FILING DATES: The application was filed on October 13, 1999. Applicants have

agreed to file an amendment, 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 Commission orders a hearing. Interested persons 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 November 9, 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 who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, NW., Washington, DC 20549-0609; Applicants, 605 Third Avenue, 2nd Floor, New York, New York 10158-0180.

FOR FURTHER INFORMATION CONTACT: Elaine M. Boggs, Senior Counsel, at (202) 942-0572 or Christine Y. Greenlees, 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 Commission's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549-0102 (telephone (202) 942-8090).

Applicants' Representations

1. The Managers Trust, a New York common law trust, and the Berman Trust, a Delaware business trust, are registered under the Act as open-end management investment companies. The Managers Trust offers shares in nine separate series, including the Neuberger Berman Socially Responsive Portfolio (the "Master fund"). The Feeder Fund is one of ten series of the Berman Trust. The Feeder Fund and the Master Fund are organized in a "master-feeder" structure under which the Feeder Fund invests all of its net assets in the Master Fund. Neuberger Berman Management Inc. and Neuberger Berman, LLC (collectively, the "Advisers") serve as investment adviser and sub-adviser, respectively, to the Master Fund. The Advisers are registered under the Investment Advisers Act of 1940.

2. As of August 31, 1999, the Feeder Fund owned 63.74% of the Master

Fund. The Feeder Fund's sole shareholder is the Deferred Compensation Plan of the City of New York and Related Agencies and Instrumentalities (the "Plan"), a tax-exempt qualified employee benefit plan for employees of the City of New York and its related agencies and instrumentalities.

3. The Plan has advised the Feeder Fund that it intends to redeem all of its shares of the Feeder Fund and that it would like to be paid in-kind. To effect the in-kind redemption, the Master Fund would transfer portfolio securities to the Feeder Fund, which would then transfer the securities to the Plan. The Plan will then transfer its assets to an account managed by Citizens Advisors, which is not affiliated with applicants, the Advisers, or any other entity in the Neuberger Berman complex.

4. The Master Fund's and the Feeder Fund's registration statements provide that, under certain circumstances, each Fund may satisfy a request for redemption in-kind with portfolio securities. The boards of trustees of the Managers Trust and the Berman Trust, including in each case a majority of the trustees who are not "interested persons," as that term is defined in section 2(a)(19) of the Act, have determined that it would be in the best interests of the shareholders of the Managers Trust and the Berman Trust to redeem the shares of the Plan in-kind.

Applicants' Legal Analysis

1. Section 17(a)(2) of the Act generally prohibits an affiliated person of a registered investment company or an affiliated person of such person, acting as principal, from knowingly purchasing any security or other property (except securities of which the seller is the issuer) from the company. Section 2(a)(3) of the Act defines "affiliated person" of another person to include, among others, any person owning 5% or more of the outstanding voting securities of the other person and any person controlling, controlled by or under common control with the other person. Under section 2(a)(9) of the Act, a person that owns beneficially more than 25% of the voting securities of a company is presumed to control the company.

2. Applicants state that the Feeder Fund, as the holder of 63.74% of the outstanding voting securities of the Master Fund, would be an affiliated person of the Master Fund and would be presumed to control the Master Fund. In addition, as the sole shareholder of the Feeder Fund, the Plan is an affiliated person of the Feeder Fund and is presumed to control the Feeder Fund.

Applicants state that to the extent that an in-kind redemption could be viewed as involving the "purchase" of portfolio securities by the Feeder Fund from the Master Fund, and by the Plan from the Feeder Fund, section 17(a)(2) may prohibit the transaction.

3. Section 17(b) of the Act provides that, notwithstanding section 17(a) of the Act, the Commission will exempt a proposed transaction from section 17(a) of the Act if evidence establishes that: (a) the terms of the proposed transaction are reasonable and fair and do not involve overreaching; (b) the proposed transaction is consistent with the policy of each registered investment company involved; and (c) the proposed transaction is consistent with the general purposes of the Act.

4. Applicants submit that the terms of the transaction meet the standards set forth in section 17(b) of the Act. Applicants state that neither the Advisers nor the Plan will have any opportunity to select the specific portfolio securities to be distributed. Rather, the Plan will receive a *pro rata* share of each portfolio security held by the Master Fund, except for odd lot securities, fractional shares, and accruals on such securities, certificates of deposit, and proceeds from the liquidation of S&P 500 Index futures contracts held by the Master Fund. Applicants further state that the portfolio securities to be distributed to the Plan will be valued according to an objective, verifiable standard and that the in-kind redemption is consistent with the investment policies of the Feeder Fund and the Master Fund. Applicants also state that the proposed in-kind redemption is consistent with the general purposes of the Act.

Applicants' Conditions

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

1. The securities distributed pursuant to the redemption in-kind (the "In-Kind Securities") will be distributed on a *pro rata* basis, provided that cash will be distributed: (a) For certificates of deposit; (b) in lieu of shares not amounting to round lots, fractional shares, and accruals on such securities; and (c) as proceeds from the liquidation of S&P 500 Index future contracts held by the Master Fund.

2. The In-Kind Securities distributed to the Plan will be valued in the same manner as they would be valued for purposes of computing each of the Feeder Fund's and the Master Fund's net asset value.

3. The Feeder Fund and the Master Fund will maintain and preserve for a

period of not less than six years from the end of the fiscal year in which the in-kind redemption occurs, the first two years in an easily accessible place, a written record of the redemption setting forth a description of each security distributed in-kind, the terms of the in-kind distribution and the information or materials upon which the valuation was made.

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

Jonathan G. Katz,
Secretary.

[FR Doc. 99-27597 Filed 10-21-99; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24087, 812-11728]

Federated Investors, Inc., et al.; Notice of Application

October 18, 1999.

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

ACTION: Notice of an application under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from sections 18(f) and 21(b) of the Act, under section 12(d)(1)(J) of the Act for an exemption from section 12(d)(1) of the Act, under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and 17(a)(3) of the Act, and under section 17(d) of the Act and rule 17d-1 under the Act to permit certain joint arrangements.

SUMMARY OF THE APPLICATION:

Applicants request an order that would permit certain registered open-end management investment companies to participate in a joint lending and borrowing facility.

APPLICANTS: Federated Investors, Inc. ("Federated"), for itself and on behalf of Federated Investment Management Company, Federated Global Investment Management Corp., Federated Investment Counseling, and Passport Research Limited (collectively, with Federated, the "Advisers"); Automated Government Money Trust, Cash Trust Series II, Edward D. Jones & Co. Daily Passport Cash Trust, Federated ARMs Fund, Federated Core Trust, Federated Equity Funds, Federated GNMA Trust, Federated Government Trust, Federated High Yield Trust, Federated Income Securities Trust, Federated Income Trust, Federated Index Trust, Federated Institutional Trust, Federated Insurance Series, Federated Master Trust,

Federated Municipal Trust, Federated Short-Term Municipal Trust, Federated Short-Term U.S. Government Trust, Federated Stock Trust, Federated Tax-Free Trust, Federated U.S. Government Bond Fund, Federated U.S. Government Securities Fund: 1-3 Years, Federated U.S. Government Securities Fund: 2-5 Years, Federated U.S. Government Securities Fund: 5-10 Years, Intermediate Municipal Trust, Managed Series Trust, Money Market Obligations Trust, Money Market Obligations Trust II, Money Market Trust, Municipal Securities Income Trust, Cash Trust Series, Inc., Federated Adjustable Rate U.S. Government Fund, Inc., Federated American Leaders Fund, Inc., Federated Equity Income Fund, Inc., Federated Fund for U.S. Government Securities, Inc., Federated Government Income Securities, Inc., Federated High Income Bond Fund, Inc., Federated Municipal Opportunities Fund, Inc., Federated Municipal Securities Fund, Inc., Federated Stock and Bond Fund, Inc., Federated Total Return Series, Inc., Federated Utility Fund, Inc., Fixed Income Securities, Inc., International Series, Inc., Investment Series Funds, Inc., Liberty U.S. Government Money Market Trust, Liquid Cash Trust, Money Market Management, Inc., Tax-Free Instruments Trust, Trust for Government Cash Reserves, Trust for Short-Term U.S. Government Securities, Trust for U.S. Treasury Obligations and World Investment Series, Inc., and all other registered open-end management investment companies and series thereof that are advised or subadvised by Federated or a person controlling, controlled by, or under common control with Federated, and all other registered open-end management investment companies and series thereof for which the Advisers in the future act as investment adviser or subadviser other than funds which are not sponsored by Federated (collectively, the "Funds").

FILING DATES: The application was filed on July 29, 1999. Applicants have agreed to file an amendment, 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 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 November 8, 1999, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service.