

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 Amex 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.⁴

Jonathan G. Katz,
Secretary.

[FR Doc. 00-21518 Filed 8-22-00; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (White Electronic Designs Corporation, Common Stock, \$.10 Par Value) File No. 1-04817

August 17, 2000.

White Electronic Designs Corporation, an Indiana corporation ("Company"), has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 12d2-2(d) thereunder,² to withdraw its Common Stock, \$.10 par value ("Security"), from listing and registration on the American Stock Exchange LLC ("Amex").

The Company has effected a new listing for its Security on the National Market of the Nasdaq Stock Market, Inc. ("Nasdaq"). On June 7, 2000, the Company filed a Registration Statement on Form 8-A with the Commission in conjunction with the new Nasdaq listing. Trading in the Security on the Nasdaq commenced, and was concurrently suspended on the Amex, at the opening of business on June 7, 2000. The Company believes that the Nasdaq is the preferred marketplace for the securities of technology companies and that the Company's Security will enjoy better exposure on the Nasdaq than it has on the Amex.

On May 18, 2000, the Company's board of directors approved resolutions authorizing the Security's new Nasdaq listing and withdrawal from listing and

registration on the Amex. The Amex has in turn advised the Company that its application for such withdrawal has been made in accordance with the rules of the Amex and that the Amex has no objection to such withdrawal, pending approval of the Company's application by the Commission. In the light of its new listing on the Nasdaq, the Amex has not required the Company to notify its shareholders of its intention to withdraw the Security from listing and registration on the Amex.

The Company's application relates solely to the withdrawal of the Security from listing and registration on the Amex and shall have no effect upon the Security's continued listing on the Nasdaq and registration under section 12(g) of the Act.³

Any interested person may, on or before September 8, 2000, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609, facts bearing upon whether the application has been made in accordance with the rules of the Amex 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.⁴

Jonathan G. Katz,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24600; 812-12152]

Nations Fund, Inc., et al.; Notice of application

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

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

SUMMARY OF THE APPLICATION:

Applicants request an order to permit a series of Nations Reserves ("NR") to acquire all of the assets and liabilities of a series of Nations Fund, Inc. ("NFI")

(the "Reorganization"). Because of certain affiliations, applicants may not rely on rule 17a-8 under the Act.

APPLICANTS: NFI, NR and Banc of America Advisors, Inc. ("BAAI").

FILING DATE: The application was filed on June 29, 2000. 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 September 7, 2000, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549-0609. Applicants, One Bank of America Plaza, 101 South Tryon Street, Charlotte, NC 28255.

FOR FURTHER INFORMATION CONTACT: Bruce R. MacNeil, Staff Attorney, (202) 942-0634, or Michael W. Mundt, Branch Chief, (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 (telephone (202) 942-8090).

Applicants' Representations

1. NFI, a Maryland corporation, is an open-end management investment company registered under the Act. NFI currently offers 7 series, including Nations International Growth Fund (the "Acquired Fund"). NR, a Massachusetts business trust, is an open-end management investment company registered under the Act. NR currently offers 16 series, including Nations International Equity Fund (the "Acquiring Fund," together with the Acquired Fund, the "Funds"). The Acquiring Fund is a feeder fund which invests all of its assets in a corresponding master portfolio of Nations Master Investment Trust, an open-end management investment

⁴ 17 CFR 200.30-3(a)(1).

¹ 15 U.S.C. 78(d).

² 17 CFR 200.12d2-2(d).

³ 15 U.S.C. 78(g).

⁴ 17 CFR 200.30-3(a)(1).

company registered under the Act ("Master Portfolio").

2. BAAI is registered under the Investment Advisers Act of 1940 ("Advisers Act") and is the investment adviser for the Acquired Fund and the Master Portfolio. BAAI is a wholly-owned subsidiary of Bank of America Corporation. The Acquired Fund is currently subadvised by Gartmore Global Partners ("Gartmore"), an investment adviser registered under the Advisers Act. The Master Portfolio is subadvised by Gartmore and by INVESCO Global Asset Management (N.A.) Inc. ("INVESCO") and Putnam Investment Management, Inc. ("Putnam"), which are also investment advisers registered under the Advisers Act. Gartmore, INVESCO, and Putnam are not affiliated persons of BAAI.

3. Bank of America Corporation, Bank of America, N.A., and/or certain of their affiliates that are under common control with BAAI (the "Bank of America Group"), hold of record, in their name and in the names of their nominees, more than 25% of the outstanding voting securities of each of the Funds. All of these securities are held for the benefit of others in a trust, agency, custodial, or other fiduciary or representative capacity. None of the companies of the Bank of America Group owns an economic interest in either of the Funds.

4. On April 26, 2000, the board of trustees of NR (the "Acquiring Fund's Board") and the board of directors of NFI (the "Acquired Fund's Board," together with the Acquiring Fund's Board, the "Boards"), including a majority of the directors or trustees who are not "interested persons," as defined in section 2(a)(19) of the Act ("Disinterested Members") of the respective Funds, approved a plan of reorganization ("Plan") between the Acquiring Fund and the Acquired Fund. Under the Plan, on the date following the closing date ("Closing Date"), which is currently anticipated to be September 8, 2000, the Acquiring Fund will acquire all of the assets and liabilities of the Acquired Fund in exchange for shares of designated classes of the Acquiring Fund that have an aggregate net asset value equal to the value of the Acquired Fund's net assets, determined as of the Closing Date unless mutually agreed otherwise ("Valuation Time"). The value of the assets will be determined in accordance with NFI's and NR's then current valuation procedures. On the date following the Closing Date, the Acquired Fund will make a pro rata distribution of share of the Acquiring Fund to its shareholders and liquidate.

5. Applicants state that the Acquiring Fund will pursue investment objectives and follow principal investment strategies that are substantially similar to those of the Acquired Fund. Each of the Funds has four classes of shares. Applicants state that the distribution and shareholder servicing arrangements for the respective classes of the Acquired Fund. For purposes of calculating any deferred sales charge, the Acquired Fund's shareholders will be deemed to have held shares of the Acquiring Fund since the date the shareholder initially purchased shares of the Acquired Fund. No sales charge will be imposed in connection with the Reorganization.

6. The Boards, including all of their Disinterested Members, found that participation in the Reorganization is in the best interest of each Fund and that the interests of existing shareholders of each Fund will not be diluted as a result of the Reorganization. In approving the Reorganization, the Boards considered, among other things: (a) The potential effect of the Reorganization; (b) the respective expense ratios of the Funds; (c) the compatibility of the investment objectives and investment strategies of the Funds; (d) the tax-free nature of the Reorganization; and (e) the advantages of the master-feeder structure. The Boards also noted that BAAI and Gartmore or their affiliates (other than the Funds), will bear the expenses associated with the Reorganization.

7. The Plan may be terminated at any time by mutual written consent of the Acquiring Fund and the Acquired Fund at any time prior to the Closing Date. In addition, either Board may terminate the Plan under certain circumstances specified in the Plan. The consummation of the Reorganization is subject to the following conditions: (a) A registration statement under the Securities Act of 1933 for the Acquired Fund will have become effective; (b) the Acquired Fund's shareholders will have approved the Plan; (c) applicants will have received exemptive relief from the SEC with respect to the issues in the application; (d) the Funds will have received an opinion of counsel concerning the tax-free nature of the Reorganization; and (e) the Acquired Fund will have declared a dividend to distribute substantially all of its investment company taxable income and net capital gain, if any, to its shareholders. Applicants agree not to make any material changes to the Plan that affect the application without prior SEC staff approval.

8. Definitive proxy solicitation materials have been filed with the SEC and were mailed to the Acquired Fund's

shareholders on or about June 15, 2000. A special meeting of the Acquired Fund's shareholders was held on August 1, 2000, and the Acquired Fund's shareholders approved the Plan.

Applicant's Legal Analysis

1. Section 17(a) of the Act generally prohibits an affiliated person of a registered investment company, or an affiliated person of that person, acting as principal, from selling any security to, or purchasing any security from, the company. Section 2(a)(3) of the Act defines an "affiliated person" of another person to include (a) any person that directly or indirectly owns, controls, or holds with power to vote 5% or more of the outstanding voting securities of the other person; (b) any person 5% or more of whose outstanding voting securities are directly or indirectly owned, controlled or held with power to vote by the other person; (c) any person directly or indirectly controlling, controlled by, or under common control with the other person; and (d) if the other person is an investment company, any investment adviser of that company.

2. Rule 17a-8 under the Act exempts from the prohibitions of section 17(a) mergers, conditions, or purchases or sales of substantially all of the assets of registered investment companies that are affiliated persons solely by reason of having a common investment adviser, common director/trustees, and/or common officers, provided that certain conditions set forth in the rule are satisfied.

3. Applicants state that the Bank of America Group holds of record more than 25% of the outstanding voting securities of the Acquired Fund and the Acquiring Fund. Because of this ownership, applicants state that the Funds may be deemed affiliated persons for reasons other than those set forth in rule 17a-8 and therefore unable to rely on the rule. Applicants request an order pursuant to section 17(b) of the Act exempting them from section 17(a) to the extent necessary to consummate the Reorganization.

4. Section 17(b) of the Act provides that the SEC may exempt a transaction from the provisions of section 17(a) if the evidence establishes that the terms of the proposed transaction, including the consideration to be paid, are reasonable and fair and do not involve overreaching on the part of any person concerned, and that the proposed transaction is consistent with the policy of each registered investment company concerned and with the general purposes of the Act.

5. Applicants submit that the terms of the Reorganization satisfy the standards

set forth in section 17(b). Applicants note that the Boards, including a majority of the Disinterested Members, found that participation in the Reorganization is in the best interests of each Fund and that the interests of the existing shareholders of each Fund will not be diluted as a result of the Reorganization. Applicants also that the Reorganization will be based on the Funds' relative net asset values.

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

Margaret H. McFarland,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43162; File No. SR-Amex 00-37]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by American Stock Exchange LLC Relating to Trading of Convertible Bond Linked Medium Term Notes

August 16, 2000.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 17, 2000, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. On August 14, 2000, the Exchange filed Amendment No. 1 to the proposed rule change.³ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to grant accelerated approval of the proposed rule change.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to list and trade convertible bond linked notes ("Notes") and revise Section 107B of the Amex Company Guide ("Company Guide") concerning the listing standards

for the listing of equity linked notes. The revision permits the Exchange to list and trade Notes linked to securities that are convertible into common stock satisfying the criteria set forth in Section 107B of the Company Guide. Additions to the rule are in italics. Bracketing indicates text to be deleted.

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Other Securities

Section 107

The Exchange will consider listing any security not otherwise covered by the criteria of Sections 101 through 106, provided the issue is otherwise suited for auction market trading. Such issues will be evaluated for listing against the following criteria:

A. General Criteria

(a)-(c) No change.

B. Equity Linked Term Notes

Income instruments which are linked, in whole or in part, to the market performance of one or more common stock, [or] non-convertible preferred stocks, *or other equity security(ies), as defined by Section 3(a)(11) of the Securities Exchange Act of 1934 ("equity security")*, will be considered for listing provided:

(a)-(d) No change.

(e) Each underlying linked stock to which the instrument relates, *or stock into which an equity security(ies) is convertible, (each hereinafter referred to as an "underlying linked security")*, may not exceed 5% of the total outstanding common shares of such entity, provided however, if any underlying linked [stock] security is a non-U.S. *underlying linked* security represented by ADSs, common shares, or otherwise, then for each such *underlying linked* security the instrument may not exceed (i) 2% of the total shares outstanding worldwide provided at least 20% of the worldwide trading volume in each non-U.S. *underlying linked* security and related non-U.S. *underlying linked* security during the six month period preceding the date of listing occurs in the U.S. market; (ii) 3% of the total worldwide shares outstanding provided at least 50% of the worldwide trading volume in each non-U.S. *underlying linked* security and related non-U.S. *underlying linked* securities during the six month period preceding the date of listing occurs in the U.S. market; and (iii) 5% of the total shares outstanding worldwide provided at least 70% of the worldwide trading volume in each non-U.S. *underlying linked* security and related non-U.S. securities during the

six month period preceding the date of listing occurs in the U.S. market. If any non-U.S. *underlying linked* security and related securities has less than 20% of the worldwide trading volume occurring in the U.S. market during the six month period preceding the date of listing, then the instrument may not be linked to that non-U.S. *underlying linked* security.

If an issuer proposes to list an Equity Linked Term Note that relates to more than the allowable percentages set forth above, the Exchange, with the concurrence of the staff of the Division of Market Regulation of the Securities and Exchange Commission, will evaluate the maximum percentage of Equity Linked Term Notes that may be issued on a case-by-case basis.

(f) Equity Linked Term Notes will be treated as equity instruments.

(g) If any underlying *linked* security [to which the instrument is to be linked] is [the stock] *an equity security* of a non-U.S. company which is traded in the U.S. market as a sponsored ADS, ordinary shares or otherwise, then the minimum number of holders of such underlying linked *equity* security shall be 2,000.

* * * * *

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Amex has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to list and trade Notes linked to securities that are convertible not common stock satisfying the criteria set forth in Section 107B of the Company Guide. Under Section 107 of the Company Guide, the Exchange may approve for listing and trading securities which cannot be readily categorized under the listing criteria for common and preferred stocks, bonds, debentures and warrants. The Amex now proposes to list for trading under Section 107B of the Company Guide

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In Amendment No. 1, the Exchange modified its proposed change to Section 107B of the Amex Company Guide. The modification clarified certain matters relating to the application of the listing standards in Section 107B to underlying linked securities.