

(c) The vote of 75% in interest of the limited partners is required to terminate the Partnership in certain events.

(d) The vote of all limited partners is required to extend the term of the Partnership (except as described in (a)(iv) above).

In addition, under California law, the limited partners have the right to vote on certain matters relating to the merger of the Partnership with one or more other entities.⁵ Cinergy states that such limited voting rights are customary for limited partners in a venture capital fund and, in the aggregate, are less than those potentially available to limited partners consistent with applicable California law. In addition, Cinergy states that it will not consent to serve on the Fund Committee and, therefore, will have fewer voting rights than those of the other limited partners, who will be eligible to serve on that committee and potentially to vote on the matters within the Committee's purview.

Entergy Corporation, et al. (70-8871)

Entergy Corporation ("Entergy"), 639 Loyola Avenue, New Orleans, Louisiana 70113, a registered holding company, and its wholly owned subsidiary company, Entergy Power Inc. ("EPI"), 900 South Shackleford Road, Little Rock, Arkansas 72211 (collectively, "Declarants"), have filed a declaration under sections 12(c) and 12(d) of the Act and rules 44, 46 and 54 thereunder.

By order dated August 27, 1990 (HCAR No. 25136), EPI was formed to supply electricity at wholesale to nonassociate companies and to acquire ownership interests in Unit No. 2 of the Independence Steam Electric Generating Station ("ISES 2")⁶ and related assets, as well as other utility assets. EPI currently owns a 31.5% unified ownership interest in ISES 2, a 15.75% undivided ownership interest in certain land and common facilities at the Independence Station, and a 15.75% undivided ownership interest in the Certificate of Environmental Compatibility and Public Need ("Certificate") for the Independence Station. EPI also owned a 15.75% undivided ownership interest in certain leases, mine facilities and mine

equipment located in Wyoming ("Wyoming Property") used to supply coal to the Independence Station.

EPI now proposes to sell, prior to December 31, 1997, a portion of its interest in ISES 2 and related property to City Water & Light Plant of Jonesboro ("City Water & Light") for an approximate purchase price of \$37.8 million, representing an approximation of the depreciated book value of the assets at the time of sale. Specifically, City Water & Light will acquire from EPI (1) a 10% undivided ownership interest in ISES 2 (equivalent to 84 megawatt of capacity); (2) a 5% undivided ownership interest in the Certificate; (3) a 5% undivided ownership interest in the land and common facilities at the Independence Station; and (4) a 5% undivided ownership interest in the Wyoming Property.

EPI intends to apply the proceeds from the sale to its general corporate purposes, including to reduce its operating and maintenance expenses and to meet other working capital needs. EPI further proposes, from time to time through December 31, 1998, to pay dividends to Energy out of the unused proceeds from such sale.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-16452 Filed 6-26-96; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-22035; 812-10098]

Trend Capital Management, Inc.; Notice of Application

June 21, 1996.

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

ACTION: Notice of Application for Permanent Exemption under the Investment Company Act of 1940 (the "Act").

APPLICANT: Trend Capital Management, Inc. ("Trend").

RELEVANT ACT SECTIONS: Order requested under section 9(c) of the Act granting an exemption from section 9(a) of the Act.

SUMMARY: Trend Capital requests an order from the prohibitions of section 9(a) to the extent necessary to relieve Trend of any ineligibility resulting from Trend's employment of an individual who is subject to a securities-related injunction.

FILING DATES: The application was filed on April 23, 1996 and amended on May 30, 1996. Applicant has agreed to file an amendment during the notice period,

the substance of which is included in this notice.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested person 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 July 16, 1996 and should be accompanied by proof of service on applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writers' 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.

ADDRESSES: Secretary, SEC, 450 5th Street N.W., Washington, D.C. 20549. Applicant, 950 Interchange Tower, 600 South Highway 169, Minneapolis, Minnesota 55426.

FOR FURTHER INFORMATION CONTACT: Marianne H. Khawly, Staff Attorney, at (202) 942-0562, or Alison E. Baur, 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.

Applicant's Representations

1. Trend is a registered investment adviser under the Investment Advisers Act of 1940 and has one office in Minneapolis, Minnesota. Since 1992, Trend has served as an investment adviser to more than 17 institutional and individual clients. Trend does not have a parent company and does not own directly or indirectly any subsidiary companies.

2. Since 1992, Trend has employed Bryce Kommerstad ("Kommerstad") as Director of Marketing and Sales. Kommerstad is responsible for general sales and marketing, long-term client development, and the servicing of existing customer accounts. Kommerstad does not develop or manage Trend's investment advisory services nor does he participate in decisions relating to the composition of Trend's model portfolios or the allocation of client assets among the various portfolios.

3. On July 18, 1988, Kommerstad was enjoined by the U.S. District Court for the District of Minnesota in an action commenced by the SEC (SEC Litigation

⁵ Cinergy notes that, since its capital commitment to and corresponding limited partnership interest in the Fund will be relatively small and actions of the Fund's limited partners will require the assent of at least a majority (and often a supermajority) in interest thereof, Cinergy will have no practical ability—assuming it were so disposed—unilaterally to direct or control the action of the Fund's limited partners with respect to the few matters over which the limited partners exercise voting rights.

⁶ The Independence Steam Electric Generating Station is a two-unit, coal-fired electric generating facility ("Independence Station") located near Newark, Arkansas.

Release No. 11818 (July 26, 1988)). From September 1982 through February 1984, Kommerstad was a registered representative employed by Dean Witter Reynolds, Inc. at its Wayzata, Minnesota office. In its complaint, the SEC alleged that during this time Kommerstad solicited several customers to purchase shares of Continental Materials, Inc. about which he made misrepresentations and failed to state material facts. Without admitting or denying the allegations, Kommerstad consented to the entry of a final judgment of permanent injunction by the court (the "Injunction"). The court enjoined Kommerstad from violating section 10(b) of the Securities Exchange Act of 1934 and rule 10b-5 thereunder and section 17(a) of the Securities Act of 1933. Kommerstad was also suspended by the SEC for 12 months. Since the entry of the Injunction in 1988, applicant states that Kommerstad has not been enjoined by any court or sanctioned by the SEC, any self-regulatory organization, or any state securities commission. Also since 1988, to the best of applicant's knowledge, there has not been a customer complaint relating to Kommerstad. Applicant also states that, to the best of its knowledge and after reasonable and appropriate inquiry, none of its other affiliated persons are disqualified under section 9 of the Act.

4. Trend proposes to enter into advisory or sub-advisory agreements with various registered investment management companies, pursuant to which Trend will agree to provide investment advisory services. As a result of the Injunction, however, Kommerstad is subject to the provisions of section 9(a)(2) of the Act and Trend is prohibited, under section 9(a)(3) of the Act, from, among other things, acting as investment adviser or depositor of any registered investment company, or principal underwriter for any registered open-end investment company unless an exemption is obtained pursuant to section 9(c).

5. When Trend learned, in connection with certain negotiations for an investment advisory agreement, that Kommerstad was statutorily disqualified under section 9(a) of the Act, Trend immediately developed and adopted the following written procedures relating to all prospective employees:

a. Whenever Trend intends to hire an employee, its compliance committee (the "Compliance Committee") conducts a background investigation of the prospective employee to determine whether the person is subject to a

statutory disqualification.¹ Depending on the scope of other information available to Trend, the background investigation may include a fingerprint check by the local law enforcement agency, inquiries to registered securities associations, and discussions with previous securities related employers.

b. The prospective employee is required to complete an employment application that includes a questionnaire specifically designed to ensure disclosure of any criminal conviction, injunction, or other disqualifying condition.

c. If the prospective employee is subject to a statutory disqualification, then such person will not be offered employment until: (i) a section 9(c) order of exemption has been obtained; (ii) the Compliance Committee determines, with advice from counsel, that a section 9(c) order of exemption already exists that will cover the person's employment with Trend; or (iii) the Compliance Committee determines, with advice from counsel, that the SEC has adopted a rule that such person may rely upon.

d. If the prospective employee subject to a statutory disqualification is offered employment upon completion of one of the three steps set forth in paragraph (c), then such person's scope of employment will be restricted so that the employee will not act in any capacity as an investment adviser, or depositor of any registered investment company, or principal underwriter for any registered open-end investment company, registered unit investment trust, or registered face amount certificate company.

Applicant's Legal Analysis

1. Trend requests a permanent order under section 9(c) of the Act exempting it from the disqualification provisions of section 9(a) solely with respect to the Injunction. Trend requests that the relief extend to all entities that may become affiliated persons (as that term is defined in section 2(a)(3) of the Act) of Trend in the future. No affiliated person of Trend currently requires such relief or currently intends to rely upon the requested relief.

2. Section 9(a)(2) of the Act, in pertinent part, prohibits any person who has been enjoined from engaging in or continuing any conduct or practice in connection with the purchase or sale of a security from acting as an employee, officer, director, member of an advisory

¹ The Compliance Committee consists of Trend's president, and chief financial officer. These positions currently are held by Thomas G. Fox and Darrel R. Lynn, respectively.

board, investment adviser, or depositor of any registered investment company, or principal underwriter for any registered open-end company, registered unit investment trust, or registered face amount certificate company. A company with an employee or other "affiliated person" ineligible to serve in any of these capacities under section 9(a)(2) is similarly ineligible under section 9(a)(3).

3. Section 9(c) of the Act provides that, upon application, the SEC shall grant an exemption from the provisions of section 9(a), either unconditionally or on appropriate temporary or other conditional basis, if it is established that the prohibitions of section 9(a), as applied to the applicant, are unduly or disproportionately severe, or the conduct of such person has been such as to not make it against the public interest or protection of investors to grant the application. In addition, 17 C.F.R. 200.30-5(a)(8) provides that the Division of Investment Management, under delegated authority, may issue a permanent order under section 9(c) if: the prohibitions of section 9(a) of the Act, as applied to the applicant, may be unduly or disproportionately severe, or the applicant's conduct has been such as to not make it against the public interest or the protection of investors to grant the exemption; the prohibitions arise under section 9(a)(3) of the Act solely because the applicant employs, or will employ, a person who is disqualified under section 9(a) (1) or (2) of the Act; and the employee does not and will not serve in any capacity directly related to providing investment advice to, or acting as principal underwriter for any registered open-end company, registered unit investment trust, or registered face amount certificate company.

4. Trend states that the SEC's 1988 action against Kommerstad did not relate to investment company activities. The terms of the Injunction do not bar Kommerstad from acting as an affiliated person of an investment adviser or depositor of any registered investment company, or principal underwriter for any registered open-end investment company, registered unit investment trust, or registered face amount certificate company. Trend argues that, given the absence of any direct relationship between the Injunction and Kommerstad's current and future activities at Trend, it would be unnecessary for the protection of investors and inappropriate in light of the circumstances to permit the Injunction to bar Trend from providing investment advisory or other services to a registered investment company.

5. Trend asserts that its investment advisory services are and will be developed and managed by Trend's chief investment officer, operations manager, or assistant portfolio manager (the "Investment Management Team").² Kommerstad is not, nor will be become, a member of the investment management team. He does not and will not serve in a policy-making role. He does not and will not participate in the management of Trend relating to providing investment advice to registered investment companies.³ Kommerstad is not, and will not become, a member of Trend's board of directors and is not, and will not become, an officer of Trend.

6. Kommerstad is affiliated with Trend solely due to his status as an employee. He presently owns less than 5% of the outstanding voting securities of Trend. Kommerstad will not be permitted to own 5% or more of the outstanding voting securities, or otherwise become affiliated with Trend for any reason other than employment, absent any future relief that may specifically cover affiliations other than employment.

7. Trend believes, for the reasons stated above, that the section 9(a) prohibitions regarding the Injunction would be unduly or disproportionately severe and Kommerstad's conduct was not such as to make it against the public interest or protection of investors for the SEC to grant the requested relief.

Applicant's Condition

Applicant agrees that any order granted by the SEC pursuant to the application will be subject to the following conditions:

Neither Trend, nor any affiliated person of Trend relying upon the relief granted pursuant to the application, will employ Kommerstad in any capacity related directly to the provision of investment advice to, or acting as depositor of, any registered investment company, or to acting as principal underwriter for any registered open-end company, registered unit investment trust, or registered face amount certificate company.

² Currently, Thomas G. Fox serves as chief investment officer, Darrel R. Lynn serves as operations manager, and Wayne R. Eskew serves as assistant portfolio manager.

³ If, in the future, Kommerstad's marketing and sales efforts for Trend bring him into contact with a prospective client that is a registered investment company, Kommerstad immediately will refrain from developing the registered investment company as a client and will refer the prospective client to Trend. Kommerstad will not be compensated, directly or indirectly, for such referrals.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-16453 Filed 6-26-96; 8:45 am]

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[Investment Company Act Release No. 22036; 811-6689]

Van Eck Trust; Notice of Application

June 21, 1996.

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

ACTION: Notice of Application for Deregistration under the Investment Company Act of 1940 (the "Act").

APPLICANT: Van Eck Trust.

RELEVANT ACT SECTION: Section 8(f).

SUMMARY OF APPLICATION: Applicant requests an order declaring that it has ceased to be an investment company.

FILING DATE: The application was filed on May 14, 1996, and amended on June 14, 1996.

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 July 16, 1996, and should be accompanied by proof of service on the applicant, 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. Applicant, 99 Park Avenue, New York, New York 10016.

FOR FURTHER INFORMATION CONTACT: Diane L. Titus, Paralegal Specialist, at (202) 942-0584, or Alison E. Baur, 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.

Applicant's Representations

1. Applicant is an open-end, non-diversified management investment company organized as a Massachusetts business trust. Applicant is a "feeder"

fund in a "master/feeder fund" complex and is composed of two series: Short-term World Income Fund—Class A and Class B.

2. On June 1, 1992, applicant registered under the Act and filed a registration statement on Form N-1A. No registration was filed under the Securities Act of 1933 ("Securities Act") because applicant's beneficial interests were issued solely in private placement transactions that did not involve any public offering within the meaning of section 4(2) of the Securities Act. All of applicant's investors were "accredited investors" within the meaning of Regulation D under the Securities Act. Applicant's beneficial interests were never offered to the public.

3. Applicant's board of trustees determined that it was in the best interest of shareholders to liquidate its Class A and Class B shares, after being informed by Van Eck Associates Corporation, applicant's adviser ("Adviser") that it no longer planned to reimburse applicant's expenses. On November 23, 1993, the board approved a plan of liquidation.

4. Proxy materials were filed with the SEC and mailed to shareholders for a shareholders meeting held on December 27, 1993. Applicant's shareholders approved the liquidation plan at the meeting.

5. On December 30, 1993, applicant redeemed the units held in Short-term World Income Fund Class A and Class B and satisfied its known obligations. On December 31, 1993, the liquidation value was distributed in cash to the Class A and B shareholders. The liquidation value was determined in the same manner as the Fund's net asset value.

6. All expenses incurred in connection with the liquidation were absorbed by the Adviser. No brokerage commissions were paid in connection with the liquidation.

7. Applicant has no security holders, liabilities or assets. Applicant is not a party to any litigation or administrative proceeding. Applicant is not now engaged, nor does it propose to engage, in any business activities other than those necessary for the winding up of its affairs.

8. Applicant will file a Certificate of Dissolution and other appropriate documentation in Massachusetts, as required by Massachusetts law.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-16454 Filed 6-26-96; 8:45 am]

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