

Investments in which the Fund declined to participate, so they may determine whether all Co-Investments made during the preceding quarter, including those Co-Investments they declined, complied with the conditions set forth above. In addition, the non-interested Trustees of each Fund will consider at least annually the continuing appropriateness of the standards established for Co-Investments by the Fund, including whether use of such standards continues to be in the best interest of the Fund and its securityholders and does not involve overreaching of the Fund or its securityholders on the part of any party concerned.

17. No non-interested Trustee of a Fund will be an affiliated person of a Private Fund or have had, at any time since the beginning of the last two completed fiscal years of any Private Fund, a material business or professional relationship with any Private Fund.

18. A Fund, each Private Fund, and/or the Adviser or its affiliate, as applicable, will each bear its own expenses associated with the disposition of portfolio securities. The expenses, if any, of distributing and registering securities under the Securities Act sold by the Fund, one or more Private Funds, and/or the Adviser or its affiliate, as applicable, at the same time will be shared by the Fund, the selling Private Fund(s), and/or the Adviser or its affiliate, as applicable, in proportion to the relative amounts they are selling.

19. Other than as provided in condition 11, neither the Adviser nor any of its affiliates (other than the Private Funds pursuant to any order issued on this application) nor any director of the Fund will participate in a Co-Investment with the Fund unless a separate exemptive order with respect to such Co-Investment has been obtained. For this purpose, the term "participate" shall not include either the existing interests of the Adviser or its affiliates in, or their management fee and expense reimbursement arrangements with, Private Funds, and the term "participate" shall also not include any reimbursement from direct investment issuers described in condition 11 above.

20. The Fund will maintain all records required of it by the Act, and all records referred to or required under these conditions will be available for inspection by the SEC. The Fund will also maintain the records required by section 57(f)(3) of the Act as if the Fund was a business development company and the Co-Investments were approved

by the non-interested Trustees under section 57(f).

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-29037 Filed 11-12-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 22321; 811-9144]

E. Acquisition Corp.; Notice of Application

November 6, 1996.

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

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

APPLICANT: E. Acquisition Corp.

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 August 27, 1996, and amended on October 23, 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 December 2, 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. Applicants, 205 East 42nd Street, Suite 2020, New York, New York 10017.

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 a non-diversified, closed-end management investment company organized as a corporation under the laws of Delaware. On December 27, 1995, applicant filed a notification of registration on Form N-8A under the Act. Applicant never filed a registration statement under the Act or under the Securities Act of 1933.

2. In connection with its formation, on December 22, 1995, applicant sold 100 shares of common stock to its sole stockholder at a price of \$100 per share. Upon dissolution, applicant distributed \$10,000 in cash to the stockholder.

3. Applicant has no assets, debts or liabilities. Applicant is not a party to any litigation or administrative proceeding.

4. Applicant has filed a certificate of dissolution under Delaware law.

5. 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.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-29042 Filed 11-12-96; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-22323; 812-10174]

SunAmerica Series Trust, et al.; Notice of Application

November 6, 1996.

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

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

APPLICANTS: SunAmerica Series Trust (the "Series Trust"), SunAmerica Equity Funds (the "Equity Trust" or collectively with the Series Trust, "Trusts") on behalf of SunAmerica Global Balanced Fund ("Global"), and SunAmerica Asset Management Corp ("SAAMCo" or the "Adviser").

RELEVANT ACT SECTIONS: Order requested under section 6(c) of the Act for an exemption from section 15(a) of the Act and rule 18f-2 thereunder; and from certain disclosure requirements set forth in item 22 of Schedule 14A under the Securities Exchange Act of 1934 (the "Exchange Act"); items 2, 5(b)(iii), and 16(a)(iii) of Form N-1A; item 3 of Form N-14; item 48 of Form N-SAR; and sections 6-07(2) (a), (b), and (c) of Regulation S-X.

SUMMARY OF APPLICATION: Applicants request an order permitting the Adviser

to enter into or amend contracts with subadvisers without obtaining shareholder approval and permitting applicants to disclose only aggregate subadvisory fees for each portfolio in their prospectuses and other reports.

FILING DATES: The application was filed on May 29, 1996, and amended on October 31, 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 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 December 1, 1996, 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 such notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants: Series Trust, P.O. Box 54299, Los Angeles, CA 90054-0299; Equity Trust and SAAMCo, The SunAmerica Center, 733 Third Avenue, New York, N.Y. 10017-3204.

FOR FURTHER INFORMATION CONTACT: Christine Y. Greenlees, Senior Counsel, at (202) 942-0581, or Mercer E. Bullard, 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.

Applicants' Representations

1. Each of the Trusts is an open-end management investment company registered under the Act and organized as a Massachusetts business trust. The Series Trust, currently composed of eighteen separate portfolios (each a "Series Portfolio"), was established to provide a funding medium for certain annuity contracts issued by the Variable Separate Account and FS Variable Separate Account, which are separate accounts of Anchor National Life Insurance Company and First SunAmerica Life Insurance Company, respectively. The Equity Trust is currently composed of six separate portfolios (each an "Equity Portfolio"). Global is the only Equity Portfolio to which the application currently applies

(Global and each Series Portfolio are referred to herein as the "Portfolios").¹

2. Each Portfolio has its own investment objectives and policies and each is managed as though it was a separate mutual fund issuing its own shares. Some Portfolios benefit from discretionary advisory services provided by one or more separate registered investment advisers ("Subadvisers"), which are retained and compensated by the Adviser. Applicants state that the Trusts' prospectuses disclose that the Adviser has the authority to hire one or more Subadvisers for a Portfolio, and that the Adviser is responsible for monitoring the Subadvisers' performance and recommending replacement Subadvisers to the Board from time to time.

3. The Adviser, a registered investment adviser under the Investment Advisers Act of 1940, as amended, has entered into an investment advisory agreement ("Advisory Agreement") with each Trust. The Advisory Agreements provide that the Adviser shall manage the Trusts' investments, administer their business affairs, provide office space and other facilities and equipment for the management of the affairs of the Trusts, and pay the compensation of certain officers of the Trusts who are affiliated persons of SAAMCo. The Advisory Agreements further provide that the Adviser may delegate the management of a Portfolio's investments to the Subadviser of the Portfolio, if any. For its services, the Adviser receives from each Trust a fee based on the net assets of each Portfolio.

4. SAAMCo has in turn entered into an agreement with each Subadviser ("Subadvisory Agreement"). The Subadvisory Agreements are similar in all material respects except for the names of the Subadvisers and the rates of compensation, which are a portion of the management fee that is paid by each Portfolio to SAAMCo and which SAAMCo pays to the Subadvisers.

5. The Adviser, either alone or with the assistance of one or another of its SunAmerica corporate affiliates, is responsible for (a) supervising the Subadvisers' compliance with state and federal regulations, (b) analyzing the composition of the investment portfolios of the Portfolios and

¹ Applicants also request relief with respect to any series of either Trust, now existing or organized in the future, and for any open-end management investment company or series thereof advised by the Adviser, or a person controlling, controlled by or under common control with the Adviser in the future, provided that such investment company or series operates in substantially the same manner as the Portfolios and complies with the conditions to the requested order.

preparing reports thereon for the Board of Trustees of each Trust (the "Trustees" or the "Board"), or any committee of the Board, (c) evaluating each Portfolio's performance in comparison to similar mutual funds and other market information, (d) conducting searches for replacement Subadvisers, and selecting, subject to the review and approval of the Trustees, Subadvisers who have distinguished themselves by able performance in their respective areas of responsibility and overseeing their continued performance, and (e) preparing presentations to shareholders analyzing the Portfolios' investment program and performance.

6. Under the Subadvisory Agreements, the Subadvisers manage the investment and reinvestment of the assets of the respective Portfolios for which they are responsible. Each of the Subadvisers is independent of SAAMCo and discharges its responsibilities subject to the policies of the Trustees and the oversight and supervision of SAAMCo, which pays the Subadvisers' fees. Currently, SAAMCo divides the subadvisory services for Global between itself and a Subadviser, while the other Portfolios each have either a single Subadviser or are managed solely by SAAMCo. Applicants intend that, in the future, a Portfolio may be managed by a single Subadviser or may be allocated by the Adviser between or among more than one Subadviser. None of the Subadvisers are affiliated persons of the Adviser, as defined in section 2(a)(3) of the Act.

7. Applicants request an exemption from section 15(a) of the Act and rule 18f-2 thereunder to permit the Adviser to enter into a Subadvisory Agreement for a Portfolio or to amend an existing Subadvisory Agreement without obtaining shareholder approval thereon. The exemption would cover new Subadvisory Agreements necessitated because the prior Subadvisory Agreements were terminated as a result of an assignment (as defined in section 2(a)(4) of the Act).

8. Applicants also request an exemption from certain disclosure requirements, as described below, that may require disclosure of fees paid to individual Subadvisers.

9. Item 2 of Form N-1A requires the Trusts to disclose in their prospectuses, as a percentage of average net assets, management fees paid by them. Item 5(b)(iii) of Form N-1A requires that the Trusts set forth in their prospectuses "a brief description of the investment adviser's compensation." Item 16(a)(iii) of Form N-1A requires that the Trusts set forth in their Statements of Additional Information for each

investment adviser its compensation and the method of computing the advisory fee.

10. Item 3 of Form N-14, the registration form for business combinations involving investment companies, requires the inclusion of a "table showing the current fees for the registrant and the company being acquired and pro forma fees, if different, for the registrant after giving effect to the transaction using the format prescribed" in item 2 of Form N-1A.

11. Rule 20a-1 under the Act requires proxies solicited with respect to an investment company to comply with Schedule 14A under the Exchange Act. Subparagraphs (a)(3)(iv), (c)(1)(ii) and (c)(1)(iii) of Item 22 of Schedule 14A and paragraphs (c)(8) and (c)(9) of Item 22 of Schedule 14A, taken together, require that a proxy statement on a shareholder meeting at which an advisory contract is to be voted upon, shall include, among other information, the "rate of compensation of the investment adviser" and the "aggregate amount of the investment adviser's fee."

12. Item 48 of Form N-SAR provides that the Trusts must disclose the rate schedule for fees paid to their investment advisers, including the Subadvisers. Items 6-07(2) (a), (b), and (c) of Regulation S-X may be deemed to require that the Trusts' financial statements contain information concerning fees paid to the Subadvisers by the Adviser.

13. Applicants propose to disclose (both as a dollar amount and as a percentage of the Portfolio's net assets) in each Trust's registration statement and other public documents only the "Aggregate Fee Disclosure," which means: (a) the total advisory fee charged by the Adviser with respect to each Portfolio; (b) the aggregate fees paid by the Adviser to all Subadvisers managing assets of each Portfolio; (c) the net advisory fee retained by the Adviser with respect to each Portfolio after the Adviser pays all Subadvisers managing assets of the Portfolio; and (d) fees paid to any Subadviser who is an affiliated person (as defined in section 2(a)(3) of the Act) of either Trust or the Adviser other than by reason of serving as a Subadviser (an "Affiliated Subadviser").

Applicants' Legal Analysis

1. Section 15(a) of the Act makes it unlawful for any person to act as investment adviser to a registered investment company except pursuant to a written contract that has been approved by a majority of the investment company's outstanding securities. Rule 18f-2 under the Act provides that each series or class of

stock in a series company affected by a matter must approve such matter if the Act requires shareholder approval.

2. Applicants assert that the requested exemption will permit the Adviser to more efficiently perform the functions the Portfolios are paying it to perform: selecting and monitoring the performance of Subadvisers, and changing Subadvisers with Board approval. Applicants believe that requiring shareholders to approve each new Subadviser would not only result in unnecessary administrative expense to the Portfolios, but could also result in harmful delays in executing changes in Subadvisers. Applicants note that primary responsibility for management of the Portfolios is vested in the Adviser, subject to oversight by the respective Board. Applicants also note that its contracts with the Trusts will remain fully subject to the requirements of section 15(a) of the Act and rule 18f-2 thereunder, including the requirements for shareholder voting.

3. Applicants also state that the Trusts' prospectuses disclose information concerning the identity, ownership, and qualifications of the Subadvisers in full compliance with Form N-1A. Further, the information statement described in condition 3 below would provide shareholders with all information regarding a new Subadviser or a material change in a Subadvisory Agreement to the same extent as would be set forth in a proxy statement. Applicants contend that investors therefore would be in a position to make a fully informed investment decision as to the purchase, redemption or retention of Portfolio shares. In addition, applicants assert that, if the exemptive relief is not granted, all shareholders would bear the higher expenses associated with formal proxy solicitations without receiving more meaningful disclosure.

4. Because of the desire of most investment advisers to price their services based on "posted" fee rates, applicants believe that, in the absence of the requested relief, the Adviser, the Trusts and shareholders of the Portfolios may be able to obtain a specific Subadviser's services only by the Adviser paying higher fee rates than it would otherwise be able to negotiate if the rates were not disclosed publicly. If the Adviser must pay higher fees, applicants argue that it must charge the Portfolios or the shareholders higher fees to cover its cost of doing business. Applicants submit that the nondisclosure of individual Subadviser's fees is in the best interest of the Portfolios and their shareholders, where disclosure of such fees would

increase costs to shareholders without an offsetting benefit.

5. Section 6(c) of the Act provides that the SEC 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 the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants believe that the requested relief meets this standard.

Applicants' Conditions

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

1. The Adviser will provide general management and administrative services to the Trusts, including overall supervisory responsibility for the general management and investment of the Trusts' securities portfolios, and, subject to review and approval by each Board with respect to its respective Portfolios, will (a) set the Portfolios' overall investment strategies; (b) select Subadvisers; (c) monitor and evaluate the performance of Subadvisers; (d) allocate and, when appropriate, reallocate a Portfolio's assets among its Subadvisers in those cases where a Portfolio has more than one Subadviser; and (e) implement procedures reasonably designed to ensure that the Subadvisers comply with the Trusts' and the relevant Portfolio's investment objectives, policies, and restrictions.

2. Before a Portfolio may rely on any order granting the requested relief, the operation of the Portfolio in the manner described in the application will be approved by a majority of its outstanding voting securities (or, in the case of the Series Trust, by the unitholders of any separate account for which the Series Trust serves as a funding medium), as defined in the Act, or, in the case of a new Portfolio whose public shareholders purchased shares on the basis of a prospectus containing the disclosure contemplated by condition 4 below, by the sole shareholder before offering of shares of such Portfolio to the public.

3. Each Trust will furnish to its shareholders all information about a new Subadviser or Subadvisory Agreement for one of its Portfolios that would be included in a proxy statement, except as may be modified by the order with respect to the disclosure of fees paid to the Subadvisers (the "Disclosure Order"). Such information will include disclosure as to the level of fees to be paid to the Adviser and each Subadviser of the Portfolio (unless the Trust is relying on the Disclosure Order, in

which case it will include Aggregate Fee Disclosure) and any change in such disclosure caused by the addition of a new Subadviser or any material change in a Subadvisory Agreement. Each Trust will meet this condition by providing its shareholders with an informal information statement complying with the provisions of Regulation 14C under the Exchange Act and Schedule 14C thereunder. With respect to a newly retained Subadviser, or a change in a Subadvisory Agreement, this information statement will be provided to shareholders of the Portfolio a maximum of sixty (60) days after the addition of the new Subadviser or the implementation of any change in a Subadvisory Agreement. The information statement will also meet the requirements of Schedule 14A, except as may be modified by the Disclosure Order. The Series Trust will ensure that the information statement is furnished to the unitholders of any separate account for which the Series Trust serves as a funding medium.

4. Each Trust will disclose in its prospectus the existence, substance and effect of the order.

5. No trustee, director, or officer of a Trust or director or officer of the Adviser will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by any such director, trustee or officer) any interest in any Subadviser except for (a) ownership of interests in the Adviser or any entity that controls, is controlled by or is under common control with the Adviser; or (b) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicly-traded company that is either a Subadviser or any entity that controls, is controlled by or is under common control with a Subadviser.

6. The Adviser will not enter into a Subadvisory Agreement with any Affiliated Subadviser without such agreement, including the compensation to be paid thereunder, being approved by the shareholders of the applicable Portfolio.

7. At all times, a majority of the members of each Board will be persons each of whom is not an "interested person" of the respective Trust as defined in Section 2(a)(19) of the Act ("Independent Trustees"), and the nomination of new or additional Independent Trustees will be placed within the discretion of the then existing Independent Trustees.

8. When a Subadviser change is proposed for a Portfolio with an Affiliated Subadviser, the Board, including a majority of the Independent Trustees, will make a separate finding,

reflected in the Board's minutes, that such change is in the best interests of the Portfolio and its shareholders (or, in the case of the Series Trust, the unitholders of any separate account for which the Series Trust serves as a funding medium) and does not involve a conflict of interest from which the Adviser or the Affiliated Subadviser derives an inappropriate advantage.

In addition to the above conditions, applicants agree to comply with the following conditions prior to relying on the Disclosure Order:

9. Each Trust will disclose both as a dollar amount and as a percentage of a Portfolio's net assets in its registration statement the respective Aggregate Fee Disclosure.

10. The Independent Trustees shall retain and be represented by independent counsel knowledgeable about the Act and the duties of Independent Trustees. The selection of such counsel shall at all times be within the discretion of the Independent Trustees.

11. The Adviser will provide the Board, no less frequently than quarterly, information about the Adviser's profitability on a per-Portfolio basis. Such information will reflect the impact on profitability of the hiring or termination of any Subadviser during the applicable quarter.

12. Whenever a Subadviser is hired or terminated, the Adviser will provide the Board information showing the expected impact on the Adviser's profitability.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-29040 Filed 11-12-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 22322; 811-9146]

T. Acquisition Corp.; Notice of Application

November 6, 1996.

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

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

APPLICANT: T. Acquisition Corp.

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 August 27, 1996, and amended on October 23, 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 December 2, 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. Applicants, 205 East 42nd Street, Suite 2020, New York, New York 10017.

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 Representation

1. Applicant is a non-diversified, closed-end management investment company organized as a corporation under the laws of Delaware. On December 27, 1995, applicant filed a notification of registration on Form N-8A under the Act. Applicant never filed a registration statement under the Act or under the Securities Act of 1933.

2. In connection with its formation, on December 22, 1995, applicant sold 100 shares of common stock to its sole stockholder at a price of \$100 per share. Upon dissolution, applicant distributed \$10,000 in cash to the stockholders.

3. Applicant has no assets, debts or liabilities. Applicant is not a party to any litigation or administrative proceeding.

4. Applicant has filed a certificate of dissolution under Delaware law.

5. 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.