

## SECURITIES AND EXCHANGE COMMISSION

### Submission for OMB Review; Comment Request

#### Extension:

Rule 17a-7, SEC File No. 270-238,  
OMB Control No. 3235-0214  
Rule 17e-1, SEC File No. 270-224,  
OMB Control No. 3235-0217  
Rule 19a-1, SEC File No. 270-240,  
OMB Control No. 3235-0216  
Rule 31a-1, SEC File No. 270-173,  
OMB Control No. 3235-0178

Upon written request, copies available from: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission (Commission) has submitted to the Office of Management and Budget requests for approval of extension on previously approved collections of information:

Rule 17a-7 [17 CFR 270.17a-7] under the Act requires registered investment companies to keep various records in connection with certain purchase or sale transactions between investment companies and certain of their affiliates. The annual burden of meeting this requirement is estimated to be about one hour for each of an estimated 500 recordkeepers that enter into subject transactions each year, for a total annual burden of 500 hours.

Rule 17e-1 [17 CFR 270.17e-1] under the Act governs the remuneration a broker affiliated with an investment company may receive in connection with securities transactions by the investment company. The rule requires an investment company's board of directors to establish, and review, as necessary, procedures reasonably designed to provide that the remuneration to an affiliated broker is a fair amount compared to that received by other brokers in connection with transactions in similar securities during a comparable period of time. Each quarter, the board must determine that all transactions effected pursuant to the rule during the preceding quarter complied with the established procedures. Rule 17e-1(c) also requires the investment company to (i) maintain permanently a written copy of the procedures adopted by the board for complying with the requirements of the rule; and (ii) maintain for a period of six years a written record of each transaction subject to the rule setting forth the amount and source of the

commission, fee or other remuneration received; the identity of the broker; the terms of the transaction; and the materials used to determine that the transactions were effected in compliance with the procedures adopted by the board.

The Commission estimates that approximately 1,462 funds rely upon Rule 17e-1 each year. The total average annual burden for Rule 17e-1 per respondent is estimated to be 10 hours, for a total annual burden of 14,620 hours.

Rule 19a-1 [17 CFR 270.19a-1] under the Act sets forth specific requirements for the information which must be included in statements made pursuant to Section 19(a) by registered management investment companies (funds). The rule requires that the statement indicate what portions of the payment are made from net income, net profits and paid-in capital. When any part of the payment is made from net profits, Rule 19a-1 requires that the statement disclose certain other information relating to the appreciation or depreciation of portfolio securities. If an estimated portion is subsequently determined to be significantly inaccurate, a correction must be made on a statement made pursuant to Section 19(a) or in the first report to shareholders following the discovery of the inaccuracy.

It is estimated that approximately 3,000 funds are subject to the rule each year. It is estimated that compliance with the rule's requirements imposes a total annual burden per fund of approximately 30 minutes. The total annual burden for all funds is estimated at 1,500 hours.

Rule 31a-1 [17 CFR 270.31a-1] under the Act requires registered investment companies, and every underwriter, broker, dealer or investment adviser which is a majority-owned subsidiary of a registered investment company, to maintain and keep current accounts, books and other documents which constitute the record forming the basis for financial statements required to be filed pursuant to Section 30 [15 U.S.C. 80a-29] of the Act and of the auditor's certificates relating thereto. The rule lists specific records to be maintained by registered investment companies. The rule also requires certain underwriters, brokers, dealers, depositors and investment advisers to maintain such records as they are required to maintain under federal securities laws.

It is estimated that Rule 31a-1 imposes an average burden of approximately 5,260 hours annually per investment company. It is further

estimated that approximately 5,000 investment companies are subject to the rule each year, so that the total annual burden for all investment companies would be 26,300,000 hours. Most of the records required to be maintained by the rule are the type that generally would be maintained as a matter of good business practice and to prepare the investment company's financial statements.

General comments regarding the estimated burden hours should be directed to the Desk Officer for the Securities and Exchange Commission at the address below. Any comments concerning the accuracy of the estimated average burden hours for compliance with Commission rules and forms should be directed to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549 and Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, D.C. 20503.

Dated: December 30, 1996.  
Margaret H. McFarland,  
*Deputy Secretary.*  
[FR Doc. 97-863 Filed 1-13-97; 8:45 am]  
BILLING CODE 8010-01-M

[Investment Company Act Release No. 22444; 811-8302]

### Master Investment Trust, Series II; Notice of Application

January 7, 1997.

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

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

**APPLICANT:** Master Investment Trust, Series II.

**RELEVANT ACT SECTION:** Order requested under section 8(f) of the Act.

**FILING DATE:** The application was filed on September 23, 1996 and amended on December 19, 1996.

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

**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 February 3, 1997, 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. Applicant, 3435 Stelzer Road, Columbus, Ohio 43219.

**FOR FURTHER INFORMATION CONTACT:** Kathleen L. Knisely, Staff Attorney, at (202) 942-0517, 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 diversified management investment company organized as a Delaware business trust. Applicant is comprised of a single series, the National Municipal Bond Fund.

2. On January 21, 1994, applicant filed a Notification of Registration on Form N-8A pursuant to section 8(a) under the Act and a registration statement on Form N-1A pursuant to section 8(b) of the Act. No registration statement was filed under the Securities Act of 1933.

3. On April 23-24, 1996, at the regular Board of Trustees meeting, the Board of Trustees approved, effective upon the withdrawal of the investment of the Feeder Fund from the applicant, the termination of the applicant's investment advisory and other service agreements. The board also authorized the taking of all actions necessary to effect the deregistration of applicant.

4. Prior to July 1, 1996, the National Municipal Bond Fund of Pacific Horizon Funds, Inc. (the "Feeder Fund") invested all of its investable assets in applicant's National Municipal Bond Fund. The Feeder Fund was the sole interest holder of applicant's National Municipal Bond Fund. On July 1, 1996, applicant's sole interest holder gave notice that it wanted to redeem its entire holdings, and on the same day complete redemption distributions were paid to the interest holder based on net asset value. Such distributions effectively liquidated applicant.

5. Bank of America National Trust and Savings Association, applicant's investment adviser, has undertaken to pay applicant's expenses in connection with the liquidation.

6. 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.

7. Applicant intends to file the necessary documentation with the State of Delaware to effect its dissolution as a Delaware business trust.

For the SEC, by the Division of Investment Management, under delegated authority.  
Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 97-805 Filed 1-13-97; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 22443; 812-10452]

#### United Financial Group, Inc.; Notice of Application

January 7, 1997.

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

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

**APPLICANT:** United Financial Group, Inc. (the "Company").

**RELEVANT ACT SECTION:** Order requested under sections 6(c) and 6(e) of the Act granting an exemption from all provisions of the Act.

**SUMMARY OF APPLICATION:** Applicant requests an order that would exempt it from all provisions of the Act until December 30, 1997. The requested relief would extend an exemption originally granted until December 30, 1990, and extended by subsequent orders until December 30, 1991, December 30, 1992, December 30, 1993, December 30, 1994, December 30, 1995, and December 30, 1996.

**FILING DATE:** The application was filed on December 5, 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 February 3, 1997, 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, 5847 San Felipe, Suite 2600, Houston, Texas 77057.

**FOR FURTHER INFORMATION CONTACT:** Diane L. Titus, Paralegal Specialist, at (202) 942-0584, 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 SEC's Public Reference Branch.

#### Applicant's Representations

1. The Company was a savings and loan holding company whose primary asset and source of income was the United Savings Association of Texas ("USAT"). As a result of the recession in Texas beginning in 1986, USAT's financial condition deteriorated, and on December 30, 1988 it was placed into receivership. The assets of USAT were sold to an unaffiliated third party and the Company received no consideration for the loss of its primary subsidiary, thereby generating a substantial tax loss. In light of this tax loss, the Company determined not to liquidate, but instead to acquire an operating business.

2. The Company's efforts to acquire an operating business have been substantially hindered due to claims asserted against it by the Federal Deposit Insurance Corporation (the "FDIC") and the Office of Thrift Supervision (the "OTS"). The FDIC asserted an approximately \$534 million claim against the Company in January 1989 for failure to maintain the net worth of USAT (the "Net Worth Claim") and an approximately \$14 million claim concerning certain tax refunds alleged to have been received by the Company (together with the Net Worth Claim, the "FDIC Claims"). In addition, the FDIC has asserted the existence of possible other claims (the "Indemnified Claims") against the Company and certain former officers and directors of the Company and USAT. The Company may have indemnification obligations to these former officers and directors.<sup>1</sup> The FDIC

<sup>1</sup> Prior to 1996, the Company advanced certain expenses incurred by the former officers and