

a maximum of 150,000 shares of applicant's common stock may be issued to Non-employee Directors as a group. Under the Plan, no single Non-employee Director may receive options to purchase more than 25,000 shares of applicant's common stock.

4. Under the terms of the Plan, the exercise price of an option will not be less than 100% of the current market value of, or if no such market value exists, the current net asset value per share of, applicant's common stock on the date of the issuance of the option.<sup>4</sup> Options granted under the Plan will expire ten years from the date of grant and may not be assigned or transferred other than by will or the laws of descent and distribution. In the event of the death or disability of a Non-employee Director during such director's service, all such director's unexercised options will immediately become exercisable and may be exercised for a period of three years following the date of death (by such director's personal representative) or one year following the date of disability, but in no event after the respective expiration dates of such options. In the event of the termination of a Non-employee Director for cause, any unexercised options will terminate immediately. If a Non-employee Director's service is terminated for any reason other than by death, disability, or for cause, the options may be exercised within one year immediately following the date of termination, but in no event later than the expiration date of such options.

5. Applicant's officers and employees, including employee directors are eligible or have been eligible to receive options under applicant's six other stock option plans under which Non-employee Directors are not entitled to participate (the "Employee Plans"). Non-employee Directors have participated in applicant's prior Disinterested Director stock option plan under which options for all available shares have been granted (such plan together with the Employee Plans, the "Other Plans"). The maximum number of applicant's voting securities that would result from the exercise of all outstanding options issued or options issuable to the directors, officers, and employees under the Other Plans and the Plan would be 12,240,580 shares, or approximately 10.3% of the 118,913,029 shares of applicant's common stock outstanding as of December 30, 2005.

<sup>4</sup> Under the Plan, "current market value" (defined as "fair market value") is generally the closing sales price of applicant's shares as quoted on the Nasdaq National Market, or alternatively, on the exchange where applicant's shares are traded, on the day the option is granted.

Applicant has no outstanding warrants, options, or rights to purchase its voting securities, other than the options granted or to be granted to its directors, officers, and employees under the Other Plans and the Plan.

#### Applicant's Legal Analysis

1. Section 63(3) of the Act permits a BDC to sell its common stock at a price below current net asset value upon the exercise of any option issued in accordance with section 61(a)(3) of the Act. Section 61(a)(3)(B) of the Act provides, in pertinent part, that a BDC may issue to its non-employee directors options to purchase its voting securities pursuant to an executive compensation plan, provided that: (a) The options expire by their terms within ten years; (b) the exercise price of the options is not less than the current market value of the underlying securities at the date of the issuance of the options, or if no market exists, the current net asset value of the voting securities; (c) the proposal to issue the options is authorized by the BDC's shareholders, and is approved by order of the Commission upon application; (d) the options are not transferable except for disposition by gift, will or intestacy; (e) no investment adviser of the BDC receives any compensation described in section 205(a)(1) of the Investment Advisers Act of 1940, except to the extent permitted by clause (b)(1) or (b)(2) of that section; and (f) the BDC does not have a profit-sharing plan as described in section 57(n) of the Act.

2. In addition, section 61(a)(3) of the Act provides that the amount of the BDC's voting securities that would result from the exercise of all outstanding warrants, options, and rights at the time of issuance may not exceed 25% of the BDC's outstanding voting securities, except that if the amount of voting securities that would result from the exercise of all outstanding warrants, options, and rights issued to the BDC's directors, officers, and employees pursuant to an executive compensation plan would exceed 15% of the BDC's outstanding voting securities, then the total amount of voting securities that would result from the exercise of all outstanding warrants, options, and rights at the time of issuance will not exceed 20% of the outstanding voting securities of the BDC.

3. Applicant represents that the terms of the Plan meet all the requirements of section 61(a)(3)(B) of the Act. Applicant states that the Board is actively involved in the oversight of applicant's affairs and that it relies extensively on the judgment and experience of its Board. In

addition to their duties as Board members generally, applicant states that the Non-employee Directors provide guidance and advice on operational issues, underwriting policies, credit policies, asset valuation and strategic direction, as well as serving on committees. Applicant believes that the Plan will provide significant at-risk incentives to Non-employee Directors to remain on the Board and devote their best efforts to ensure applicant's success. Applicant states that the options will provide a means for the Non-employee Directors to increase their ownership interests in applicant, thereby ensuring close identification of their interests with those of applicant and its stockholders. Applicant asserts that by providing incentives such as options, applicant will be better able to maintain continuity in the Board's membership and to attract and retain the highly experienced, successful and dedicated business and professional people who are critical to applicant's success as a BDC.

4. Applicant states that the maximum number of voting securities that would result from the exercise of all outstanding options issued or options issuable to the directors, officers, and employees under the Other Plans and the Plan would be 12,240,580 shares, or approximately 10.3% of applicant's common stock outstanding as of December 30, 2005, which is below the percentage limitations in the Act. Applicant asserts that, given the relatively small amount of common stock issuable upon the exercise of the options under the Plan, the exercise of options would not, absent extraordinary circumstances, have a substantial dilutive effect on the net asset value of applicant's common stock.

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

**Jill M. Peterson,**

*Assistant Secretary.*

[FR Doc. E6-1542 Filed 2-3-06; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-27221]

### Notice of Applications for Deregistration Under Section 8(f) of the Investment Company Act of 1940

January 31, 2006.

The following is a notice of applications for deregistration under section 8(f) of the Investment Company Act of 1940 for the month of January,

2006. A copy of each application may be obtained for a fee at the SEC's Public Reference Branch (tel. 202-551-5850). An order granting each application will be issued unless the SEC orders a hearing. Interested persons may request a hearing on any application by writing to the SEC's Secretary at the address below and serving the relevant 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 27, 2006, 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 who wish to be notified of a hearing may request notification by writing to the Secretary, U.S. Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090. For Further Information Contact: Diane L. Titus at (202) 551-6810, SEC, Division of Investment Management, Office of Investment Company Regulation, 100 F Street, NE., Washington, DC 20549-0504.

**WPG Large Cap Growth Fund [File No. 811-1447]; WPG Tudor Fund [File No. 811-1745]; Weiss Peck & Greer Funds Trust [File No. 811-4404]**

*Summary:* Each applicant seeks an order declaring that it has ceased to be an investment company. On April 29, 2005, each applicant transferred its assets to a corresponding series of the RBB Fund, Inc., based on net asset value. Total expenses of \$667,090 incurred in connection with the reorganizations were paid by Robeco USA, L.L.C., applicants' investment adviser.

*Filing Date:* The applications were filed on December 16, 2005.

*Applicants' Address:* 909 Third Ave., 31st Floor, New York, NY 10022.

**Security Municipal Bond Fund [File No. 811-3225]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On October 14, 2005, applicant made a liquidating distribution to its shareholders, based on net asset value. Expenses of \$14,017 incurred in connection with the liquidation were paid by Security Management Company, LLC, applicant's investment adviser.

*Filing Date:* The application was filed on November 30, 2005.

*Applicant's Address:* One Security Benefit Place, Topeka, KS 66636-0001.

**Aquila Fund [File No. 811-4083]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On December 31, 2004, applicant made a liquidating distribution to its shareholders, based on net asset value. Expenses of \$1,113 incurred in connection with the liquidation were paid by Aquila Investment Management LLC, applicant's investment adviser.

*Filing Date:* The application was filed on December 19, 2005.

*Applicant's Address:* 380 Madison Ave., New York, NY 10017.

**Forward Funds, Inc. [File No. 811-8419]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On June 30, 2005, each series of applicant transferred its assets to corresponding series of Forward Funds, based on net asset value. Expenses of \$580,000 incurred in connection with the reorganization were paid by Forward Management, LLC, applicant's investment adviser.

*Filing Date:* The application was filed on December 12, 2005.

*Applicant's Address:* 433 California St., Suite 1100, San Francisco, CA 94104.

**Oppenheimer Multi-Sector Income Trust [File No. 811-5473]**

*Summary:* Applicant, a closed-end investment company, seeks an order declaring that it has ceased to be an investment company. On July 22, 2005, applicant transferred its assets to Oppenheimer Strategic Income Fund, based on net asset value. Expenses of \$88,313 incurred in connection with the reorganization were paid by applicant.

*Filing Date:* The application was filed on December 13, 2005.

*Applicant's Address:* 6803 S. Tucson Way, Centennial, CO 80112.

**Oppenheimer Capital Preservation Fund [File No. 811-8799]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On February 10, 2005, applicant transferred its assets to Oppenheimer Cash Reserves, based on net asset value. Expenses of \$55,563 incurred in connection with the reorganization were paid by applicant.

*Filing Date:* The application was filed on December 20, 2005.

*Applicant's Address:* 6803 S. Tucson Way, Centennial, CO 80112.

**Quadrant Fund, Inc. [File No. 811-21704]**

*Summary:* Applicant, a closed-end investment company, seeks an order

declaring that it has ceased to be an investment company. On November 3, 2005, applicant made a liquidating distribution to its shareholders, based on net asset value. Expenses of \$75,000 incurred in connection with the liquidation were paid by applicant and GMAC Institutional Advisors LLC, applicant's investment adviser. Applicant has retained approximately \$123,000 to pay additional accrued expenses for which it has not yet been billed.

*Filing Date:* The application was filed on December 21, 2005.

*Applicant's Address:* 116 Welsh Rd., Horsham, PA 19044.

**Columbia National Municipal Bond Fund, Inc. [File No. 811-7832]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On June 17, 2005, applicant made liquidating distribution to its shareholders, based on net asset value. Applicant paid approximately \$27,510 in expenses incurred in connection with the liquidation.

*Filing Dates:* The application was filed on October 21, 2005 and amended on January 11, 2006.

*Applicant's Address:* One Financial Center, Boston, MA 02110.

**Tax-Free Income Trust [File No. 811-7397]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. By October 18, 2005, applicant's two shareholders had redeemed all their shares at net asset value. Expenses of \$4,890 incurred in connection with the liquidation were paid by Ameriprise Financial, Inc., applicant's investment adviser.

*Filing Dates:* The application was filed on November 18, 2005, and amended on January 18, 2006.

*Applicant's Address:* 901 Marquette Avenue South, Suite 2810, Minneapolis, MN 55402-3268.

**BQT Subsidiary Inc. [File No. 811-10451]**

*Summary:* Applicant, a closed-end investment company, seeks an order declaring that it has ceased to be an investment company. On December 13, 2004, applicant made a liquidating distribution to its shareholders based on net asset value. Applicant incurred no expenses in connection with the liquidation.

*Filing Date:* The application was filed on December 30, 2005.

*Applicant's Address:* 100 Bellevue Parkway, Wilmington, DE 19809.

**Sterling Capital Corporation [File No. 811-1537]**

*Summary:* Applicant, a closed-end investment company, seeks an order declaring that it has ceased to be an investment company. On September 13, 2005, applicant transferred its assets to The Gabelli Equity Trust Inc. ("Gabelli"). Applicant's shareholders received .7914 newly issued shares of Gabelli common stock for each share of applicant, which represented a 1.4% premium to applicant's net asset value. Expenses of \$121,000 incurred in connection with the reorganization were paid by applicant. Applicant has transferred \$250,000 in cash to a liquidating trust to pay applicant's remaining liabilities. Any cash remaining after applicant's liabilities are paid will be distributed pro rata to applicant's former shareholders.

*Filing Date:* The application was filed on December 15, 2005.

*Applicant's Address:* 100 Wall St., 11th Floor, New York, NY 10005.

**Lorent Investment Company [File No. 811-2935]**

*Summary:* Applicant, a closed-end investment company, seeks an order declaring that it has ceased to be an investment company. Applicant has never made a public offering of its securities and does not propose to make a public offering. Applicant has fewer than one hundred beneficial owners and will continue to operate as private investment vehicle in reliance on section 3(c)(1) of the Act.

*Filing Dates:* The application was filed on July 1, 2005, and amended on August 16, 2005 and January 13, 2006.

*Applicant's Address:* 500 West Harbor Dr., Suite 1213, San Diego, CA 92101.

**Pilgrim Government Securities Income Fund, Inc. [File No. 811-4031]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On February 23, 2001, applicant transferred its assets to ING GNMA Income Fund, Inc. (formerly Pilgrim GNMA Income Fund, Inc.), based on net asset value. Expenses of \$106,385 incurred in connection with the reorganization were paid by applicant, the acquiring fund, and applicant's investment adviser, ING Investments, LLC.

*Filing Dates:* The application was filed on October 19, 2001, and amended on September 9, 2005 and January 24, 2006.

*Applicant's Address:* 7337 East Doubletree Ranch Rd., Scottsdale, AZ 85258.

**Pilgrim Silver Fund, Inc. [File No. 811-4111]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On March 23, 2001, applicant transferred its assets to ING Precious Metals Fund, Inc. (formerly Pilgrim Precious Metals Fund, Inc.), based on net asset value. Expenses of \$28,135 incurred in connection with the reorganization were paid by applicant, the acquiring fund, and applicant's investment adviser, ING Investments, LLC.

*Filing Dates:* The application was filed on October 19, 2001, and amended on September 9, 2005 and January 24, 2006.

*Applicant's Address:* 7337 East Doubletree Ranch Rd., Scottsdale, AZ 85258.

**Pilgrim SmallCap Asia Growth Fund, Inc. [File No. 811-7287]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On March 23, 2001, applicant transferred its assets to ING Asia-Pacific Equity Fund, a series of ING Advisory Funds, Inc. (formerly Pilgrim Advisory Funds, Inc.), based on net asset value. Expenses of \$19,892 incurred in connection with the reorganization were paid by applicant, the acquiring fund, and applicant's investment adviser, ING Investments, LLC.

*Filing Dates:* The application was filed on October 19, 2001, and amended on September 9, 2005, and January 24, 2006.

*Applicant's Address:* 7337 East Doubletree Ranch Rd., Scottsdale, AZ 85258.

**Pilgrim Global Technology Fund, Inc. [File No. 811-9649]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On March 23, 2001, applicant transferred its assets to ING Global Information Technology Fund, a series of ING Funds Trust (formerly Pilgrim Funds Trust), based on net asset value. Expenses of \$20,972 incurred in connection with the reorganization were paid by applicant, the acquiring fund, and applicant's investment adviser, ING Investments, LLC.

*Filing Dates:* The application was filed on October 19, 2001, and amended on September 9, 2005 and January 24, 2006.

*Applicant's Address:* 7337 East Doubletree Ranch Rd., Scottsdale, AZ 85258.

**Pilgrim High Yield Fund III [File No. 811-5496]; Pilgrim Global Income Fund, Inc. [File No. 811-4675]; Pilgrim Global Corporate Leaders Fund, Inc. [File No. 811-5113]; Pilgrim Worldwide Emerging Markets Fund, Inc. [File No. 811-1838]**

*Summary:* Each applicant seeks an order declaring that it has ceased to be an investment company. On March 31, 2000, February 23, 2001, February 23, 2001 and April 27, 2001, respectively, each applicant transferred its assets to a corresponding series of ING Mutual Funds (formerly Pilgrim Mutual Funds), based on net asset value. Expenses incurred in connection with the reorganizations were paid by applicants, the acquiring funds, and applicants' investment adviser, ING Investments, LLC.

*Filing Dates:* The applications were filed on October 19, 2001, and amended on September 9, 2005 and January 24, 2006.

*Applicants' Address:* 7337 East Doubletree Ranch Rd., Scottsdale, AZ 85258.

**Acacia Variable Annuity Separate Account (formerly Acacia National Variable Annuity Separate Account II) [File No. 811-07627]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. Substantially all the assets of Applicant were transferred by Acacia National Life Insurance Company (Acacia National) to Ameritas Variable Life Insurance Company (Ameritas) under an assumption and reinsurance agreement transaction approved by the Securities and Exchange Commission in Release No. IC-25763, dated October 4, 2002. The Board of Directors of the parent of Acacia National approved the transfer of assets to Ameritas on December 3, 2001, and Applicant completed the transfer of its assets effective November 1, 2004. Shareholder approval of the transfer was not required. The fund surviving the transfer is Ameritas Variable Separate Account VA. Ameritas paid all the expenses incurred in connection with the transfer.

*Filing Date:* The application was filed on November 29, 2005, as amended.

*Applicant's Address:* 7315 Wisconsin Avenue, Bethesda, MD 20814.

**Acacia Variable Life Separate Account (formerly Acacia National Variable Life Separate Account 1) [File No. 811-08998]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. Substantially all

the assets of Applicant were transferred by Acacia National Life Insurance Company (Acacia National) to Ameritas Variable Life Insurance Company (Ameritas) under an assumption and reinsurance agreement transaction approved by the Securities and Exchange Commission in Release No. IC-25763, dated October 4, 2002. The Board of Directors of the parent of Acacia National approved the transfer of assets to Ameritas on December 3, 2001, and Applicant completed the transfer of its assets effective November 1, 2004. Shareholder approval of the transfer was not required. The fund surviving the transfer is Ameritas Variable Separate Account VL. Ameritas paid the expenses incurred in connection with the transfer.

**Filing Date:** The application was filed on November 29, 2005, as amended.

**Applicant's Address:** 7315 Wisconsin Avenue, Bethesda, MD 20814.

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

**Nancy M. Morris,**  
Secretary.

[FR Doc. E6-1575 Filed 2-3-06; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. PA-35; File No. S7-04-06]

### Privacy Act of 1974: Establishment of a New System of Records: Automated Emergency Notification System (SEC-53)

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Notice of the establishment of a new system of records.

**SUMMARY:** In accordance with the requirements of the Privacy Act of 1974, as amended, 5 U.S.C. 552a, the Securities and Exchange Commission gives notice of a proposed Privacy Act system of records: "Automated Emergency Notification System (SEC-53)." This system will contain emergency contact information for current members, employees, and selected contractors of the Commission.

**DATES:** The new system will become effective March 20, 2006 unless further notice is given. The Commission will publish a new notice if the effective date is delayed to review comments or if changes are made based on comment received. To be assured of consideration, comments should be received on or before March 8, 2006.

**ADDRESSES:** Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/other.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number S7-04-06 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-9303.

All submissions should refer to File Number S7-04-06. This file number should be included on the subject line if e-mail is used. To help us process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/other.shtml>). Comments are also available for public inspection and copying in the Commission's Public Reference Room, 100 F Street, NE., Washington, DC 20549. All comments received will be posted without change; we do not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

#### **FOR FURTHER INFORMATION CONTACT:**

Barbara A. Stance, Chief Privacy Officer, U.S. Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-7, Alexandria, VA 22312-2413, (202) 551-7209.

**SUPPLEMENTARY INFORMATION:** The Commission gives notice of the proposed establishment of a new system of records, entitled "Automated Emergency Notification System (SEC-53)." The new system will contain emergency contact information for current members, employees, and selected contractors of the Commission.

The Commission has submitted a report of the new system of records to the Senate Committee on Homeland Security and Governmental Affairs, the House Committee on Government Reform, and the Office of Management and Budget, pursuant to 5 U.S.C. 552a(r) of the Privacy Act of 1974, as amended, and Appendix I to OMB Circular A-130, "Federal Agency Responsibilities for Maintaining Records About Individuals," as amended on February 20, 1996 (61 FR 6435).

Accordingly, the Commission is adding a new system of records to read as follows:

## SEC-53

### **SYSTEM NAME:**

Automated Emergency Notification System.

### **SYSTEM LOCATION:**

Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

### **CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Members and employees of the Commission, and selected contractors.

### **CATEGORIES OF RECORDS IN THE SYSTEM:**

Name, Commission division or office, home zip code, work and personal electronic mail addresses, work, home and cellular telephone numbers, and Blackberry PIN numbers.

### **AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

5 U.S.C. 301 and Executive Order 12656 of Nov. 18, 1988 on Assignment of Emergency Preparedness Responsibilities.

### **PURPOSE(S):**

The purpose of this system of records is to maintain emergency contact information for current members, employees and selected contractors of the Commission. The system provides for high-speed message delivery that reaches all Commission personnel in response to threat alerts issued by the Department of Homeland Security, weather related emergencies or other critical situations that disrupt the operations and accessibility of a worksite. The system also provides for personnel accountability during an emergency, through personnel sign-in and rapid alert and notification.

### **ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:**

In addition to the conditions of disclosure under 5 U.S.C. 552a(b), Commission staff may provide these records to any Federal government authority for the purpose of coordinating and reviewing agency continuity of operations plans or emergency contingency plans developed for responding to Department of Homeland Security threat alerts, weather related emergencies or other critical situations.

### **POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:**

#### **STORAGE:**

Records are maintained in a computerized database and on paper. Paper documents are kept in filing cabinets in secured facilities.