

**Summit Funds Management Corporation**

[File No. 811-10009]

*Summary:* Applicant, a closed-end management investment company, seeks an order declaring that it has ceased to be an investment company. On February 27, 2001, applicant made a liquidating distribution to its shareholders based on net asset value. Expenses of \$7,000 incurred in connection with the liquidation were paid by applicant.

*Filing Date:* The application was filed on February 28, 2001.

*Applicant's Address:* 2 Crossfield Avenue, West Nyack, NY 10994.

**Nuveen Tax Exempt Unit Trust Series 2**

[File No. 811-1030]

*Summary:* Applicant, a unit investment trust, seeks an order declaring that it has ceased to be an investment company. On September 15, 1999, 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 February 28, 2001.

*Applicant's Address:* 333 West Wacker Drive, Chicago, IL 60606.

**Managed High Yield Fund Inc.**

[File No. 811-7804]

*Summary:* Applicant, a closed-end management investment company, seeks an order declaring that it has ceased to be an investment company. On June 2, 2000, applicant transferred its assets to Managed High Yield Plus Fund Inc. based on net asset value. Expenses of \$214,000 incurred in connection with the reorganization were paid by applicant.

*Filing Date:* The application was filed on March 5, 2001.

*Applicant's Address:* 51 West 52nd Street, New York, NY 10019-6114.

**Merrill Lynch Convertible Fund, Inc.**

[File No. 811-4311]

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On December 18, 2000, applicant transferred its assets to Merrill Lynch Balanced Capital Fund, Inc. based on net asset value. Expenses of \$163,986 incurred in connection with the reorganization were paid by Merrill Lynch Investment Managers, LLP, applicant's investment adviser.

*Filing Date:* The application was filed on February 21, 2001.

*Applicant's Address:* 800 Scudders Mill Road, Plainsboro, NJ 08536.

**Fortis Fiduciary Fund, Inc.**

[File No. 811-3269]

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On October 22, 1998, applicant transferred its assets to Fortis Capital Fund, a portfolio of Fortis Equity Portfolios, Inc., based on net asset value. Expenses of \$112,926 incurred in connection with the reorganization were paid pro rata by applicant and the acquiring fund.

*Filing Dates:* The application was filed on December 27, 2000, and amended on March 5, 2001.

*Applicant's Address:* 500 Beilenberg Drive, Woodbury, Minnesota 55125.

**Van Kampen American Capital Municipal Bond Fund**

[File No. 811-2683];

**Van Kampen Merritt Money Market Trust**

[File No. 811-3514];

**Van Kampen American Capital Texas Tax Free Income Fund**

[File No. 811-6464];

**Van Kampen American Capital Utilities Income Fund**

[File No. 811-7998];

*Summary:* Each applicant seeks an order declaring that it has ceased to be an investment company. On September 22, 1995, Van Kampen American Capital Municipal Bond Fund transferred its assets to Van Kampen Municipal Income fund based on net asset value. On September 22, 1995, Van Kampen Merritt Money Market Trust transferred its assets to Van Kampen Reserve Fund based on net asset value. On October 25, 1996, Van Kampen American Capital Texas Tax Free Income Fund transferred its assets to Van Kampen Municipal Income Fund based on net asset value. On September 27, 1995, Van Kampen American Capital Utilities Income Fund transferred its assets to Van Kampen Utility Fund based on net asset value. Expenses of \$100, \$100, \$160, and \$100, respectively, incurred in connection with the reorganizations were paid by the investment adviser to each applicant, Van Kampen Asset Management Inc.

*Filing Dates:* The applications were filed on January 8, 2001, and amended on March 1, 2001. Van Kampen American Capital Municipal Bond Fund filed a second amendment to its application on March 20, 2001.

*Applicants' Address:* 1 Parkview Plaza, PO Box 5555, Oakbrook Terrace, Illinois 60181-5555.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 01-8468 Filed 4-5-01; 8:45 am]

**BILLING CODE 8010-01-M**

**SECURITIES AND EXCHANGE COMMISSION**

[Rel. No. IC-24922; File No. 812-12336]

**Barr Rosenberg Series Trust, et al.**

March 30, 2001.

**AGENCY:** Securities and Exchange Commission (the "Commission" or "SEC")

**ACTION:** Notice of application for an order pursuant to Section 17(b) of the Investment Company Act of 1940 (the "1940 Act") for an exemption from Section 17(a) of the 1940 Act.

**SUMMARY OF APPLICATION:** The Applicants seek an order to permit the sale of substantially all the assets of the Barr Rosenberg VIT Market Neutral Fund to the AXA Rosenberg Value Market Neutral Fund (the "Merger").

**APPLICANTS:** Barr Rosenberg Variable Insurance Trust (the "VIT"), on behalf of its Barr Rosenberg VIT Market Neutral Fund (the "VIT Fund"), Barr Rosenberg Series Trust (the "Series Trust" and, together with the VIT, the "Trust"), on behalf of its AXA Rosenberg Value Market Neutral Fund (the "Value Fund" and, together with the VIT Fund, the "Funds"), the Funds' investment adviser, AXA Rosenberg Investment Management LLC (the "Adviser") and the VIT Fund's sole shareholder and the parent company to the Adviser, AXA Rosenberg Group LLC, ("AXA Rosenberg Group" and, together with the Trusts, the Funds and the Adviser, the "Applicants").

**FILING DATE:** The application was filed on November 21, 2000, and amended and restated on March 29, 2001.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Secretary of the Commission and serving Applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on April 24, 2001, and should be accompanied by proof of service on the Applicants in the form of an affidavit or, for lawyers, 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 of the Commission.

**ADDRESSES:** Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609; Applicants: c/o Joseph B. Kittredge Jr., Esq., Ropes & Gray, One International Place, Boston, Massachusetts 02110.

**FOR FURTHER INFORMATION CONTACT:** Martha Atkins, Attorney, at (202) 942-0668, or Keith Carpenter, Branch Chief, at (202) 942-0679, Office of Insurance Products, Division of Investment Management.

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application is available for a fee from the SEC's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549-0102 (telephone (202) 942-8090).

#### Applicants' Representations

1. The Series trust is a Massachusetts business trust organized under the laws of The Commonwealth of Massachusetts and is registered on Form N-1A under the 1940 Act as a diversified, open-end management investment company. The Series Trust has issued shares of beneficial interest in ten series, each of which represents an interest in a different investment portfolio. Each series of the Series Trust, including the Value Fund, is managed by the Adviser.

2. The Value Fund's investment objective is to increase the value of an investment in bull markets and in bear markets through strategies designed to maintain limited net exposure to general equity market risk. It seeks to achieve its investment objective by buying common stocks that the Adviser believes are undervalued and by "selling short" stocks that the Adviser believes are overvalued. The Value Fund seeks to have approximately equal dollar amounts invested in long and short positions and near neutral exposure to specific industries, specific capitalization ranges and certain other risk factors. The Value fund invests primarily in stocks that are principally traded in the markets of the United States, and measures its performance by a comparison to 3-month U.S. Treasury Bills.

3. The VIT is a Massachusetts business trust organized under the laws of The Commonwealth of Massachusetts and is registered on Form N-1A under the 1940 Act as a diversified, open-end management investment company. The sole series of the VIT is the VIT Fund, which is managed by the Adviser.

4. AXA Rosenberg Group, a holding company for the AXA Rosenberg businesses, is the sole member and 100% owner of the Adviser and as such may be deemed an affiliate of the Adviser under the 1940 Act. AXA Rosenberg Group is a controlling shareholder of the VIT Fund and therefore may be deemed an affiliate of the Value Fund by virtue of its beneficial ownership, as of January 31, 2001, of 100% of the outstanding voting securities of the VIT Fund.

5. The VIT Fund was originally launched by the VIT as a clone of its retail counterpart, the Value Fund. Accordingly, the investment objective and strategies of the VIT Fund are substantially identical to those of the Value Fund as described above.

6. The Adviser is the investment adviser to both Trusts and the Funds. The Adviser is responsible for making investment decisions for the Funds and managing the Funds' other affairs and business, subject to the supervision of the Trust's Board of Trustees. The Adviser also provides investment advisory services to a number of institutional investors as well as the other portfolios of the Series Trust.

7. Since its inception, the VIT Fund has never achieved returns sufficient to enable the Adviser to market its shares successfully to insurance company separate accounts. Consequently, the Adviser continues to incur the substantial costs of maintaining the VIT Fund, even though its asset base has never grown beyond the contributions of AXA Rosenberg Group. Given its historical record, the VIT Fund is unlikely to attract insurance companies to utilize it as a funding vehicle for variable products and thus is expected to present a constant drain on the Adviser's assets while providing no benefit to the investing public.

8. The Trusts are proposing to effect the Merger pursuant to an Agreement and Plan of Reorganization (the "Plan"). The Plan provides that substantially all of the assets, subject to the liabilities, of the VIT Fund will be sold to the Value Fund. The Plan further provides that, as payment for such assets, the Value Fund will issue to the VIT Fund a number of its Institutional Shares having an aggregate net asset value equal to the aggregate value of the net assets of the VIT Fund exchanged therefor. Those Institutional Shares of the Value Fund will then be distributed to AXA Rosenberg Group, as the VIT Fund's sole shareholder. The value of the assets of both Funds will be calculated in accordance with the Series Trust's valuation procedures as set forth in the Series Trust's registration statement,

which are the same as those set forth in the VIT's registration statement and are similar to those suggested under Rule 17a-7 under the 1940 Act. No sales charge or fee of any kind will be charged to the Value Fund's shareholders in connection with the Merger.

9. The Agreement and Declaration of Trust of the VIT, as amended, provides that the Trust's Board of Trustees must approve a sale of substantially all the assets of any series of the VIT and that the Board of Trustees may submit such matters to the shareholders of the VIT Fund, which it has done. AXA Rosenberg Group, as the sole shareholder of the VIT Fund, has indicated that it will approve the Merger, and therefore it is intended that there will be no proxy solicitation in connection therewith. Instead, the VIT has filed a registration and information statement with the Commission on Form N-14 detailing the proposed Merger and intends to send the Prospectus/Information Statement contained therein to AXA Rosenberg Group shortly after such registration and information statement becomes effective.

10. The terms of the proposed Merger were presented to the Trusts' Board of Trustees at their meeting on December 4, 2000. At that time, the Board determined that the Merger is in the best interests of the shareholders of the Value Fund and the shareholder of the VIT Fund and that the interests of the Value Fund's shareholders will not be diluted thereby, in each case as required under rule 17a-8 under the 1940 Act.

11. The Applicants believe that the Merger as proposed is consistent with the interests of the Value Fund's shareholders because the Funds have substantially identical investment objectives and strategies and because the injection of additional capital into the Value Fund is expected to increase economies of scale for its shareholders to the extent that certain of the Value Fund's expenses are fixed and do not vary with asset size.

12. Applicants agree that the terms of and conditions to the issuance of an order granting the section 17(b) exemption requested by the Applicants are that:

(a) The Trusts' Board of Trustees, including a majority of the Trusts' independent Trustees voting separately, has determined (1) that participation in the Merger is in the best interests of each of the VIT Fund and the Value Fund, and (2) that the interests of the Value Fund's shareholders will not be diluted as a result of the Merger;

(b) All securities positions valued in connection with the Merger will be

consistently valued in accordance with the Series Trust's valuation procedures, which are substantially identical to those of the VIT and similar to those suggested under Rule 17a-7 under the 1940 Act; and

(c) The Merger will be reviewed during the following quarter by the Series Trust's Trustees, including the independent Trustees, for purposes of determining that the condition set forth in (b) above has been met.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 01-8467 Filed 4-5-01; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-24923; File No. 812-12376]

### American General Life Insurance Company, et al.

March 30, 2001.

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

**ACTION:** Notice of application for an order pursuant to Section 26(b) of the Investment Company Act of 1940, as amended (the "Act"), approving certain substitutions of securities.

**APPLICANTS:** American General Life Insurance Company ("American General"), American General Life Insurance Company Separate Account D (the "AGL Separate Account"), Ameritas Variable Life Insurance Company ("Ameritas"), Ameritas Variable Life Insurance Company Separate Account VA-2 (the "Ameritas VA Separate Account"), Ameritas Variable Life Insurance Company Separate Account V (the "Ameritas VUL Separate Account," collectively with the Ameritas VA Separate Account, the "Ameritas Separate Accounts"), Integrity Life Insurance Company ("Integrity") Integrity Life Insurance Company Separate Account II (the "Integrity Separate Account"), National Integrity Life Insurance Company ("National Integrity," collectively with American General, Ameritas and Integrity, the "Insurance Company Applicants"), National Integrity Life Insurance Company Separate Account II (the "National Integrity Separate Account," collectively with the AGL Separate Account, the Ameritas Separate Accounts and the Integrity Separate Account, the "Separate Accounts," and collectively with the

other Separate Accounts and the Insurance Company Applicants, "Applicants").

**SUMMARY OF APPLICATION:** Applicants request an order permitting the substitution (1) by the AGL Separate Account of shares of the Global Equity Portfolio ("Global Equity Portfolio") for shares of the Asian Equity Portfolio ("Asian Equity Portfolio"); (2) by the Integrity Separate Account and the National Integrity Separate account (collectively, the "Integrity Separate Accounts") of shares of the Janus Aspen Worldwide Growth Portfolio—Institutional Shares (the "Janus Worldwide Growth Portfolio") for shares of the Asian Equity Portfolio; (3) by Ameritas VA Separate Account and the Ameritas VUL Separate Account of shares of the Global Equity Portfolio for shares of the Asian Equity Portfolio; and (4) by the Americas VA Separate Account and Americas VUL Separate Account of shares of the Variable Insurance Products—Initial Class (the "Fidelity Overseas Portfolio") for shares of the Asian Equity Portfolio. The Global Equity Portfolio, Janus Worldwide Growth Portfolio and Fidelity Overseas Portfolio are referred to herein as the "Substitute Portfolios."

**FILING DATE:** The application was filed on December 22, 2000, and amended and restated on March 16, 2001.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Secretary of the Commission and serving Applicants with a copy of the request, personally or by mail. Hearing requests must be received by the Commission by 5:30 p.m. on April 24, 2001, 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 notification by writing to the Secretary of the SEC.

**ADDRESSES:** Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609; American General and the AGL Separate Account, P.O. Box 1401, Houston, Texas, 77251-1401; Ameritas and the Ameritas Separate Accounts, 5900 "O" Street, Lincoln, Nebraska 68510 and Integrity, National Integrity, the Integrity Separate Account and the National Integrity Separate Account, P.O. Box 740074, Louisville, Kentucky 40202-3319.

### FOR FURTHER INFORMATION CONTACT:

Curtis A. Young, Senior Counsel, or Lorna J. MacLeod, Branch Chief, Office of Insurance Products, Division of Investment Management at (202) 942-0670.

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application is available for a fee from the SEC's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549 (tel. (202) 942-8090).

### Applicants' Representations

1. American General is a stock life insurance company organized under the laws of the State of Texas and is a successor in interest to a company originally organized under the laws of the State of Delaware in 1917. American General is an indirect, wholly-owned subsidiary of American General Corporation, a diversified financial services holding company engaged primarily in the insurance business.

2. The AGL Separate Account was established in 1973 by American General. The AGL Separate Account is a separate account under Texas law that is used for the purpose of funding variable annuity contracts issued by American General. The "Generations®" variable annuity contract (File No. 33-433890) is the only American General contract affected by this application (the "AGL VA Contract"). The AGL Separate Account is registered under the Act as a unit investment trust (File No. 811-2441).

3. Ameritas is a stock life insurance company organized in the State of Nebraska in 1983. Ameritas is a wholly-owned subsidiary of AMAL Corporation, a Nebraska stock company. AMAL Corporation is a joint venture of Ameritas Life Insurance Corp, a Nebraska stock life insurance company that owns a majority interest in AMAL Corporation, and AmerUs Life Insurance Company, an Iowa stock life insurance company that owns a minority interest in AMAL Corporation.

4. The Ameritas VA Separate Account was established in 1987 under Nebraska law. The Americas VA Separate Account is registered under the Act as a unit investment trust (File No. 811-05192) and is used to fund variable annuity contracts issued by Ameritas. Six variable annuity contracts issued by Ameritas (File Nos. 333-46675, 333-36507, 33-14774, 33-33844, 33-58642 and 33-98848) (the "Ameritas VA Contracts") are affected by this application.

5. The Americas VUL Separate Account was established in 1985 under