

NYSE has requested, in order for it to reduce its listing fees as quickly as possible, that the Commission accelerate the implementation of the proposed rule change so that it may take effect prior to the thirty days specified under Rule 19b-4(e)(6)(iii).⁸ The Commission finds that the proposed rule change is consistent with the protection of investors and the public interest and therefore has determined to make the proposed rule change operative as of the date of this order.

At any time within sixty days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of the New York Stock Exchange. All submissions should refer to File No. SR-NYSE-95-27 and should be submitted by August 31, 1995.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Jonathan G. Katz,
Secretary.

[FR Doc. 95-19790 Filed 8-9-95; 8:45 am]

BILLING CODE 8010-01-M

[File No. 500-1]

Order Directing Suspension of Trading

August 4, 1995.

In the matter of American Telephone & Data Inc.

It appears to the Securities and Exchange Commission that there is a lack of adequate current information concerning the securities of American Telephone & Data Inc. ("AT&D"), currently quoted in the NASD's OTC Bulletin Board, and that questions have been raised about the adequacy and accuracy of publicly disseminated information concerning, among other things, the accuracy and adequacy of AT&D's financial statements.

Therefore, it is ordered, pursuant to Section 12(k) of the Securities Exchange Act of 1934, that trading in the securities of AT&D, over-the-counter, or otherwise, is suspended for the period from 1:45 p.m. EDT August 4, 1995 through 1:45 p.m. EDT on August 18, 1995.

By the Commission.

Jonathan G. Katz,
Secretary.

[FR Doc. 95-19715 Filed 8-9-95; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-21267; File No. 812-9590]

The Lincoln National Life Insurance Company, et al.

August 3, 1995.

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

ACTION: Notice of application for an order under the Investment Company Act of 1940 ("1940 Act").

APPLICANTS: The Lincoln National Life Insurance Company ("Lincoln Life"), Lincoln National Variable Annuity Fund A ("Fund A"), and Lincoln National Variable Annuity Fund B ("Fund B"), and together with Fund A, the "Funds").

RELEVANT 1940 ACT PROVISIONS: Order requested under Section 17(b) granting an exemption from the provisions of Section 17(a) of the 1940 Act.

SUMMARY OF APPLICATION: Applicants seek an order of exemption to the extent necessary to permit the merger of Fund B into Fund A.

FILING DATE: The application was filed on May 5, 1995. Applicants have represented that they will file an amendment to the application during the notice period to include the representations summarized herein.

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 August 28, 1995, 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 requestor's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the Secretary of the Commission.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 5th Street NW., Washington, DC 20549.

Applicants, Jack D. Hunter, Esq., The Lincoln National Life Insurance Company, 1300 South Clinton Street, P.O. Box 1110, Fort Wayne, Indiana 46801.

FOR FURTHER INFORMATION CONTACT: Mark C. Amorosi, Attorney, or Wendy Finck Friedlander, Deputy Chief, (202) 942-0670, 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 Public Reference Branch of the Commission.

Applicants' Representations

1. Lincoln Life, a wholly-owned subsidiary of Lincoln National Corporation, is a stock life insurance company organized under the laws of Indiana. Lincoln Life is the sponsoring insurance company, investment adviser and principal underwriter for Fund A and Fund B.

2. Fund A was established by Lincoln Life pursuant to Indiana law on September 16, 1966, and is registered with the Commission as an open-end, management investment company. Fund A was organized as the investment vehicle for individual and group variable annuity contracts for use with certain tax-qualified retirement plans, annuity purchase plans, individual retirement annuities and government plans. Fund A's principal investment objective is the long-term growth of capital. A secondary investment objective is the production of current income. Fund A seeks to accomplish these objectives by investing in equity securities, principally common stocks. Fund A is managed by a three person Board of Managers elected by Fund A contract owners.

3. Fund B was established by Lincoln Life pursuant to Indiana law on

⁸ 17 CFR 240.19b-4(e)(6)(iii).

⁹ 17 CFR 200.30-3(a)(12).

December 1, 1966, and is registered with the Commission as an open-end, management investment company. Fund B was organized as the investment vehicle for variable annuity contracts for individual use and for use with plans and trusts on a non-tax qualified basis. Fund B has the same investment objectives and policies of Fund A, and is managed by a three person Board of Managers elected by Fund B contract owners. The membership of the Board of Managers for Fund A and Fund B is identical.

4. Prior to 1984, federal tax law required that capital gains of Fund B be treated differently from capital gains of Fund A because the contracts for which Fund B serves as the investment vehicle were not for use with tax-qualified plans. In 1984, federal tax law was amended to eliminate this difference. Because of this change in federal tax law, the principal reason for the separate existence and operation of Fund A and Fund B no longer applies.

5. The Board of Directors of Lincoln Life has determined that the efficiency of the operations of the Funds could be improved by merging Fund B into Fund A. Accordingly, the respective Board of Managers for Fund A and Fund B, none of whom are "interested persons," as defined in Section 2(a)(19) of the 1940 Act, considered and approved an Agreement and Plan of Reorganization (the "Reorganization Agreement"). Pursuant to the Reorganization Agreement, the assets and liabilities of Fund B will be transferred to Fund A in exchange for accumulation and annuity units of Fund A to be credited to contract owners of Fund B. The aggregate value of the accumulation and annuity units credited by Fund A would correspond to the value of the net assets transferred by Fund B to Fund A. Following the proposed reorganization, each Fund B contract owner will possess a number of Fund A accumulation or annuity units (both full and fractional) that when multiplied by the accumulation unit value of Fund A units, would result in an aggregate accumulation unit value equal to the aggregate accumulation unit value of the accumulation and annuity units the contract owner had in Fund B immediately before the consummation of the proposed reorganization.

6. Applicants state that the Funds are seeking contract owner approval of the reorganization. The Reorganization Agreement provides that the consummation of the proposed reorganization is conditioned upon approval of the contract owners of Fund A and Fund B. Lincoln Life will pay all of the costs in connection with the

proposed reorganization including costs of printing and distributing proxy materials, counting contract owner instructions, legal and auditing fees, and expenses of holding the contract owners' meeting. Applicants state that they do not expect that the proposed reorganization will entail any liquidation expenses because the Funds have identical investment objectives. However, Lincoln Life will pay any liquidation expenses in the event that, as investment adviser to Fund A, it considers any securities held by Fund B to be unsuitable for Fund A. Applicants state that the reorganization will have no tax consequences for contract owners.

Applicants' Legal Analysis

1. Section 17(a) of the 1940 Act provides generally that it is unlawful for any affiliated person of a registered investment company acting as principal knowingly to purchase from or to sell any security or other property to such registered investment company. Section 17(b) of the 1940 Act provides generally that the Commission may grant an order exempting a transaction otherwise prohibited by Section 17(a) of the 1940 Act if evidence establishes that: (1) the terms of the proposed transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned; (2) the proposed transaction is consistent with the policy of each registered investment company concerned, as recited in its registration statement and reports filed under the 1940 Act; and (3) the proposed transaction is consistent with the general purposes of the 1940 Act.

2. The proposed reorganization may be subject to the provisions of Section 17(a) of the 1940 Act since it could be viewed as one investment company (Fund B) selling its assets to another investment company (Fund A) that is affiliated by reason of having the same sponsoring insurance company, investment adviser and principal underwriter (Lincoln Life) that may be deemed to be in control of both investment companies.

3. Rule 17a-8 under the 1940 Act exempts mergers of certain affiliated investment companies from the provisions of Section 17(a) of the 1940 Act under certain conditions. However, the exemption provided by Rule 17a-8 may not be available in this case since Rule 17a-8 is limited to mergers of registered investment companies that are affiliated persons solely by reason of having a common investment adviser, common directors, and/or common officers. Fund A and Fund B also may

be affiliates of each other because they have a common sponsoring insurance company and common principal underwriter. Applicants maintain, however, that the proposed reorganization falls within the spirit and intent of Rule 17a-8.

4. Applicants assert that the proposed reorganization is fair and reasonable to the Fund B contract owners and to Fund A because the proposed reorganization will not affect any rights to annuity payments, the annuity options that are offered under any contract of either Fund, the death benefit or the federal income tax treatment during the accumulation or payment periods of any contract of either Fund. There are no material differences between the voting or other rights of contract owners or annuitants of Fund B and the rights such contract owners or annuitants will have as contract owners or annuitants of Fund A. Applicants state that Fund A will pay the same fees to Lincoln Life after the proposed reorganization as Fund B currently pays.

Applicants state that identical methods and procedures are used to determine the value of the assets and accumulation units of each of Fund A and Fund B, and, at the time of the proposed reorganization, each Fund is expected to have a portfolio similar to that of the other Fund. Thus, Applicants maintain that the interests of Fund A contract owners will not be diluted by the proposed reorganization.

5. Applicants also maintain that the proposed transaction does not involve overreaching on the part of any party to the transaction because of the similarity of the Funds' portfolios and the use of an objective standard to value the portfolio securities of each of the Funds. Furthermore, the Board of Managers of both Fund A and Fund B, none of whom are interested persons of Fund A, Fund B or Lincoln Life, determined that the terms of the proposed reorganization do not involve overreaching on the part of any persons concerned.

6. Applicants state that the proposed reorganization is not inconsistent with the investment policy of each Fund as set forth in the registration statements and reports filed under the 1940 Act. Both Funds have identical investment objectives and the same investment adviser.

7. Applicants also state that the proposed reorganization is necessary or appropriate in the public interest and consistent with the purposes fairly intended by the policy and provisions of the 1940 Act. In particular, Applicants maintain that the proposed reorganization will reduce operating costs due primarily to economies of

scale, compared to the costs of continuing the operation of Fund B separately from Fund A. Applicants assert that enhanced flexibility in the management of Fund B's relatively small investment portfolio, and enhanced opportunities for portfolio diversification, may be obtained through combining the assets of Fund B with those of Fund A.

Conclusion

Applicants submit that, for the reasons and upon the facts set forth above, the requested exemption from Section 17(a) of the 1940 Act to permit the proposed reorganization meets the standards in Section 17(b) of the 1940 Act. In this regard, Applicants assert that the proposed reorganization is fair and reasonable, does not involve overreaching on the part of any person concerned, is consistent with the policy of each registered investment company concerned, as recited in its registration statement and reports filed under the 1940 Act, and is consistent with the provisions, policies and purposes of the 1940 Act.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 95-19717 Filed 8-9-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. IC-21268; 812-8892]

TIFF Investment Program, Inc. and Foundation Advisers Inc.; Notice of Application

Dated: August 3, 1995.

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

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

APPLICANTS: TIFF Investment Program, Inc. ("TIP") and Foundation Advisers Inc. ("FAI").

RELEVANT ACT SECTIONS: Order requested under section 6(c) for an exemption from section 15(a) and rule 18f-2.

SUMMARY OF APPLICATION: TIP is a registered investment company advised by FAI. FAI oversees the selection of other investment advisers for the TIP portfolios, monitors such investment advisers, and allocates assets among them. The order would permit an investment adviser other than FAI to serve as an investment adviser to one or more portfolios of TIP without receiving prior shareholders approval.

FILING DATES: The application was filed on March 18, 1994, and amended on July 6, 1994, October 21, 1994, and July 19, 1995.

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 August 29, 1995, and should be accompanied by proof of service on the 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street NW., Washington, DC 20549. Applicants, c/o AMT Capital Services, Inc., 430 Park Avenue, 17th Floor, New York, New York 10022.

FOR FURTHER INFORMATION CONTACT: Marc Duffy, Senior Attorney, at (202) 942-0565, or C. David Messman, 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. TIP is a registered open-end management investment company consisting of seven series: TIFF U.S. Equity Fund, TIFF International Equity Fund, TIFF Emerging Markets Fund, TIFF Bond Fund, TIFF Short-Term Fund, TIFF Global Equity Fund, and TIFF Multi-Asset Fund (each a "Fund," and together, the "Funds"). Investment in TIP is available only to grantmaking foundations and other organizations that qualify for exemption from federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986 ("501(c)(3) organizations"), other than educational endowments.

2. FAI is registered as an investment adviser under the Investment Advisers Act of 1940. FAI serves as investment adviser for the TIP Funds. FAI is a not-for-profit corporation the purpose of which is to facilitate investment by foundations and other 501(c)(3) organizations, other than educational endowments, in securities and other assets. The fee schedule between TIP and FAI reflects the essentially cost-

recovery, not-for-profit orientation of the undertaking.

3. Applicants believe that returns can be enhanced by careful selection and blending of styles of several investment managers within a single asset class. Accordingly, the Funds are structured as multi-manager investment vehicles for implementation of long-term asset allocation strategies. Investment advisory services for each Fund will be provided by two or more outside money managers, each of whom will have different but complementary styles and specific, targeted performance objectives. Applicants believe that TIP's use of multiple managers for each Fund will be a principal reason that foundations will invest in the TIP Funds.

4. Applicants seek an exemption from section 15(a) and rule 18f-2 to permit an investment adviser other than FAI (a "Money Manager") to serve as an investment adviser to one or more series funds established and maintained by TIP under a written contract that has not been approved by a vote of the majority of the outstanding voting securities of the TIP series, including a contract that has terminated as a result of its "assignment." Although shareholders will not vote on Money Manager changes, applicants will provide shareholders with an information statement that includes all the information that would be included in proxy statement within 60 days of the hiring of any new Money Manager or the implementation of any proposed material change in a Money Manager contract.

5. FAI bears responsibility for identifying, evaluating, selecting, and monitoring Money Managers, formulating and refining objectives and guidelines appropriate to each Money Manager, and evaluating and negotiating advisory fees. To discharge its duties, FAI must recommend the replacement of Money Managers, and propose changes in the agreement between each Money Manager and the TIP Fund that employs it.

6. TIP will rely on FAI to monitor the performance of each Money Manager employed by TIP, as well as other attributed that could affect a Money Manager's future performance (e.g., growth in assets under management, personnel turnover, etc.). Applicants believe that it is in the best interest of TIP's shareholders for TIP's directors to be able to respond promptly to FAI's recommendations by negotiating changes in Money Managers' contracts or, if necessary, by adding one or more new Money Managers.