

would comply with the provisions of section 12(d)(1)(G), but for the fact that the Balanced Funds' investment policies contemplate that its investments will include direct investments in equity securities, bonds, and other instruments,³ as well as shares of the Underlying Funds.

3. Section 12(d)(1)(J) of the Act provides that the Commission may exempt persons or transactions from any provision of section 12(d)(1) if, and to the extent that, the exemption is consistent with the public interest and the protection of investors. Applicant requests an order under section 12(d)(1)(J) exempting it from section 12(d)(1)(G)(i)(II). Applicant asserts that permitting the Balanced Fund and other Upper Tier Funds to invest in Underlying Funds and directly in securities as proposed, would not raise any of the concerns that the requirements of section 12(d)(1)(G) were designed to address.

Applicant's Conditions

Applicant agrees that any order granting the requested relief will be subject to the following conditions:

1. Before approving any advisory contract under section 15 of the Act, the board of trustees of the Trust on behalf of the Balanced Fund or an Upper Tier Fund, including a majority of the trustees who are not "interested persons" as defined in section 2(a)(19) of the Act, will find that advisory fees, if any, charged under the contract are based on services provided that are in addition to, rather than duplicative of, services provided pursuant to any Underlying Fund's advisory contract. This finding, and the basis upon which it was made, will be recorded fully in the minute books of the Balanced Fund or Upper Tier Fund.

2. Applicant will comply with all provisions of section 12(d)(1)(G) of the Act, except for section 12(d)(1)(G)(i)(II) to the extent that it restricts the Balanced Fund or an Upper Tier Fund from investing directly in securities as described in the application.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-20212 Filed 8-9-00; 8:45 am]

BILLING CODE 8010-01-M

³ Applicant states that these investments will not include shares of any registered investment companies that are not in the same group of investment companies as the Trust.

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-24591; 812-12002]

Wells Fargo Funds Trust, et al.; Notice of Application

August 3, 2000.

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

ACTION: Notice of application under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from section 15(f)(1)(A) of the Act.

Summary of Application: The requested order would permit certain investment companies advised by Wells Fargo Bank, N.A. ("Wells Fargo") not to reconstitute their respective boards of trustees to meet the 75 percent non-interested director requirement of section 15(f)(1)(A) of the Act in order for Wells Fargo to rely upon the safe harbor provisions of section 15(f).

Applicants: Wells Fargo Fund Trust ("Funds Trust"), Wells Fargo Core Trust ("Core Trust"), and Wells Fargo.

Filing Date: The application was filed on August 3, 2000.

Hearing or Notification of Hearing: An order granting the requested relief 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's by 5:30 p.m. on August 28, 2000, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 5th Street, NW., Washington, DC 20549-0609. Applicants, 525 Market Street, San Francisco, California 94105.

FOR FURTHER INFORMATION CONTACT: J. Amanda Machen, Senior Counsel, (202) 942-7120, or Mary Kay Frech, Branch Chief, (202) 942-0564 (Office of Investment Company Regulation, Division of Investment Management).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch, 450 5th Street, NW., Washington, DC 20549-0102 (tel. 202-942-8090).

Applicants' Representations

1. Funds Trust and Core Trust are open-end management investment companies registered under the Act. Funds Trust consists of sixty-four series and Core Trust has fourteen portfolios. Wells Fargo, a bank and a wholly owned subsidiary of Wells Fargo & Company ("Wells"), currently serves as investment adviser to each of Funds Trust and Core Trust. Wells Fargo is not registered under the Investment Advisers Act of 1940 ("Advisers Act") in reliance on section 202(a)(11) of the Advisers Act.

2. Great Plains Funds ("GP Funds") is an open-end management investment company registered under the Act and consists of five series. First Commerce Investors, Inc. ("FCI"), a wholly-owned subsidiary of First Commerce Bancshares, Inc. ("First Commerce"), serves as investment adviser to each of the series of the GP Funds and is registered under the Advisers Act.

3. On or about June 15, 2000, Wells acquired First Commerce in a transaction in which First Commerce shareholders received Wells common stock and First Commerce became a wholly-owned subsidiary of Wells (the "Acquisition"). Following the Acquisition, it is proposed that one new series and three existing series of Fund Trust (the "Acquiring Funds Trust Series") will acquire the assets of four series of GP Funds (the "Great Plains Series") (the "Reorganization") (the Acquisition and Reorganization are collectively referred to as the "Transaction"). Two of the Acquiring Funds Trust Series invest substantially all of their assets in various portfolios of Core Trust ("Core Trust Portfolios").

4. Applicants state that the Acquisition resulted in a change in control of FCI within the meaning of section 2(a)(9) of the Act, and in an assignment of the current advisory contract between FCI and the GP Funds within the meaning of section 2(a)(4) of the Act. As required by section 15(a)(4) of the Act, the advisory contract automatically terminated in accordance with its terms.

5. On May 9, 2000, the boards of trustees (each a "Board") of GP Funds and of Funds Trust unanimously approved the Reorganization. In addition, in reliance on rule 15a-4 under the Act, the Board of GP Funds unanimously approved an interim advisory agreement ("Interim Agreement") between FCI and each of the Great Plains Series covering the time period between the date of the Acquisition and the closing date of the Reorganization. The Reorganization and

the Interim Agreement will require approval by a majority of the outstanding shares of the Great Plains Series voting on the proposals. Applicants state that the Board of GP Funds has scheduled a special meeting of the Great Plains Series' shareholders for August 23, 2000. Proxy materials for the special meeting were mailed to shareholders on July 13, 2000.

6. In connection with the Transaction, applicants have determined to seek to comply with the "safe harbor" provisions of section 15(f) of the Act. Applicants state that, absent exemptive relief, following consummation of the Transaction, more than 25 percent of the Boards of Funds Trust and Core Trust, which have identical membership, would be "interested persons" for purposes of section 15(f)(1)(A) of the Act.

Applicants' Legal Analysis

1. Section 15(f) of the Act is a safe harbor that permits an investment adviser to a registered investment company (or an affiliated person of the investment adviser) to realize a profit on the sale of its business if certain conditions are met. One of the conditions is set forth in section 15(f)(1)(A). This condition provides that, for a period of three years after the sale, at least 75 percent of the board of directors of the investment company may not be "interested persons" with respect to either the predecessor or successor adviser of the investment company. Applicants state that, without the requested exemption, following the Transaction, each of Funds Trust and Core Trust would have to reconstitute its Board to meet the 75% non-interested director requirement of section 15(f)(1)(A).

2. Section 15(f)(3)(B) of the Act provides that if the assignment of an investment advisory contract results from the merger of, or sale of substantially all of the assets by, a registered investment company with or to another registered investment company with assets substantially greater in amount, such discrepancy in size shall be considered by the SEC in determining whether, or to what extent, to grant exemptive relief under section 6(c) from section 15(f)(1)(A).

3. Section 6(c) of the Act permits the SEC to exempt any person or transaction from any provision of the Act, or any rule or regulation under the Act, if the 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.

4. Applicants request an exemption under section 6(c) of the Act from section 15(f)(1)(A) of the Act. Applicants state that, as of April 30, 2000, Funds Trust had approximately \$61 billion in aggregate net assets. Applicants also state that, as of April 30, 2000, the aggregate net assets of the GP Funds were less than \$450 million. Applicants thus assert that GP Funds' assets would represent less than 1% of the aggregate net assets of Funds Trust.

5. Applicants state that four of the ten trustees ("Trustees") who serve on the Boards of Funds Trust and Core Trust are "interested persons," within the meaning of section 2(a)(19) of the Act, of Wells Fargo. Applicants also state that two of the Trustees who are not interested persons on each Board are expected to retire at the end of 2000, but that no other changes to the Boards are anticipated. Applicants state that none of the Trustees who serve on the Board of GP Funds is an interested person of GP Funds, FCI, or Wells Fargo.

6. Applicants state that to comply with section 15(f)(1)(A) of the Act, Funds Trust and Core Trust would have to alter the composition of their Boards, either by asking experienced Trustees to resign or adding new Trustees. Applicants further state that adding new Trustees could require a shareholder vote not only of shareholders of the four Acquiring Funds Trust Series, but also the shareholders of Funds Trust series and Core Trust portfolios not otherwise affected by the Reorganization. Applicants assert that adding a substantial number of additional non-interested Trustees to each Board could entail a lengthy process and increase the ongoing costs of Funds Trust and Core Trust.

7. For the reasons stated above, applicants submit that the requested relief is necessary and 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.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-20213 Filed 8-9-00; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. PA-29; File No. S7-15-00]

Privacy Act of 1974: Establishment of a New System of Records: Child Care Subsidy Program (SEC-41)

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 (SEC or Commission) gives notice of a new Privacy Act system of records: "Child Care Subsidy Program (SEC-41)." This system will contain personal information submitted by lower income employees who apply for child care tuition subsidy.

DATES: The new system will become effective September 19, 2000 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 comments received. To be assured of consideration, comments must be received on or before September 11, 2000.

ADDRESSES: Persons wishing to submit comments should send three copies to Jonathan G. Katz, Secretary, U.S. Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. All comment letters should refer to File No. S7-15-00. Comment letters will be available for public inspection and copying at the Commission's Public Reference Room, 450 Fifth Street, NW., Washington, DC 20549.

FOR FURTHER INFORMATION CONTACT:

Betty A. Lopez, FOIA/Privacy Act Officer, (202) 942-4320, or Elizabeth T. Tsai, Staff Attorney, (202) 942-4326, Office of Freedom of Information and Privacy Act Operations, SEC, Operations Center, 6432 General Green Way, Alexandria, VA 22312-2413.

SUPPLEMENTARY INFORMATION: The Commission is proposing to delete its current "Personnel Management Security Files (SEC-41)" and reserve the system number "SEC-41." The current SEC-41 consists merely of copies of some records in, and, thus, duplicates, "Personnel Investigations Records (OPM/Central-9)"¹ of the United States

¹ Describing the system location, OPM/Central-9 states, in part:

b. Decentralized segments: Copies of these records may exist temporarily in agencies on