opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

If the amendment is issued before the expiration of the 30-day hearing period, the Commission will make a final determination on the issue of no significant hazards consideration. If a hearing is requested, the final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before issuance of any amendment.

A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, Attention: Rulemakings and Adjudications Staff, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, by the above date. A copy of the petition should also be sent to the Office of General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, and to Ms. Pamela B. Stroebel, P.O. Box 767, Chicago, Illinois 60690–0767, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment dated February 21, 2000, which is available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and accessible electronically through the ADAMS Public Electronic Reading Room link at the NRC Web site (*http://www.nrc.gov*)

Dated at Rockville, Maryland, this 29th day of February 2000.

For the Nuclear Regulatory Commission.

Donna M. Skay,

Project Manager, Section 2, Project Directorate III, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 00–5337 Filed 3–3–00; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 50–285]

Omaha Public Power District; Notice of Withdrawal of Application for Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has granted the request of Omaha Public Power District (the licensee) to withdraw its January 30, 1998, application for proposed amendment to Facility Operating License No. DPR–40 for the Fort Calhoun Station, Unit 1, located in Washington County, Nebraska.

The Commission had previously issued a Notice of Consideration of Issuance of Amendment published in the **Federal Register** on April 8, 1998 (63 FR 17226). However, by letter dated January 24, 2000, the licensee withdrew the proposed change.

For further details with respect to this action, see the application for amendment dated January 30, 1998, and the licensee's letter dated January 24, 2000, which withdrew the application for license amendment. The above documents are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and accessible electronically through the ADAMS Public Electronic Reading Room link at the NRC Web site (*http://www.nrc.gov*).

Dated at Rockville, Maryland, this 29th day of February 2000.

For the Nuclear Regulatory Commission.

L. Raynard Wharton,

Project Manager, Section 2, Project Directorate IV and Decommissioning, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 00–5338 Filed 3–3–00; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24321; International Series Release No. 1216; 812–10724]

ASA Limited; Notice of Application

February 29, 2000.

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

ACTION: Notice of application under the Investment Company Act of 1940 (the ''Act'').

SUMMARY OF APPLICATION: The order would permit applicant, ASA Limited (''ASA''), a South African closed-end management investment company registered under section 7(d) of the Act, to maintain its assets with a central securities depository in South Africa. The requested order would amend a prior order.

FILING DATES: The application was filed on July 18, 1997, and amended on December 21, 1999.

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 March 24, 2000, and should be accompanied by proof of service on 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. 20549–0609. Applicant, 36 Wierda Road West, Sandton 2196, South Africa.

FOR FURTHER INFORMATION CONTACT: Elaine M. Boggs, Senior Attorney, at (202) 942–0572 or Christine Y. Greenless, 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 is available for a fee at the SEC's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549–0102 (telephone (202) 942–8090).

Applicant's Representations

1. ASA is a closed-end management investment company organized in 1958

in South Africa. ASA registered under the Act in 1958 pursuant to a Commission order issued under section 7(d) of the Act (the ''Original Order'').[1] ASA's investment objective is to invest primarily in South African gold mining companies. As of August 31, 1999, 90.2% of ASA's net assets consisted of equity securities issued by South African companies that trade primarily on the Johannesburg Stock Exchange (''JSE''). ASA is internally managed, and its shares trade on the New York Stock Exchange (''NYSE'').

2. ASA has received several Commission orders that address, among other things, ASA's custodial arrangements (collectively, and together with the Original Order, the ''Prior Orders'').[2] Under the Prior Orders, ASA, with certain exceptions, is required to keep its assets in the U.S. in the custody of a bank. Thus, ASA currently maintains in the custody of Chase Manhattan Bank (''Chase'') all of the share certificates issued by ASA's South African portfolio companies.

3. The Prior Orders permit ASA to keep up to 33% of its assets abroad—up to 5% of its assets in each of Great Britain, Japan, Canada, Australia, and Switzerland, under certain circumstances, up to 5% of its assets in rand-denominated interest bearing accounts in South Africa, and up to 3% of its assets in South Africa in short term rand-denominated investments issued or guaranteed by the Republic of South Africa.[3] In addition, ASA may maintain $200,000 in cash to cover administrative expenses in a checking account with a South African bank.[4] At present, all of ASA's assets in South Africa are maintained with its subcustodian, Standard Bank of South Africa Limited (''Standard Bank''), except for $200,000 which is kept in a checking account with another South African bank.

4. Until recently, South African equity securities existed and traded only in paper form. In a transition that has begun and will continue through next year, paper certificates will be replaced with an electronic book-entry securities will be maintained electronically with a central securities depository (''CSD System''). Under the CSD System, ownership records of equity securities will be maintained electronically with a central securities depository (''CSD''). Security holders will not directly interact with the CSD but with a ''CSD Participant.'' Once the process of converting to the CSD System is complete, paper certificates will no longer be an acceptable form of ownership to clear and settle securities transactions on the JSE.

5. Currently, JSE owns 50% of the CSD and the CSD Participants, including Standard Bank, own the remaining 50%. CSD Participants are not required to own shares of the CSD and parties other than the CSD Participants may own shares of the CSD in the future. The CSD is regulated by the Financial Services Board (''FSB''), which is an agency of the South African government that supervises the activities of South African financial services institutions.

6. To become a CSD Participant, an entity must meet the CSD's criteria, which include the maintenance of a minimum level of capitalization, the ability to provide certain specialized services to shareholders, and other requirements relating to technology, human resources, internal controls, corporate governance, and risk management. CSD Participants are regulated by either the FSB or the Register of Banks in South Africa. ASA plans to retain Standard Bank, which meets the CSD's criteria for CSD Participants and is a CSD Participant, to be its CSD Participant.

7. Once the CSD System becomes fully operational, in order for JSE listed shares owned by ASA to be tradable on the JSE, the share certificates must be voided and ASA's ownership interests must be recorded electronically in book entry form in the CSD system. This would be prohibited under the terms of the Prior Orders because ASA's assets would not be physically maintained in the U.S. but in the South African CSD System. The requested order would permit ASA to maintain its portfolio securities that trade on the JSE and are eligible for the CSD System (''CSD-Eligible Securities'') in electronic book-entry form with the CSD System in South Africa, rather than in the U.S. in paper share certificates.

Applicant's Legal Analysis

1. Section 7(d) of the Act prohibits a foreign investment company from making a public offering of its securities in the U.S. but authorizes the Commission to permit a foreign investment company to register under the Act and make a public offering of its securities if the Commission finds that ''by reasons of special circumstances or arrangements, it is both legally and practically feasible to enforce the provisions of [the Act] against such company and that the issuance of such order is otherwise consistent with the public interest and protection of investors.'' Rule 7d–1 under the Act sets forth the conditions that a Canadian investment company must satisfy in order to receive an order under section 7(d) Under the Original Order, ASA met the requirements of rule 7d–1.

2. ASA requests an order under section 7(d) to amend the Prior Orders to permit it to maintain its CSD-Eligible Securities in the CSD. ASA states that it s custodian arrangement with the CSD meets the requirements of rule 17f–5 under the Act, which governs foreign custody arrangements of U.S. investment companies, and that the requested relief is consistent with the standards of section 7(d).

3. Rule 17f–5 under the Act permits a U.S. investment company (''fund'') to maintain its assets overseas with an ''Eligible Foreign Custodian.'' Under the rule, an Eligible Foreign Custodian includes ''a securities depository that acts as a system for the central handling of securities or equivalent book-entries in the country that is regulated by a foreign financial regulatory authority, as defined under section 2(a)(50) of the Act.'' ASA states that the CSD meets this definition of an Eligible Foreign Custodian.

4. Under the 17f–5, a fund's board of directors, its investment adviser, or custodian bank (''Foreign Custody Manager'') must determine that the fund's assets in the custody of an Eligible Foreign Custody will be subject to reasonable care, based upon the standards applicable to custodians in the relevant market after considering certain factors. Under rule 17f–5, the custody arrangement also must be governed by a written contract and/or rules, practices and procedures of the securities depository (''governing documents'') that the Foreign Custody Manager determines will provide reasonable care for fund assets. Finally, the Foreign Custody Manager must

[1] Investment Company Act Release Nos. 2739 (July 3, 1958) (notice) and 2756 (Aug. 13, 1958 (order).

[2] Investment Company Act Release Nos. 21161 (June 23, 1995) (notice) and 21220 (July 20, 1995) (order) (permits ASA to appoint Chase Manhattan Bank, N.A. as its custodian and to authorize Chase Manhattan Bank to appoint Standard Bank of South Africa Limited as ASA's sub-custodian); Investment Company Act Release Nos. 17904 (Dec. 17, 1990) (notice) and 17945 (Jan. 15, 1991) (order) (''1991 Order''); Investment Company Act Release Nos. 14826 (Dec. 4, 1985) (notice) and 14878 (Dec. 31, 1985) (order) (''1985 Order''); Investment Company Act Release Nos. 11669 (Mar. 6, 1981) (notice) and 11722 (Apr. 7. 1981) (order); Investment Company Act Release Nos. 8278 (Mar. 20, 1974) (notice) and 8312 (Apr. 17, 1974) (order); Investment Company Act Release Nos. 7860 (June 12, 1973) (notice) and 7894 (July 10, 1973) (order); Investment Company Act Release Nos. 2944 (Dec. 14, 1959) (notice) and 2957 (Dec. 29, 1959) (order); Investment Company Act Release Nos. 2883 (May 22, 1959) (notice) and 2886 (June 9, 1959 (order); and Investment Company Act Release Nos. 2817 (Jan. 5, 1959) (notice) and 2821 (Jan. 20, 1959) (order).

[3] 1985 and 1991 Orders.

[4] 1991 Order.

establish a system to monitor the appropriateness of maintaining the fund's assets with the Eligible Foreign Custodian. ASA states that its board of directors (''Board''), as the Foreign Custody Manager, has approved the maintenance of ASA's assets with the CSD System in accordance with rule 17f–5. The Board concluded that ASA's assets will be subject to reasonable care if maintained with the CSD System in accordance with the governing documents. The Board also concluded that ASA will receive periodic reports concerning material developments affecting the CSD System, which will provide an adequate system for the Board to monitor the appropriateness of maintaining ASA's assets with the CSD under the standards of rule 17f–5.

5. ASA notes that the Commission recently proposed rule 17f–7 under the Act that would govern the custody of fund assets with foreign securities depositories. [5] ASA states that, if proposed rule 17f–7 is adopted, ASA's custodial arrangements with the CSD will be brought into compliance with rule 17f–7 in the same time frame as the Commission would afford U.S. funds.

6. ASA further states that the conditions of the Prior Orders will contine to apply to ASA. ASA states that these conditions are designed, among other things, to address any jurisdictional concerns and otherwise assure the protection of investors. ASA also states that, as a condition to the requested order, it will keep at least 5% of its assets in the U.S. in the custody of a U.S. bank.

Applicant's Conditions

ASA agrees that the Original Order, as amended by any subsequent order, including any order of the SEC granting the requested relief (collectively, the ''ASA Orders''), will be subject to the following conditions:

1. Chase will serve as ASA's custodian and will continue to meet the qualifications of a custodian under section 17(f) of the Act and Standard Bank will serve as Chase's subcustodian in South Africa. As long as Standard Bank holds ASA's assets, Standard Bank will designate Chase as its agent for service of process in the U.S. ASA will comply with rule 17f–5 under the Act, as it may be amended, as if it were a registered management investment company organized or incorporated in the United States with respect to any of its assets held by eligible foreign custodians (including Standard Bank and the CSD) or overseas branches of qualified U.S. banks (including Chase) outside the United States.

2. The Board will serve as foreign custody manager and will not delegate such functions to its custodian or any other person.

3. ASA will seek an order of the Commission prior to any amendment of its custodian agreement with its custodian.

4. ASA will cause each present and future officer, director, investment adviser, principal underwriter, and custodian of ASA to enter into an agreement (''Agreement'') (to be filed by ASA with the Commission when that person assumes office), which will provide that each person agrees: (a) to comply with ASA's Memorandum of Association (''Charter'') and Articles of Association (''Bylaws''), the Act and the rules of the Commission under the Act, and the terms and conditions of the ASA Orders as applicable to each person and as each may be amended from time to time, as applicable to each person; (b) to do nothing inconsistent with the terms and conditions of the ASA Orders, the provisions of the Act, or the rules under the Act; (c) that the undertakings described in (a) and (b) above constitute representations and inducements to the Commission to issue the ASA Orders, and (d) each Agreement constitutes a contract between the person and ASA and the shareholders of ASA with the intent that ASA's shareholders will be beneficiaries of and will have the status of parties to the Agreement so as to enable them to maintain actions at law or in equity within the United States or South Africa. In addition, each Agreement of each officer and director of ASA will contain provisions similar to those contained in condition 21 below. [6]

5. So long as ASA is registered under the Act, ASA's Charter and Bylaws, together, will contain in substance the provisions required by rule 7d–1(b)(8), and neither the Charter nor the Bylaws will be changed or amended in any manner inconsistent with rule 7d–1(b)(8) of the Act and the rules and regulations under the Act, unless authorized by the Commission.

6. No person will qualify to serve as a director or officer of ASA until he or she has transmitted to ASA a list of his or her affiliated persons, as that term is defined in section 2(a)(3) of the Act. ASA will: (a) Require each of its directors, officers, and investment advisers to transmit to ASA quarterly a list of affiliated persons or a statement that there has been no change since the last list so transmitted to ASA; (b) transmit each list to its custodian promptly after receipt by ASA; and (c) transmit to its custodian quarterly a list of its affiliated persons or a statement that there has been no change since the last list was transmitted. The contract between ASA and its custodian will provide that the custodian will not consummate any transaction on behalf of ASA with any person who, on the basis of the lists transmitted to the custodian, is an affiliated person of ASA or an affiliated person of any director, officer, or investment adviser of ASA, unless the transaction is of a type permitted by the Act or any regulation under the Act or specifically permitted by order of exemption issued under the Act.

7. ASA will furnish to the Commission, concurrently with the filing of periodic reports required to be filed under the Act, any changes to its list previously submitted to the Commission of persons affiliated with ASA and with ASA's investment adviser and principal underwriter.

8. The chief executive officer of ASA, a majority of the directors of ASA, and a majority of the officers of ASA will be both citizens and residents of the U.S.

9. ASA will hold all of its shareholder meetings in the U.S.

10. ASA will maintain in the U.S. a transfer agent for transfer of its shares, and a registrar for the registration of its shares.

11. ASA will file, and will cause each of its present or future directors, officers, or investment advisers who is not a resident of the U.S. to file with the Commission irrevocable designation of ASA's custodian as an agent in the U.S. to accept service of process in any suit, action, or proceeding before the Commission or any appropriate court to enforce the provisions of the laws administrated by the Commission, or to enforce any right or liability based upon ASA's Charter or Bylaws, contracts, or the respective undertakings and agreements of any of these persons required by the terms and conditions of the ASA Orders, or which alleges a liability on the part of any of these persons arising out of their services, acts, or transactions relating to ASA.

[5] Investment Company Act Release No. 23815 (April 29, 1999) (proposing amendments to rule 17f–5 and proposing new rule 17f–7).

[6] ASA acknowledges that: (a) Every agreement and undertaking of ASA, its officers, directors, investment adviser, principal underwriters, and custodian which are required by the conditions contained in the ASA Orders constitute (i) inducements to the Commission for the issuance and continuance in effect of the ASA Orders, and (ii) a contract among ASA, the Commission, and ASA's shareholders with the same intent as set forth in condition 4 above; and (b) the failure by ASA or any of the persons listed above to comply with any of the agreements or undertakings, unless permitted by the Commission, will constitute a violation of the ASA Orders.

12. As an exhibit to the application, ASA will file with the Commission an amendment to the subcustodian agreement that irrevocably designates ASA's custodian as an agent in the U.S. to accept service of process in any suit, action, or proceeding (collectively, ''Proceeding'') before the Commission or any appropriate court to enforce the provisions of the laws administered by the Commission in connection with the subcustodian agreement, or to enforce any right or liability (''Liability'') based on the subcustodian agreement or which alleges a liability on the part of Standard Bank arising out of its services, acts, or transactions under the subcustodian agreement relating to ASA's assets. This designation will automatically terminate upon Standard Bank ceasing to hold ASA's assets, except as to a Proceeding or a Liability based on an action or inaction of Standard Bank prior to Standard Bank having ceased holding ASA's assets.

13. ASA will perform every action and thing necessary to cause and assist the custodian of its assets to distribute the same, or the proceeds, if the Commission or a court of competent jurisdiction,[7] will have so directed by final order.

14. ASA will take all steps necessary to insure that it will continue to be listed on the NYSE, including the publishing of financial statements and other information required by the NYSE for the benefit of holders of the shares listed on the NYSE and the performance of all the covenants contained in its listing agreement.

15. The Commission, in its discretion, may revoke its order permitting registration of ASA and the public offering of its securities if the Commission finds, after notice and opportunity for hearing, that there has been a violation of the ASA Orders or the Act and may determine whether distribution of ASA's assets is necessary or appropriate in the interests of investors and may so direct.

16. Neither ASA's Charter nor Bylaws will be changed in any manner inconsistent with the Act, nor will the terms and conditions of the application be changed without approval by the Commission or its staff.

17. ASA waives any counsel fees to which it may be entitled and waives security for costs in any action brought against it in South Africa by any shareholder based on its Charter or Bylaws or any of the terms and conditions of the ASA Orders. ASA will cause each of its present or future directors who is a non-resident of the U.S. to make similar waivers.

18. ASA will promptly notify the Commission in the event that there is any change in South African law that will be contrary to any provision of the Act or detrimental to or inconsistent with the protection afforded by the conditions of the ASA Orders.

19. If proposed rule 17f–7 under the Act is adopted by the Commission, ASA's use of the CSD will comply with the rule and any amendments to the rule as if ASA were a registered management investment company organized or incorporated in the U.S.

20. Any shareholder of ASA or the Commission on its own motion or on request of any ASA's shareholders will have the right to initiate a proceeding: (a) before the Commission for the revocation of the order permitting registration of ASA; or (b) before a court of competent jurisdiction for the liquidation of ASA and a distribution of its assets to its shareholders and creditors. The court may enter the order in the event that it finds, after notice and opportunity for hearing, that ASA, its officers, directors, investment adviser, principal underwriter, or custodian has violated any provision of the Act or the ASA Orders.

21. Any shareholder of ASA will have the right to bring suit at law or equity, in any court of the U.S. or South Africa having jurisdiction over ASA, its assets or any of its officers or directors to enforce compliance by ASA, its officers and directors with any provision of ASA's Charter or Bylaws, the Act, the rules under the Act, or the terms and conditions of the ASA Orders, in so far as applicable to these persons. The court may appoint a trustee or receiver of ASA with all powers necessary to implement the purposes of the suit, including the administration of the estate, the collection of corporate property including chooses-in action, and distribution of ASA's assets to its creditors and shareholders. ASA and its officers and directors waive any objection they may be entitled to raise and any right they may have to object to the power and right of any shareholder of ASA to bring such suit, reserving, however, their right to maintain that they have complied with these provisions, undertakings, and agreements, and otherwise to dispute the suit on its merits. ASA, its officers, and directors also agree that any final judgment or decree of any U.S. court may be granted full faith and credit by a court of competent jurisdiction of South Africa and consent that the South African court may enter judgment or decree on ASA at the request of any shareholder, receiver, or trustee of ASA.

22. ASA will settle its purchases and sales of portfolio securities in the U.S. by use of the mails or means of interstate commerce, except for: (a) Purchases and sales on an ''established securities exchange'' (defined as a national securities exchange as defined in section 2(a)(26) of the Act, the JSE, the London Stock Exchange, the Tokyo Stock Exchange, the Toronto Stock Exchange, the Stock Exchange of Melbourne, Ltd., and the Effektenborsenverein Zurich Exchange (collectively the ''Established Exchanges'')) and (b) purchases and sales, through ASA's custodian or custodian's agent, in South Africa of South African Treasury Bills from or to the South African Treasury, South African Reserve Bank securities, or CSD-Eligible Securities. Assets purchased on an Established Exchange will be maintained in the U.S. with Chase, unless prohibited by law or regulation or financially impracticable as provided in condition 25 below.

23. Contracts of ASA, other than those executed on an Established Exchange which do not involve affiliated persons, will provide that: (a) the contracts, irrespective of the place of their execution or performance, will be performed in accordance with the requirements of the Act, the Securities Act of 1933, and the Securities Exchange Act of 1934, as amended, if the subject matter of the contracts is within the purview of these acts; and (b) in effecting the purchase or sale of assets, the parties to the contracts will utilize the U.S. mails or means of interstate commerce.

24. ASA will keep at least 5% of its assets in the U.S. in the custody of a U.S. bank (''5% Requirement''). ASA's remaining assets (which may include U.S. dollars invested in time deposits and bank certificates of deposit) will be kept in the custody of a U.S. custodian, except:

(a) Subject to the 5% Requirement, up to 100% of its CSD-Eligible Securities may be kept in the CSD through its custodian and subcustodian;

(b) $200,000 may be kept in cash to cover administrative expenses, to be kept in a checking account with a South African bank;

(c) Up to 3% of its assets may be kept in South Africa in short-term rand-denominated investments issued or guaranteed by the Republic of South Africa; and

(d) Up to 5% of its assets may be kept in rand-denominated interest bearing bank accounts with ''eligible foreign custodians'' or ''overseas branches of

[7] A court of competent jurisdiction means any U.S. federal court that has jurisdiction to issue such an order.

qualified United States banks,'' as those terms are defined in rule 17f–5 under the Act (as it may be amended).

25. If removal of securities purchased on the Established Exchanges becomes either prohibited by law or regulation or financially impracticable, up to 5% of ASA's assets may be held by an eligible foreign custodian or overseas branch of Chase in each of London, Japan, Australia, Switzerland, and Canada.

26. If an ''eligible foreign custodian'' or an overseas branch of the custodian is to be appointed as subcustodian, ASA will comply with the requirements of rule 17f–5, as it may be amended, prior to the purchase of securities on an Established Exchange.

27. ASA will withdraw its assets from the care of a subcustodian as soon as practicable, and in any event within 180 days of the date when a majority of the Board makes the determination that a particular subcustodian may no longer be considered eligible under rule 17f–5 of the Act, as it may be amended, or may no longer be considered an overseas branch of the custodian, or that continuance of the subcustodian arrangement would not be consistent with the best interests of ASA asnd its shareholders.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00–5385 Filed 3–3–00; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24320; 812–11872]

STI Classic Funds, et al.; Notice of Application

February 28, 2000.

AGENCY: Securities and Exchange Commission (''Commission'').

ACTION: Notice of an application under section 17(b) of the Investment Company Act of 1940 (the ''Act'') for an exemption from section 17(a) of the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit certain series of a registered open-end management investment company to acquire all of the assets and certain stated liabilities of the series of another registered open-end management investment company. Because of certain affiliations, applicants may not rely on rule 17a–8 under the Act.

APPLICANTS: STI Classic Funds (''STI Funds''), ESC Strategic Funds, Inc. (''ESC Funds'') and SunTrust Banks, Inc. (''SunTrust'').

FILING DATES: The application was filed on December 3, 1999. Applicants have agreed to file an amendment to the application during the notice period, the substance of which is reflected in this notice.

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 Commission's Secretary 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 March 23, 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 Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, N.W., Washington, D.C. 20549–0609. Applicants, c/o W. John McGuire, Esq., Morgan, Lewis & Bockius LLP, 1800 M Street, N.W. Washington, D.C. 20036–5869.

FOR FURTHER INFORMATION CONTACT: Emerson S. Davis, Sr., Counsel, at (202) 942–0714, or George J. Zornada, 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 Commission's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549–0102 (telephone (202) 942–8090).

Applicant's Representations

1. STI Funds, a Massachusetts business trust, is registered under the Act as an open-end management investment company and offers thirty-seven series, including the STI Classic Growth and Income Fund (''Growth and Income fund''), STI Small Cap Growth Stock Fund (''Small Cap Growth Fund'') and STI Classic International Equity Fund (''International Equity Fund'') (together, the ''Existing Acquiring Funds'') and a newly established series, STI Classic High Income Fund (''High Income fund'') (together with the Existing Acquiring Funds, the Acquiring Funds''). ESC Funds, a Maryland corporation, is registered under the Act as an open-end management investment company and offers five series, ESC Strategic Small Cap Fund, ESC Strategic Small Cap II Fund, ESC Strategic International Equity Fund, ESC Strategic Appreciation Fund, and ESC Strategic Income Fund (together the ''Acquired Funds'') (the Acquired Funds and the Acquiring Funds, the ''Funds'').

2. SunTrust, a Georgia corporation, is a bank holding company and the parent of Trusco Capital Management, Inc. (''Trusco'') and STI Capital Management, N.A. (''STI Capital''). Trusco is registered under the Investment Advisers Act of 1940 (the ''Advisers Act'') and is the investment adviser to the Growth and Income Fund, High Income Fund and Small Cap Growth Fund. STI Capital, a bank, is exempt from registration under the Advisers Act and is the investment adviser to the International Equity Fund. SunTrust Equitable Securities (''STES''), a wholly-owned subsidiary of SunTrust, and an investment adviser registered under the Advisers Act, is the investment adviser to each of the Acquired Funds. Currently, bank subsidiaries of SunTrust own in the aggregate, in a fiduciary capacity, 25% or more of the outstanding voting securities of each of the Existing Acquiring Funds and 5% or more of the outstanding voting securities of three of the acquired Funds.

3. On January 15, 2000 and February 15, 2000, the board of trustees of the Acquired Funds and the board of directors of the Existing Acquiring Funds (together, the ''Boards''), respectively, including all the trustees and directors who are not ''interested persons,'' as defined in section 2(a)(19) of the Act (''Independent Directors''), approved a plan of reorganization between the Funds (the ''Plan''). Under the Plan, on the date of exchange (''Closing Date''), each Acquiring Fund will acquire all the assets and certain stated liabilities of the corresponding Acquired Fund or Funds in exchange for shares of the Acquiring Fund (the ''Reorganization'').[1] The shares of each Acquiring Fund exchanged will have an aggregate net asset value equal to the aggregate net asset value of the Acquired Fund's shares determined as of the close of business on the business day immediately before the Closing Date. The net asset value of the assets received by the Acquired Fund will be

[1] Under the Plan, the Acquired Fund will merge into the Existing Acquiring Funds as follows: On March 27, 2000, the ESC Strategic Small Cap Fund and Small Cap Fund II will merge into the Small Cap Growth Fund, the ESC Strategic International Equity Fund will merge into the International Equity Fund, and the ESC Strategic Appreciation Fund will merge into the Growth and Income Fund. On March 28, 2000, the ESC Strategic Income Fund will merge into the High Income Fund.