

### Applicants' Legal Analysis

1. Section 15(a) makes it unlawful for any person to act as investment adviser to a registered investment company except pursuant to a written contract that has been approved by a majority of the investment company's outstanding voting securities. Rule 18f-2 provides that each series or class of stock in a series company affected by a matter must approve such matter if the Act requires shareholder approval.

2. Applicants believe the Funds would incur substantial unnecessary expenses if they were required to obtain shareholder approval of Money Manager changes deemed necessary for the effective functioning of TIP's multi-manager program. Further, the delay associated with holding a meeting solely for this purpose would hamper FAI in performing its manager selection and allocation duties.

3. TIP's multi-manager structure is prominently featured in its Prospectus and Statement of Additional Information. Descriptions of the criteria used by FAI to select Money Managers and to establish appropriate compensation structures for the Money Managers, as well as descriptions of each Money Manager, are included in TIP's Prospectus and Statement of Additional Information.<sup>1</sup>

4. Given TIP's multi-manager structure, a decision to hire a new Money Manager for the TIP Funds is closely analogous to the decision by a money management firm to hire another portfolio manager or analyst. Under TIP's investment advisory agreements, the duties and responsibilities of a Money Manager employed by TIP is limited to the management of a defined portion of a Fund's assets allocated to the Money Manager by FAI. No Money Manager has responsibility for the ongoing administration and corporate maintenance of TIP or for the servicing of its shareholders, those functions being exclusively the responsibility of FAI and AMT Capital Services, Inc., which acts pursuant to contract with TIP as administrator and distributor of the TIP Funds.

5. The relationship between FAI acting on behalf of TIP on the one hand, and a Money Manager on the other, is entirely at arm's length. The Money Managers employed by TIP have not sponsored the TIP Funds. The order will be conditioned to ensure that there can

be no officer or director of TIP or FAI who will own (other than through a pooled investment vehicle) any interest in a Money Manager except for ownership of less than 1% of the outstanding securities of a publicly-traded company that is a Money Manager or an entity that controls, is controlled by, or is under common control with a Money Manager.

6. Section 6(c) of the Act provides that the SEC may exempt any person, security, or transaction from any provision of the Act, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the policies and purposes fairly intended by the policies and provisions of the Act. Applicants believe that the requested relief meets this standard.

### Applicants' Conditions

Applicants agree that the requested exemption will be subject to the following conditions:

1. FAI will not enter into a Money Manager contract with any Money Manager that is an affiliated person (as defined in section 2(a)(3) of the Act) of TIP or FAI other than by reason of serving as a Money Manager to one or more of the Funds (an "Affiliated Money Manager") without such agreement, including the compensation to be paid thereunder, being approved by the shareholders of the applicable Fund.

2. At all times, a majority of the directors of TIP will be persons each of whom is not an "interested person" of TIP (as defined in section 2(a)(19) of the Act) (the "Independent Directors"), and the nomination of new or additional Independent Directors will be placed with the discretion of the then existing Independent Directors.

3. When a Money Manager change is proposed for a Fund with an Affiliated Money Manager, the directors of TIP, including a majority of the Independent Directors, will make a separate finding, reflected in TIP's board minutes, that such change is in the best interests of the Fund and its shareholders and does not involve a conflict of interest from which FAI or the Affiliated Money Manager derives an inappropriate advantage.

4. FAI will provide general management and administrative services to TIP, and, subject to review and approval by TIP's directors, will: (a) set the Funds' overall investment strategies; (b) select Money Managers; (c) allocate and, when appropriate, reallocate the Funds' assets among Money Managers; (d) monitor and

evaluate the performance of Money Managers; and (e) ensure that the Money Managers comply with TIP's investment objectives, policies, and restrictions.

5. New Funds of TIP created after the issuance of the order will disclose their reliance on the order in their prospectuses and will have such reliance approved by consent of their sole shareholder.

6. Within 60 days of the hiring of any new Money Manager or the implementation of any proposed material change in a Money Manager contract, FAI will furnish shareholders all information about a new Money Manager or Money Manager contract that would be included in a proxy statement. Such information will include any change in such disclosure caused by the addition of a new Money Manager or any proposed material change in the Fund's Money Manager contract. FAI will meet this condition by providing shareholders, within 60 days of the hiring of the Money Manager or the implementation of any material change to the terms of a Money Manager contract, with an information statement meeting the requirements of Regulation 14C and Schedule 14C under the Securities Exchange Act of 1934 (the "Exchange Act"). The information statement also will meet the requirements of Schedule 14A under the Exchange Act.

7. No director or officer of TIP or FAI will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by any such director or officer) any interest in a Money Manager except for: (a) ownership of interests in FAI or any entity that controls, is controlled by, or is under common control with FAI; or (b) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicly-traded company that is either a Money Manager or an entity that controls, is controlled by, or is under common control with a Money Manager.

8. TIP will disclose in all prospectuses relating to any Fund the existence, substance, and effect of any order granted pursuant to the application.

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

**Jonathan G. Katz,**  
Secretary.

[FR Doc. 95-19716 Filed 8-9-95; 8:45 am]

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<sup>1</sup> Since TIP commenced operations in May 1994, it has disclosed in its prospectus that it was seeking an exemptive order from the SEC exempting it from the requirement that each agreement between TIP and a Money Manager be approved by a vote of a majority of the shareholders of the affected Fund.

**SMALL BUSINESS ADMINISTRATION****Reporting and Recordkeeping Requirements Under OMB Review**

**ACTION:** Notice of reporting requirements submitted for review.

**SUMMARY:** Under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35), agencies are required to submit proposed reporting and recordkeeping requirements to OMB for review and approval, and to publish a notice in the **Federal Register** notifying the public that the agency has made such a submission.

**DATES:** Comments should be submitted with 30 days of this publication in the **Federal Register**. If you intend to comment but cannot prepare comments promptly, please advise the OMB Reviewer and the Agency Clearance Officer before the deadline.

**COPIES:** Request for clearance (OMB 83-1), supporting statement, and other documents submitted to OMB for review may be obtained from the Agency Clearance Officer. Submit comments to the Agency Clearance Officer and the OMB Reviewer.

**FOR FURTHER INFORMATION CONTACT:**

Agency Clearance Officer: Georgia Greene, Small Business Administration, 409 3rd Street, S.W., 5th Floor, Washington, D.C. 20416, Telephone: (202) 205-6629.

OMB Reviewer: Donald Arbuckle, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, D.C. 20503.

*Title:* Request for Counseling.

*Form No.:* SBA Form 641.

*Frequency:* On Occasion.

*Description of Respondents:*

Individuals requesting counseling, management counseling from SBA.

*Annual Responses:* 450,000.

*Annual Burden:* 59,850.

Dated: August 3, 1995.

**Georgia Greene,**

*Chief, Administrative Information Branch.*

[FR Doc. 95-19704 Filed 8-9-95; 8:45 am]

BILLING CODE 8025-01-M

**DEPARTMENT OF TRANSPORTATION****Aviation Proceedings; Agreements Filed During the Week Ended July 28, 1995**

The following Agreements were filed with the Department of Transportation under the provisions of 49 U.S.C 412 and 414. Answers may be filed within 21 days of date of filing.

*Docket Number:* OST-95-341.

*Date filed:* July 25, 1995.

*Parties:* Members of the International Air Transport Association.

*Subject:* TC12 Fares 0477 dated July 21, 1995, US-UK Add-Ons—Resolution 0151h.

*Proposed Effective Date:* October 1, 1995.

*Docket Number:* OST-95-342.

*Date filed:* July 25, 1995.

*Parties:* Members of the International Air Transport Association.

*Subject:*

r-1 COMP Telex Mail Vote 733, Specific Commodity Rates from India

r-2 COMP Reso/C 062 dated February 24, 1995, Resolution 501 only (All other resolutions in this memorandum were previously filed and assigned Docket 50217.)

r-3 COMP Reso/C 0624 dated February 24, 1995, Resolution 002kk only (were previously filed and assigned Docket 50217.) Airline Economic Justification (A summary is attached. Minutes can be found in Docket 50186 in Memorandum COMP Meet/C 0200.)

*Proposed Effective Date:* upon government approval.

*Docket Number:* OST-95-343.

*Date filed:* July 25, 1995.

*Parties:* Members of the International Air Transport Association.

*Subject:* TC3 Telex Mail Vote 750, Indonesia/Malaysia/Thailand-Japan fares, r-1—041, r-2—0631.

*Proposed Effective Date:* August 1, 1995.

*Docket Number:* OST-95-354.

*Date filed:* July 27, 1995.

*Parties:* Members of the International Air Transport Association.

*Subject:* TC12 Reso/P 1682 dated July 25, 1995, Canada-Europe Expedited Resos, r-1—076jj, r-4—054j, r-7—071q, r-2—080rr, r-5—064j, r-8—073yy, r-3—044j, r-6—073ss.

*Proposed Effective Date:* September 1/ October 1/November 1, 1995.

**Paulette V. Twine,**

*Chief, Documentary Services Division.*

[FR Doc. 95-19709 Filed 8-9-95; 8:45 am]

BILLING CODE 4910-62-P

**Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart Q During the Week Ended July 28, 1995**

The following Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits were filed under Subpart Q of the Department of Transportation's

Procedural Regulations (See 14 CFR 302.1701 *et. seq.*). The due date for Answers, Conforming Applications, or Motions to Modify Scope are set forth below for each application. Following the Answer period DOT may process the application by expedited procedures. Such procedures may consist of the adoption of a show-cause order, a tentative order, or in appropriate cases a final order without further proceedings.

*Docket Number:* OST-95-357.

*Date filed:* July 27, 1995.

*Due Date for Answers, Conforming Applications, or Motion to Modify Scope:* August 24, 1995.

*Description:* Application of American Airlines, Inc., pursuant 49 U.S.C. Section 41102 and Subpart Q of the Regulations, applies for renewal of segment 7 of its certificate of public convenience and necessity for Route 560 (Miami-Cancun), as amended and reissued by Order 92-5-20, May 8, 1992.

**Paulette V. Twine,**

*Chief, Documentary Services Division.*

[FR Doc. 95-19708 Filed 8-9-95; 8:45 am]

BILLING CODE 4910-62-P

**Office of the Secretary****Fitness Determination of Sierra Expressway L.L.C.**

**AGENCY:** Department of Transportation, Secretary.

**ACTION:** Notice of Commuter Air Carrier Fitness Determination—Order 95-8-11, Order to Show Cause.

**SUMMARY:** The Department of Transportation is proposing to find that Sierra Expressway L.L.C., is fit, willing, and able to provide commuter air service under 49 U.S.C. 41738.

**RESPONSES:** All interested persons wishing to respond to the Department of Transportation's tentative fitness determinations should file their responses with Kathy Lusby Cooperstein, Air Carrier Fitness Division, X-56, Room 6401, Department of Transportation, 400 Seventh Street, S.W., Washington, D.C. 20590, and serve them on all persons listed in Attachment A to the order. Responses shall be filed no later than August 11, 1995.

**FOR FURTHER INFORMATION CONTACT:**

Kathy Lusby Cooperstein, Air Carrier Fitness Division (X-56, Room 6401), Department of Transportation, 400 Seventh Street, S.W., Washington, D.C. 20590, (202) 366-2337.