

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW., Washington, DC 20549. Applicant, Federated Investors Tower, Pittsburgh, PA 15222-3779.

FOR FURTHER INFORMATION CONTACT: Marianne H. Khawly, Staff Attorney, at (202) 942-0562, or Robert A. Robertson, 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.

Applicant's Representations

1. Applicant is a registered open-end management investment company under the Act and is organized as a business trust under the laws of the Commonwealth of Massachusetts. On October 4, 1993, applicant filed a Notification of Registration on Form N-8A pursuant to section 8(a) of the Act and a registration statement on Form N-1A under section 8(b) of the Act and under the Securities Act of 1933. On February 10, 1994, the registration statement was declared effective and applicant commenced its initial public offering on that date. Applicant consists of three series: Alexander Hamilton Equity Growth and Income Fund ("Equity Growth and Income Fund"); Alexander Hamilton Government and Income Fund ("Government and Income Fund"); and Alexander Hamilton Municipal Income Fund ("Municipal Income Fund") (each, a "Series").

2. On November 28, 1994, applicant's board of trustees unanimously determined that applicant's continuation was no longer in the best interest of applicant or its shareholders. The board determined that applicant's shareholders would be better served by a liquidation of applicant's assets. The board voted to approve a plan of liquidation whereby applicant's shareholders would be contacted and asked to redeem their shares by November 29, 1994 (the "Liquidation Date").

3. On November 28, 1994, Equity Growth and Income Fund had 507,266.170 shares of beneficial interest outstanding. At such time, Equity Growth and Income Fund had an aggregate and per share net asset value of \$4,805,222.11 and \$9.48, respectively. On or before the Liquidation Date, Equity Growth and Income Fund sold its portfolio securities at fair market value. Brokerage commissions totaling \$732 were paid in connection with the sale. On or before

the Liquidation Date, the holder of 99.8% of Equity Growth and Income Fund's shares, Alexander Hamilton Life Insurance Company ("AHLIC"), parent of Alexander Hamilton Capital Management, Inc., applicant's investment adviser (the "Adviser"), voluntarily redeemed its shares at the redemption date's net asset value.

4. On the November 28, 1994, Government Income Fund had 532,475.146 shares of beneficial interest outstanding. At such time, Government Income Fund had an aggregate and per share net asset value of \$4,793,902.94 and \$9.00, respectively. On or before the Liquidation Date, Government Income Fund sold its portfolio securities at fair market value. No brokerage commissions were paid in connection with the sale. On or before the Liquidation Date, the holder of 98% of Government Income AHLIC, voluntarily redeemed its shares at the redemption date's net asset value.

5. On the November 28, 1994, Municipal Income Fund had 551,300.772 shares of beneficial interest outstanding. At such time, Municipal Income Fund had an aggregate and per share net asset value of \$4,714,748.52 and \$8.55, respectively. On or before the Liquidation Date, Municipal Income Fund sold certain of its portfolio securities at fair market value and the remaining securities were disposed of in accordance with rule 17a-7. No brokerage commissions were paid in connection with the sale. On or before the Liquidation Date, the holder of 99.9% of Government Income Fund's shares, AHLIC, voluntarily redeemed its shares in kind or at the redemption date's net asset value.

6. On the Liquidation date, applicant's administrator, Federated Administrative Services (the "Administrator"), the remaining shareholder of each series, adopted a resolution approving applicant's termination.

7. No outside legal or accounting fees were incurred in connection with the liquidation. Any expenses incurred in connection with applicant's liquidation were waived or paid by the Administrator pursuant to its administrative agreement. All organizational and operational expenses will be paid by the Adviser.

8. As of the date of the application, applicant had no assets, debts, or shareholders. Applicant is not a party to any litigation or administrative proceeding. Applicant is neither engaged in nor proposes to engage in any business activities other than those necessary for the winding-up of its affairs.

9. Applicant will terminate its existence as a business trust under Massachusetts law.

For the SEC, by the Division of Investment Management, under delegated authority. Jonathan G. Katz,
Secretary.

[FR Doc. 95-25252 Filed 10-11-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. IC-21397; File No. 812-9512]

Nationwide Life Insurance Company, et al.

October 5, 1995.

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

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

APPLICANTS: Nationwide Life Insurance Company ("NWL"), Nationwide Life and Annuity Insurance Company ("NWLAI") (together, the "Companies"); Nationwide Variable Account, Nationwide Variable Account II, Nationwide Variable Account 3, Nationwide Variable Account 4, Nationwide Variable Account 5, Nationwide Variable Account 6, Nationwide Multi-Flex Variable Account, Nationwide Fidelity Advisor Variable Account (together, the "NWL Accounts"); Nationwide VA Separate Account-A, Nationwide VA Separate Account-B, Nationwide VA Separate Account-C (together, the "NWLAI Accounts;" the NWL Accounts and the NWLAI Accounts are herein collectively referred to as the "Existing Accounts"); Fidelity Investments Institutional Services Company, Inc. ("Fidelity"); and Nationwide Financial Services, Inc. ("NFS").

RELEVANT ACT SECTIONS: Order requested under section 6(c) of the Act granting an exemption from sections 26(a)(2)(C) and 27(c)(2) of the Act.

SUMMARY OF APPLICATION: Applicants request an order permitting NWL and NWLAI to deduct mortality and expense risk charges from the assets of certain separate accounts that fund certain group or individual deferred variable annuity contracts.

FILING DATES: The application was filed on March 6, 1995, and was amended on August 16, 1995. Applicants have agreed to file an amendment during the notice period, the substance of which is included 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 SEC's Secretary and serving applications with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on October 30, 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 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, NW., Washington, DC 20549; NWL and NWLAIC, One Nationwide Plaza, Columbus, Ohio 43216; and Fidelity, 82 Devonshire Street, Boston, Massachusetts 021090.

FOR FURTHER INFORMATION CONTACT: Sarah A. Wagman, Staff Attorney, at (202) 942-0654, or Robert A. Robertson, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: 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. NWL and NWLAIC are stock life insurance companies incorporated under Ohio law. NWLAIC is a wholly-owned subsidiary of NWL.

2. The NWL Accounts were established by NWL, and the NWLAIC Accounts by NWLAIC, to fund certain group or individual deferred variable annuity contracts, including the contracts described in the application the ("Subject Contracts"). The first Subject Contract ("Subject Contract No. 1") is funded through the Nationwide Variable Account. The second Subject Contract ("Subject Contract No. 2") is funded through Nationwide VA Separate Account-B. The third Subject Contract ("Subject Contract No. 3") is funded through Nationwide Fidelity Advisory Variable Account.

3. The Existing Accounts are registered with the SEC as unit investment trusts under the Act. Applicants request that the relief sought herein extend to all future separate accounts ("Future Accounts"; together with the Existing Accounts, the "Separate Accounts") which may be established by NWL or NWLAIC for the purpose of funding the Subject Contracts and any contracts established by NWL or NWLAIC in the future which will be substantially similar in all

material respects to Subject Contracts Nos. 1, 2, or 3 ("Future Contracts;" together with the Subject Contracts, the "Contracts"). Future Contracts established under any Existing Account will be offered as separate classes of securities under that Existing Account. The Contracts shall be registered as securities under the Securities Act of 1933.

4. The Contracts may be sold as non-tax qualified contracts or as Individual Retirement Annuities qualifying for special tax treatment under section 408(b) of the Internal Revenue Code of 1986 (the "Code"). The Contracts also may be sold as tax-qualified contracts purchased and used in connection with retirement plans under section 401 of the Code, or as tax-sheltered annuities under section 403(b) of the Code. Certain Contracts may qualify for special tax treatment under section 408(a) of the Code.

5. Fidelity, a registered broker-dealer under the Securities Exchange Act of 1934 and a member of the National Association of Securities Dealers, Inc. (the "NASD"), is the principal underwriter for Contracts funded through the Nationwide Fidelity Advisor Variable Account. NFS, a registered broker-dealer under the Securities Exchange Act of 1934 and a member of the NASD, is the principal underwriter for Contracts funded through the Nationwide Variable Account and the Nationwide VA Separate Account-B. Applicants request that the relief sought herein extend to any other broker-dealer and NASD member which may serve as the principal underwriter for the Contracts.

6. Purchase payments under the Contracts will be allocated to the Separate Accounts and, through a number of subaccounts, will be invested in shares of various mutual funds, as specified in the application. The minimum initial purchase payment for Subject Contracts Nos. 1, and 2 is \$15,000. Subsequent purchase payments, if any, must be at least \$5,000 each under Subject Contract No. 1, and at least \$1,000 each under Subject Contract No. 2. The minimum initial purchase payment for Subject Contract No. 3 is \$5,000. Subsequent purchase payments, if any, must be at least \$1,000 each. Future Contracts may have greater or lesser minimum initial and subsequent purchase payments.

7. At any time prior to annuitization, the Contract owner may select one of three annuity payment options, each of which provides for a series of annuity payments commencing on the annuitization date. Each Contract also provides for a death benefit if the

annuitant dies during the accumulation period. The death benefit, if the annuitant dies prior to the annuitization date, and prior to his or her eighty-sixth birthday, is the greater of: (a) The sum of all purchase payments made under the Contract less any amounts surrendered, (b) the sum of the value of all Separate Account accumulation units attributable to the Contract plus any amount held under the Contract in the general account of the Companies (the "Contract Value"), or (c) the Contract Value as of the most recent five-year Contract anniversary, less any amounts surrendered since such anniversary. If the annuitant dies after the annuitization date, the death benefit (if any) will be as specified under the annuity payment option elected. If the annuitant dies after his or her eighty-sixth birthday, the death benefit is limited to the Contract Value.

8. The Companies will charge against the Contract Value the amount of any premium taxes levied by a state or any other governmental entity upon purchase payments received by the company. Premium tax rates currently range from approximately 0% to 3.5%. The Companies currently deduct such charges from a Contract owner's Contract Value either: (i) At the time the Contract is surrendered, (ii) at annuitization, or (iii) in those states that so require, at the time purchase payments are made to the Contract.

9. The Companies permit unlimited transfers among the funds under each of the Subject Contracts. No fees or charges are currently imposed for such transfers. The Companies, however, reserve the right to impose a maximum fee of \$10 per transfer under Future Contracts.

10. The Companies deduct, during both the accumulation and annuitization periods, administration charges of 0.15% (for Subject Contract No. 1) and 0.20% (for Subject Contract No. 2) of the daily net assets of the Nationwide Variable Account and Nationwide VA Separate Account-B, respectively. NWL does not assess any administration charge with respect to Subject Contract No. 3. The administration charge is an amount not greater than expenses without profit actually incurred and directly attributable to services provided by NWL and NWLAIC, respectively. The Companies assess the administration charges in reliance on rule 26a-1 of the Act and may, with respect to Future Contracts that are substantially similar in all material respects to either Subject Contract No. 1 or Subject Contract No. 2, assess administration charges greater than those imposed under Subject Contracts Nos. 1 and 2. Any such

administration charges will be assessed in accordance with rule 26a-1(b), and the Companies shall monitor the proceeds of the administration charge, and other similar administrative or contract maintenance charges, including any transfer fee, to ensure that they do not exceed expenses without profit. Applicants represent that any administrative charge, contract maintenance charge, or transfer fee shall not be increased during the life of a Contract. The Companies believe that the administration charges will yield an amount considerably less than the Companies' current and projected administrative costs.

11. No sales charge is deducted from purchase payments made under the Contracts. However, a contingent deferred sales charge ("CDSC") may be assessed by NWL or NWLAIC if part or all of the Contract Value is withdrawn. Currently, a CDSC is only imposed under Subject Contract No. 1. The CDSC is calculated by multiplying the purchase payments that are withdrawn by a percentage, according to the following schedule:

Number of completed years from the date of purchase payment	CDSC percentage
0	7
1	6
2	5
3	4
4	3
5	2
6	1
7	0

For purposes of imposing the CDSC, purchase payments are considered to be withdrawn on a first-in, first-out basis, and purchase payments are considered to be withdrawn before earnings thereon. Applicants believe that the proceeds from the imposition of the CDSC may not be sufficient to cover all sales expenses. With respect to Future Contracts substantially similar in all material respects to Subject Contract No. 1, applicants reserve the right to impose a CDSC up to 9%, in accordance with rule 6c-8(b)(1).

12. Under Subject Contract No. 1, each Contract year the annuitant may withdraw, without the imposition of a CDSC, an amount equal to 10% of the total sum of all purchase payments made up to the time of withdrawal, less any purchase payments previously withdrawn that were subject to the CDSC. The CDSC-free withdrawal privilege also may be exercised pursuant to a systematic withdrawal program, under which the annuitant may withdraw each Contract year,

without the imposition of a CDSC, an amount up to the greater of (a) 10% of the total sum of all purchase payments made up to the time of withdrawal, less any purchase payments previously withdrawn (the "10% Withdrawal Privilege"), or (b) the specified percentage of the Contract Value based on the annuitant's age, as follows:

Annuitant's age	Percentage of contract value
Under 59-1/2	5
59-1/2 to 70-1/2	7
70-1/2 to 75	9
75 and over	13

If total amounts withdrawn in any Contract year exceed the CDSC-free amount as calculated in connection with the systematic withdrawal privilege, the annuitant may only withdraw, without the imposition of a CDSC, an amount equal to the 10% Withdrawal Privilege. The annuitant may elect to withdraw such CDSC-free amounts only once each Contract year.

13. The Companies intend to assess mortality and expense risk charges against the assets of the Separate Accounts. The aggregate mortality and expense risk charges are equal (for Subject Contracts Nos. 1 and 2), on an annual basis, to 1.25% of the net asset value of the Separate Accounts. Of this amount, 0.80% is attributable to mortality risks, and 0.45% is attributable to expense risks. With respect to Subject Contract No. 3, NWL assesses a mortality risk charge equal, on an annual basis, to 0.80% of the net asset value of the Separate Accounts, and does not assess an expense risk charge. With respect to Future Contracts, the Companies reserve the right to assess a maximum mortality risk charge of 0.95% of the daily net assets of the Separate Accounts associated with Future Contracts, subject to obtaining an appropriate SEC order. The mortality and expense risk charges are guaranteed not to increase for the duration of a Contract.

14. The mortality risk the Companies assume is twofold: (a) the annuity risk of guaranteeing to make monthly payments for the lifetime of the annuitant regardless of how long the annuitant may live, and (b) assuming the risk of a guaranteed minimum death benefit. The annuity risk is present in the form of annuity purchase rates that are guaranteed at issue for the life of the Contract. There is also the risk that the average life expectancy of the entire population may grow longer. The Companies assume an expense risk in connection with their guarantee that

they will not increase annual contract charges regardless of actual expenses incurred.

15. If the mortality and expense risk charges are insufficient to cover the actual costs of the mortality and expense risks, the loss will be borne by the Companies. Conversely, if the mortality and expense risk charges prove more than sufficient, the expense will be a profit to the Companies. In such a situation, the profit will become part of the general account surplus of either NWL or NWLAIC, depending on which is the issuing company, and may be used to compensate each Company for unrecovered distribution expenses.

Applicant's Legal Analysis

1. Applicants request an exemption under section 6(c) of the Act from sections 26(a)(2)(C) and 27(c)(2) of the Act to permit the deduction of mortality and expense risk charges from the assets of the Separate Accounts under the Contracts.

2. Sections 26(a)(2)(C) and 27(c)(2), in relevant part, prohibit a principle underwriter for, or depositor of, a registered unit investment trust from selling periodic payment plan certificates unless the proceeds of all payments, other than sales loads, on such certificates are deposited with a qualified trustee or custodian, within the meaning of section 26(a)(1), and are held under arrangements that prohibit any payment to the depositor or principal underwriter except a reasonable fee, as the Commission may prescribe, for performing bookkeeping and other administrative duties normally performed by the trustee or custodian. The Companies' deduction of mortality and expense risk charges from the assets of the Separate Accounts may be deemed to be a payment prohibited by sections 26(a)(2)(C) and 27(c)(2).

3. Section 6(c) of the Act authorizes the Commission, by order upon application, to conditionally or unconditionally grant an exemption from any provision of the Act, or any rule or regulation promulgated thereunder, 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 purposes fairly intended by the policy and provisions of the Act.

4. Applicants request an exemption under section 6(c) from sections 26(a)(2)(C) and 27(c)(2) to permit the issuance of Contracts subject to the proposed mortality and expense risk charges. Applicants believe that the proposed mortality and expense risk charges on the Subject Contracts and

any Future Contracts funded through Existing or Future Accounts meet the standards of sections 6(c). Applicants believe that any future request for relief with respect to any Future Contract would be substantively and materially the same as the relief sought herein. Applicants believe that the requested relief would eliminate the need for the filing of redundant exemptive applications or amendments, thereby reducing administrative expenses, maximizing efficient use of resources and, thus, promoting competitiveness in the variable annuity market. The delay and expense of repeatedly seeking exemptive relief would impair the Companies' ability to take advantage of business opportunities as they arise.

5. The Companies believe that the level of the mortality and expense risk charges is within the range of industry practice for comparable annuity products and is reasonable in relation to the risks assumed under the Contracts. This representation is based upon the Companies' analysis of publicly available information regarding other insurance companies of similar size and risk ratings offering similar products. The Companies will maintain at their administrative offices, made available to the SEC upon request, memoranda setting forth in detail the products analyzed in the course of, and the methodology and results of, their comparative review.

6. The Companies represent that, in connection with Future Contracts (substantially similar in all material respects to Subject Contracts Nos. 1 and 2 if a mortality and expense risk charge is imposed; Subject Contract No. 3 if only a mortality risk charge is imposed), any mortality and expense risk charges assessed shall be within the range of industry practice for comparable annuity products and shall be reasonable in relation to the risks assumed under the Contracts. This representation will be based upon the Companies' analysis of publicly available information regarding other insurance companies of similar size and risk ratings offering similar products. The Companies will maintain at their administrative offices, made available to the SEC upon request, memoranda setting forth in detail the products analyzed in the course of, and the methodology and results of, their comparative review.

7. The Companies believe that there is a reasonable likelihood that this distribution financing arrangement will benefit Existing Accounts and Contract owners. The basis of this conclusion is set forth in memoranda maintained by the Companies at their administrative

offices, made available to the SEC upon its request.

8. Applicants represent that, with respect to Future Contracts that shall be substantially similar in all material respects to Subject Contracts Nos. 1, 2, or 3, the Companies shall determine that there is a reasonable likelihood that this distribution financing arrangement will benefit Future or Existing Accounts and Future Contract owners. The basis of this conclusion will be set forth in memoranda maintained by the Companies at their administrative offices, made available to the SEC upon its request.

9. Applicants represent that investments of the Separate Accounts will be made only in investment companies that, if they adopt any distribution financing plan under rule 12b-1 under the Act, will have such plan formulated and approved by the investment companies' boards of trustees or directors, the majority of which will not be "interested persons" as defined in the Act.

Conclusion

For the reasons set forth above, applicants believe that the requested 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.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 95-25253 Filed 10-11-95; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

[CGD 95-080]

Navigation Safety Advisory Council Meeting

AGENCY: Coast Guard, DOT.

ACTION: Notice of meeting.

SUMMARY: The Navigation Safety Advisory Council (NAVSAC) will meet to discuss various issues. Agenda items include adequacy of barge lighting, and the human element in integrated systems under Chapter 5, Safety of Navigation, of the Safety of Life at Sea Convention (SOLAS). The meeting will be open to the public.

DATES: The meeting will be held November 10 and 11, 1995, from 8:00 to 5:00 p.m. daily. Written material must

be received on or before October 26, 1995.

ADDRESSES: The meeting will be held at the Holiday Inn Downtown/Convention Center, 811 North Ninth Street, St. Louis, MO 63101. Written material should be submitted to Margie G. Hegy, Executive Director, Commandant (G-NVT-3), U.S. Coast Guard, 2100 Second Street SW., Washington, DC 20593-0001.

FOR FURTHER INFORMATION CONTACT: Margie G. Hegy, Executive Director, Commandant (G-NVT-3), U.S. Coast Guard, 2100 Second Street SW., Washington, DC 20593-0001, telephone (202) 267-0415.

SUPPLEMENTARY INFORMATION: Notice of this meeting is given under the Federal Advisory Committee Act, 5 U.S.C. App. 2 Section 1 *et seq.* The agenda will include discussion of the following topics:

(1) District 2—Western River Bridge Pier Marking Quality Action Team (QAT) Report;

(2) American Waterway Operators' (AWO) Responsible Carrier Program;

(3) The Role of an Electronic Chart Display and Information System (ECDIS) in river navigation;

(4) Adequacy of barge lighting under Navigation Rule 24; and

(5) Review of SOLAS Chapter 5, Safety of Navigation.

Attendance is open to the public. With advance notice, and at the Chairman's discretion, members of the public may make oral presentations during the meeting. Persons wishing to make oral presentations should notify the Executive Director, listed above under **ADDRESSES**, no later than November 2, 1995. Written material may be submitted at any time for presentation to the Council. However, to ensure distribution to each Council member, persons submitting written material are asked to provide 21 copies to the Executive Director no later than October 26, 1995.

Dated: October 5, 1995.

Rudy K. Peschel,

Rear Admiral, U.S. Coast Guard, Chief, Office of Navigation Safety and Waterway Services.

[FR Doc. 95-25291 Filed 10-11-95; 8:45 am]

BILLING CODE 4910-14-M

Federal Aviation Administration

Index of Administrator's Decisions and Orders in Civil Penalty Actions; Publication

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of publication.
