

4. Cityfed requests an order that would exempt it from all provisions of the Act, subject to certain exemptions, until the earlier of one year from the date of any order issued on this application or such time as Cityfed would no longer be required to register as an investment company under the Act.

#### Applicant's Conditions

Cityfed agrees that the requested exemption will be subject to the following conditions, each of which will apply to Cityfed from the date of the order until it no longer meets the definition of an investment company or during the period of time it is exempt from registration under the Act:

1. Cityfed will not purchase or otherwise acquire any additional securities other than securities that are rated investment grade or higher by a nationally recognized statistical rating organization or, if unrated, deemed to be of comparable quality under guidelines approved by Cityfed's board of directors, subject to two exceptions:

a. Cityfed may make an equity investment in issuers that are not investment companies as defined in section 3(a) of the Act (including issuers that are not investment companies because they are covered by a specific exclusion from the definition of investment company under section 3(c) of the Act other than section 3(c)(1) in connection with the possible acquisition of an operating business as evidenced by a resolution approved by Cityfed's board of directors; and

b. Cityfed may invest in one or more money market mutual funds that limit their investments to "Eligible Securities" within the meaning of rule 2a-7(a)(5) promulgated under the Act.

2. Cityfed's Form 10-KSB, Form 10-QSB and annual reports to shareholders will state that an exemptive order has been granted pursuant to sections 6(c) and 6(e) of the Act and that Cityfed and other persons, in their transactions and relations with Cityfed, are subject to sections 9, 17(a), 17(d), 17(e), 17(f), 36 through 45, and 47 through 51 of the Act, and the rules thereunder, as if Cityfed were a registered investment company, except insofar as permitted by the order requested hereby.

3. Notwithstanding sections 17(a) and 17(d) of the Act, an affiliated person (as defined in section 2(a)(3) of the Act) of Cityfed may engage in a transaction that otherwise would be prohibited by these sections with Cityfed:

(a) If such proposed transaction is first approved by a bankruptcy court on the basis that (i) the terms thereof including the consideration to be paid or received,

are reasonable and fair to Cityfed, and (ii) the participation of Cityfed in the proposed transaction will not be on a basis less advantageous to Cityfed than that of other participants; and

(b) In connection with each such transaction, Cityfed shall inform the bankruptcy court of: (i) The identity of all of its affiliated persons who are parties to, or have a direct or indirect financial interest in, the transaction; (ii) the nature of the affiliation; and (iii) the financial interests of such persons in the transaction.

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

Margaret H. McFarland,

*Deputy Secretary.*

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BILLING CODE 8010-01-M

#### [Investment Company Act Release No. 21711; 811-2953]

#### John Hancock Cash Management Fund; Notice of Application

January 26, 1996.

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

**ACTION:** Notice of Application for Deregistration under the Investment Company Act of 1940 (the "Act").

**APPLICANT:** John Hancock Cash Management Fund.

**RELEVANT ACT SECTION:** Section 8(f).

**SUMMARY OF APPLICATION:** Applicant requests an order declaring that it has ceased to be an investment company.

**FLILING DATE:** The application was filed on January 10, 1996.

**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 February 20, 1996 and should be accompanied by proof of service on the 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 5th Street, NW., Washington, DC 20549. Applicant, c/o Anne C. Hodsdon, 101 Huntington Avenue, Boston, MA 02199-7603.

**FOR FURTHER INFORMATION CONTACT:** Robert 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 an open-end management investment company organized as a Massachusetts business trust. On August 24, 1979, applicant filed a notice of registration pursuant to section 8(b) of the Act on Form N-8A. Applicant registered an unlimited number of shares by a registration statement on Form N-1A under the Securities Act of 1933. The registration statement became effective on October 26, 1979, and the initial public offering commenced as soon as practicable thereafter.

2. On August 28, 1995, applicant's board of trustees, including a majority of trustees who were not interested persons of the applicant, approved an Agreement and Plan of Reorganization (the "Plan"). The Plan provided that applicant would transfer all of its assets and liabilities to John Hancock Money Market Fund ("Money Market Fund").

3. Applicant and the Money Market Fund may be deemed to be affiliated persons of each other by reasons of having a common investment adviser, common directors, and common officers. In compliance with rule 17a-8, which governs mergers of certain affiliated investment companies, applicant's trustees determined that the reorganization was in the best interests of applicant and the interests of applicant's existing shareholders would not be diluted.<sup>1</sup>

4. Applicant filed its preliminary proxy materials as part of Series, Inc.'s registration statement on Form N-14 with the SEC on September 7, 1995 and filed definitive copies of its proxy materials on October 12, 1995. Applicant's shareholders approved the Plan at a meeting held on November 15, 1995.

5. On November 17, 1995, the reorganization was consummated. Applicant transferred all of its assets and liabilities to the Money Market Fund in exchange for shares of the Money Market Fund with an aggregate

<sup>1</sup> Although purchases and sales between affiliated persons generally are prohibited by section 17(a) of the Act, rule 17a-8 provides an exemption for certain purchases and sales among investment companies that are affiliated persons of each other solely by reason of having a common investment adviser, common directors, and/or common officers.

net asset value equal to the net asset value of applicant's assets transferred. Specifically, in exchange for \$241,651,168 of assets transferred, the Money Market Fund issued 241,738,168 Class A shares of common stock.

6. The expenses applicable to the reorganization, consisting of accounting, printing, administrative and certain legal expenses, are estimated to be approximately \$120,000. Applicant and the Money Market Fund each assumed its own expenses related to the reorganization. Applicant's share of the expenses were approximately \$57,500.

7. At the time of filing the application, applicant had no assets, outstanding debts or liabilities. Applicant has no shareholders and is not a party to any litigation or administrative proceeding. Applicant is not presently engaged in, nor does it propose to engage in, any business activities other than those necessary for the winding up of its affairs.

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

Margaret H. McFarland,  
*Deputy Secretary.*

[FR Doc. 96-2053 Filed 1-31-96; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-21709; International Series Release No. 922; File No. 812-9656]

**PNC Bank, N.A. and PFPC Trustee & Custodial Services Ltd; Notice of Application**

January 26, 1996.

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

**ACTION:** Notice of Application for Exemption under the Investment Company Act of 1940 (the "Act").

**APPLICANTS:** PNC Bank, N.A. ("PNC") and PFPC Trustee & Custodial Services ("PFPC").

**RELEVANT ACT SECTIONS:** Order requested under section 6(c) of the Act for an exemption from section 17(f) of the Act.

**SUMMARY OF APPLICATION:** Applicants request an order that would permit PFPC, a subsidiary of PNC, to act as custodian for certain investment companies' foreign assets in Ireland. The order further would permit PFPC to act as primary custodian for all assets of such investment companies and to delegate to PNC all duties and obligations relating to the custody of the investment companies' U.S. assets.

**FILING DATE:** The application was filed on July 7, 1995 and amended on November 29, 1995. Applicants have agreed to file an amendment, the

substance of which is incorporated herein, during the notice period.

**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 February 20, 1996 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 Fifth Street, N.W., Washington, D.C. 20549. Applicants, PNC Bank, N.A., Land Title Building, Broad & Chestnut Streets, Philadelphia, Pennsylvania 19110, Attn: Gary M. Gardner, Esq.

**FOR FURTHER INFORMATION CONTACT:** Deepak T. Pai, Staff Attorney, at (202) 942-0574, or Alison E. Baur, 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 at the SEC's Public Reference Branch.

**Applicants' Representations**

1. PNC is a national banking association organized and existing under the laws of the United States, and is regulated by the Comptroller of the Currency under the National Bank Act. As of December 31, 1994, PNC had aggregate capital, surplus and undivided profits exceeding \$3.2 billion. PNC is a wholly-owned indirect subsidiary of PNC Bank Corp., a bank holding company organized under the laws of Pennsylvania and regulated under the Bank Holding Company Act of 1956. PNC provides custodial and other services to registered investment companies, offshore funds, investment advisers, pension funds, other financial institutions, and individuals.

2. PFPC is a wholly-owned indirect subsidiary of PNC. PFPC is a limited purpose corporation supervised by the Central Bank of Ireland under several Irish laws, including the Companies Act 1990, the Unit Trust Act 1990, and the Investment Limited Partnership Act. PFPC was organized in Ireland to provide custody services for PNC's U.S. investment company customers.

3. Applicants request an order exempting PNC, PFPC, any management investment company registered under the Act other than an investment company registered under section 7(d) of the Act (a "U.S. Investment Company"), and any custodian for a U.S. Investment Company, from the provisions of section 17(f) of the Act to the extent necessary to permit: (a) PNC (as custodian or subcustodian for U.S. Investment Companies) or a U.S. Investment Company to deposit, or cause or permit the U.S. Investment Company to deposit, its Foreign Securities, cash, and cash equivalents ("Foreign Assets") with PFPC, as delegate for PNC; (b) PFPC (as custodian or subcustodian) to receive and hold the Foreign Assets of a U.S. Investment Company directly from such U.S. Investment Company, its custodian or subcustodian (other than PNC); or (c) PFPC, upon request by a U.S. Investment Company, to act as primary custodian for all assets of investment companies and to delegate to PNC all duties and obligations relating to the custody of the U.S. Investment Company's U.S. Assets. As used herein, the term "Foreign Securities" includes (i) securities issued and sold primarily outside the U.S. by a foreign government, a national or any foreign country, or a corporation or other organization incorporated or organized under the laws of any foreign country; and (ii) securities issued or guaranteed by the U.S. Government or by any state or any political subdivision or any agency thereof or by any entity organized under the law of the U.S. or any state thereof which have been issued and sold primarily outside the U.S. The term "U.S. Assets" includes securities, cash and cash equivalents other than Foreign Assets.

4. PFPC would provide custody services required in Ireland as delegate for PNC, when PNC acts as custodian or subcustodian for a U.S. Investment Company, or directly, as custodian or subcustodian for a U.S. Investment Company for the investment company's Foreign Assets. In addition, if requested by a U.S. Investment Company, PFPC would act as primary custodian for that company's assets and delegate to PNC all custody services to be provided to the company with respect to the U.S. Assets. In each case, PNC will assume liability for any loss caused by PFPC. Thus, there will be no difference in the nature or extent of PNC's liability based on whether such services are provided by PFPC directly or as PNC's delegate.

5. PFPC proposes to act as primary custodian for assets of a U.S. Investment Company to accommodate certain