

Dated: July 9, 2002.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 02-17974 Filed 7-16-02; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No.
25655; 812-12640]

The Phoenix Edge Series Fund and Phoenix Variable Advisors, Inc.; Notice of Application

July 10, 2002.

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

ACTION: Notice of application for an
exemption under section 6(c) of the
Investment Company Act of 1940
("Act") from section 15(a) of the Act
and rule 18f-2 under the Act.

Summary of Application: The order
would permit applicants to enter into
and materially amend subadvisory
agreements without shareholder
approval.

Applicants: The Phoenix Edge Series
Fund (the "Fund") and Phoenix
Variable Advisors, Inc. (the "Advisor").

Filing Dates: The application was
filed on September 26, 2001, and
amended on July 9, 2002.

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
August 5, 2002, 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-
0609. Applicants, One American Row,
P.O. Box 5056, Hartford, CT, 06102-
5056.

FOR FURTHER INFORMATION CONTACT:
Keith A. Gregory, Senior Counsel, at
(202) 942-0611, or Mary Kay Frech,
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, 450 Fifth
Street, NW, Washington, DC 20549-
0102 (tel. (202) 942-8090).

Applicants' Representations

1. The Fund is a Massachusetts
business trust registered under the Act
as an open-end management investment
company. The Fund is presently
comprised of twenty-seven series, each
with its own investment objectives,
policies, and restrictions. Shares of the
Fund are currently offered only to the
separate accounts of Phoenix Life
Insurance Company ("Phoenix"), PHL
Variable Insurance Company, and
Phoenix Life and Annuity Company to
fund benefits under variable annuity
and variable life insurance contracts
issued by those companies.

2. The Advisor, a Delaware
corporation, serves as the investment
adviser to certain series of the Fund that
use the management structure described
in the application (each a "Series" and
collectively, the "Series")¹. The
Advisor is registered under the
Investment Advisers Act of 1940 (the
"Advisers Act") and is an indirect,
wholly owned subsidiary of Phoenix.

3. The Fund, on behalf of the Series,
has entered into an investment advisory
agreement with the Advisor (the
"Advisory Agreement"), pursuant to
which the Advisor serves as the
investment adviser to the Series. The
Advisory Agreement has been approved
by a majority of the Fund's board of
trustees ("Board"), including a majority
of the trustees who are not "interested
persons," as defined in section 2(a)(19)
of the Act, of the Fund or the Advisor
("Independent Trustees"), and each
Series' shareholder(s). Under the terms
of the Advisory Agreement, the Advisor,
subject to oversight by the Board, has
supervisory responsibility for the

¹ The Applicants also request relief with respect
to current or future series of the Fund and any other
registered open-end management investment
companies and their series that: (a) Are advised by
the Advisor or any entity controlling, controlled by,
or under common control with the Advisor; (b) use
the management structure described in the
application; and (c) comply with the terms and
conditions in the application ("Future Series,"
included in the term "Series"). The Fund is the
only registered open-end management investment
company that currently intends to rely on the
requested order. Applicants state that if a Series has
the name of any Subadvisor, as defined below, in
the Series' name, the Series' name will be preceded
by the name of the Advisor (such as "Phoenix,"
which is the name of the Advisor in conducting its
business) or the name of the entity controlling,
controlled by, or under common control with the
Advisor that serves as the primary adviser to such
Series.

investment program of each Series. The
Advisor also evaluates, selects, and
recommends subadvisors
("Subadvisors") to manage all or a
portion of the assets of each Series. Each
Subadvisor is, or will be, an investment
adviser registered, or exempt from
registration, under the Advisers Act,
and performs services pursuant to a
written agreement with the Advisor
("Subadvisory Agreement"). As
compensation for its services, the
Advisor receives a fee from the Fund at
annual rates based on a percentage of
the applicable Series' average daily net
assets. Each Subadvisor will be paid by
the Advisor out of the fees received by
the Advisor from the Series.

4. The Advisor selects Subadvisors
based on continuing quantitative and
qualitative evaluation of their skills and
proven abilities in managing assets
pursuant to a specific investment style.
The Advisor monitors compliance of
Subadvisors with the investment
objectives and related policies of each
Series and reviews the performance of
each Subadvisor in order to assure
continuing quality of performance. The
Advisor may recommend to the Board
reallocation of Series' assets among
Subadvisors, if necessary, or
recommend that the Fund employ or
terminate particular Subadvisors, to the
extent the Advisor deems appropriate to
achieve the overall objectives of a
particular Series.

5. Applicants request an order to
permit the Advisor, subject to oversight
by the Board, to enter into and
materially amend Subadvisory
Agreements without obtaining
shareholder approval. The requested
relief will not extend to any Subadvisor
that is an affiliated person, as defined in
section 2(a)(3) of the Act, of the Fund or
the Advisor, other than by reason of
serving as a Subadvisor to one or more
of the Series ("Affiliated Subadvisor").
None of the current Subadvisors is an
Affiliated Subadvisor.

Applicants' Legal Analysis

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

2. Section 6(c) of the Act authorizes
the Commission to exempt persons or
transactions from the provisions of the

Act to the extent that the exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policies and provisions of the Act. Applicants request an exemption under section 6(c) of the Act from section 15(a) of the Act and rule 18f-2 under the Act to permit them to enter into and materially amend Subadvisory Agreements without shareholder approval.

3. Applicants assert that shareholders rely on the Advisor to select and monitor the Subadvisors best suited to achieve a Series' investment objectives. Applicants assert that, from the perspective of the investor, the role of the Subadvisors is comparable to that of individual portfolio managers employed by other investment advisory firms. Applicants contend that requiring shareholder approval of the Subadvisory Agreements would impose expenses and unnecessary delays on the Series, and may preclude the Advisor from acting promptly in a manner considered advisable by the Board. Applicants note that the Advisory Agreement will remain fully subject to section 15(a) of the Act and rule 18f-2 under the Act, including the requirements for shareholder approval.

Applicants' Conditions

Applicants agree that the order granting the requested relief will be subject to the following conditions:

1. The Advisor will not enter into a Subadvisory Agreement with any Affiliated Subadvisor without that agreement, including the compensation to be paid thereunder, being approved by the shareholders of the applicable Series (or, if the Series serves as a funding medium for any sub-account of a registered separate account, pursuant to voting instructions provided by owners of the variable annuity contracts and variable life insurance contracts ("Contract Owners") who have allocated assets to that sub-account).

2. At all times, a majority of the Board will be Independent Trustees, subject to the suspension of this requirement for the death, disqualification or bona fide resignation of trustees as provided by rule 10e-1 under the Act, and the nomination of new or additional Independent Trustees will be at the discretion of the then-existing Independent Trustees.

3. When a Subadvisor change is proposed for a Series with an Affiliated Subadvisor, the Board, including a majority of the Independent Trustees, will make a separate finding, reflected in the Board minutes, that the change is in the best interests of the Series and its

shareholders (or, if the Series serves as a funding medium for any sub-account of a registered separate account, in the best interests of the Series and the Contract Owners who have allocated assets to that sub-account), and does not involve a conflict of interest from which the Advisor or the Affiliated Subadvisor derives an inappropriate advantage.

4. Before a Series may rely on the requested order, the operation of the Series in the manner described in the application will be approved by a majority of the Series' outstanding voting securities, (or, if the Series serves as a funding medium for any sub-account of a registered separate account, pursuant to voting instructions provided by Contract Owners who have allocated assets to that sub-account) or, in the case of a Series whose public shareholders (or Contract Owners through a sub-account of a registered separate account) purchase shares on the basis of a prospectus containing the disclosure contemplated by condition 6 below, by the initial shareholder(s) before offering shares of that Series to the public (or to Contract Owners through a sub-account of a registered separate account).

5. The Advisor will provide general management services to the Fund and its Series, including overall supervisory responsibility for the general management and investment of each Series' securities portfolio, and, subject to review and approval by the Board, will: (a) Set the Series' overall investment strategies; (b) evaluate, select and recommend Subadvisors to manage all or part of a Series' assets; (c) allocate and, when appropriate, reallocate a Series' assets among multiple Subadvisors; (d) monitor and evaluate the performance of Subadvisors; and (e) implement procedures reasonably designed to ensure that the Subadvisors comply with the relevant Series' investment objectives, policies and restrictions.

6. Each Series relying on the requested order will disclose in its prospectus the existence, substance, and effect of any order granted pursuant to the application. In addition, each Series will hold itself out to the public as employing the management structure described in the application. The prospectus will prominently disclose that the Advisor has the ultimate responsibility (subject to oversight by the Board) to oversee the Subadvisors and recommend their hiring, termination, and replacement.

7. No trustee or officer of the Fund or officer or director of the Advisor will own directly or indirectly (other than through a pooled investment vehicle

that is not controlled by that trustee, director or officer), any interest in a Subadvisor, except for: (a) Ownership of interests in the Advisor or any entity that controls, is controlled by, or is under common control with the Advisor; 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 Subadvisor or an entity that controls, is controlled by, or is under common control with a Subadvisor.

8. Within 90 days of the hiring of any new Subadvisor, shareholders of the Series (or, if the Series serves as a funding medium for any sub-account of a registered separate account, Contract Owners who have allocated assets to that sub-account) will be furnished all information about the new Subadvisor that would be included in a proxy statement, including any change in such disclosure caused by an addition of a new Subadvisor. To meet this condition, the Series will provide shareholders (or Contract Owners) with an information statement meeting the requirements of Regulation 14C, Schedule 14C, and Item 22 of Schedule 14A under the Securities Exchange Act of 1934.

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

Margaret H. McFarland,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-46176; File No. SR-Amex-2002-60]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval to Proposed Rule Change by the American Stock Exchange LLC To Extend for an Additional 90 Days Its Pilot Program Relating to Facilitation Cross Transactions

July 9, 2002.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 3, 2002, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.