

applicant made a final liquidating distribution to its shareholders, based on net asset value. Expenses of \$20,200 incurred in connection with the liquidation were paid by applicant and applicant's investment adviser, Morgan Stanley Investment Management, Inc.

*Filing Date:* The application was filed on November 5, 2003.

*Applicant's Address:* 1221 Avenue of the Americas, New York, NY 10020.

**Aon Funds [File No. 811-6422]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On December 3, 2002, applicant made a liquidating distribution to its shareholders, based on net asset value. Expenses of \$24,089 incurred in connection with the liquidation were paid by applicant.

*Filing Date:* The application was filed on October 31, 2003.

*Applicant's Address:* 200 East Randolph St., Chicago, IL 60601.

**Venus Series Trust [File No. 811-9717]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On October 18, 2002, applicant made a liquidating distribution to its shareholders, based on net asset value. Expenses of approximately \$1,000 incurred in connection with the liquidation were paid by Venus Capital Management, applicant's investment adviser.

*Filing Date:* The application was filed on October 27, 2003.

*Applicant's Address:* 31 Milk St., Third Floor, Boston, MA 02109.

**SmithGraham Institutional Funds [File No. 811-21112]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On September 22, 2003, applicant made a liquidating distribution to its shareholders, based on net asset value. Expenses of \$8,350 incurred in connection with the liquidation were paid by Smith, Graham & Co. Investment Advisors, L.P., applicant's investment adviser.

*Filing Date:* The application was filed on October 28, 2003.

*Applicant's Address:* c/o PFPC Inc., 400 Bellevue Parkway, Wilmington, DE 19809.

**Credit Suisse Investment Grade Bond Fund, Inc. [File No. 811-5600]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On October 10, 2003, applicant transferred its assets to Credit Suisse Fixed Income Fund, based on net asset value. Expenses of \$145,000 incurred in connection with the

reorganization were paid by applicant's investment adviser, Credit Suisse Asset Management, LLC, and/or its affiliates.

*Filing Date:* The application was filed on November 3, 2003.

*Applicant's Address:* 466 Lexington Ave., New York, NY 10017.

**St. Clair Funds, Inc. [File No. 811-4038]**

**The Munder Funds Trust [File No. 811-5899]**

*Summary:* Each applicant seeks an order declaring that it has ceased to be an investment company. By June 13, 2003, all series of applicants had transferred their assets to corresponding series of Munder Series Trust, based on net asset value. Expenses of \$60,305 and \$174,185, respectively, incurred in connection with the reorganizations were paid by applicants.

*Filing Date:* The applications were filed on November 5, 2003.

*Applicants' Address:* 480 Pierce St., Birmingham, MI 48009.

**Credit Suisse Institutional International Fund, Inc. [File No. 811-8933]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On August 22, 2003, applicant transferred its assets to Credit Suisse Institutional Fund, Inc., based on net asset value. Expenses of \$140,000 incurred in connection with the reorganization were paid by applicant's investment adviser, Credit Suisse Asset Management, LLC, and/or its affiliates.

*Filing Date:* The application was filed on November 4, 2003.

*Applicant's Address:* 466 Lexington Ave., New York, NY 10017.

**Credit Suisse Global Health Sciences Fund, Inc. [File No. 811-7901]**

**Credit Suisse Global Technology Fund, Inc. [File No. 811-8935]**

*Summary:* Each applicant seeks an order declaring that it has ceased to be an investment company. On September 26, 2003 and October 10, 2003, respectively, each applicant transferred its assets to Credit Suisse Global Post-Venture Capital Fund, Inc., based on net asset value. Expenses of \$150,000 and \$200,000, respectively, incurred in connection with the reorganizations were paid by applicants' investment adviser, Credit Suisse Asset Management, LLC, and /or its affiliates.

*Filing Date:* The applications were filed on November 4, 2003.

*Applicants' Address:* 466 Lexington Ave., New York, NY 10017.

**Oppenheimer Concentrated Growth Fund [File No. 811-10047]**

*Summary:* Applicant seeks an order declaring that it has ceased to be an investment company. On May 16, 2003, applicant made a liquidating distribution to its shareholders, based on net asset value. Applicant incurred no expenses in connection with the liquidation.

*Filing Date:* The application was filed on November 5, 2003.

*Applicant's Address:* 6803 South Tucson Way, Englewood, CO 80112.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 03-29621 Filed 11-26-03; 8:45 am]

**BILLING CODE 8010-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

**[Investment Company Act Release No. 26260; 812-13019]**

**Hennion & Walsh, Inc., et al.; Notice of Application**

November 21, 2003.

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

**ACTION:** Notice of application under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from section 12(d)(3) of the Act.

**SUMMARY OF APPLICATION:** The requested order would permit certain series of unit investment trusts to invest up to 10.5%, 14.5% or 34.5% of their respective total assets in securities of issuers that derived more than 15% of their gross revenues in their most recent fiscal year from securities related activities ("Securities Related Issuers").

**APPLICANTS:** Hennion & Walsh, Inc. ("Sponsor"); Smart Trust, The Pinnacle Family of Trusts, Schwab Trusts, Equity Securities Trust, and EST Symphony Trust ("Trusts"); all presently outstanding and subsequently issued series of the Trusts ("Series"); and all future unit investment trusts ("UITs") containing qualified securities and sponsored or co-sponsored by the Sponsor or a sponsor controlling, controlled by, or under common control, within the meaning of section 2(a)(9) of the Act, with the Sponsor (these UITs are included in the term Trusts and their series included in the term Series).

**FILING DATES:** The application was filed on September 12, 2003, and amended on November 12, 2003.

**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 December 16, 2003, 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, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC, 20549. Applicants, Hennion & Walsh, Inc., 2001 Route 46, Hilltop Plaza, Parsippany, NJ 07054.

**FOR FURTHER INFORMATION CONTACT:** Marc R. Ponchione, Senior Counsel, at (202) 942-7927, 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 at the Commission's Public Reference Branch, 450 Fifth Street, NW, Washington, DC, 20549 (telephone 202-942-8090).

#### *Applicants' Representations*

1. Each Trust is a UIT registered under the Act and consists of various Series. The Sponsor is a sponsor of the Series. The investment objective of certain Series is to seek a greater total return than the stocks comprising the Dow Jones Industrial Average ("DJIA," and the Series, "Dow Series"). Certain of the Dow Series ("Top Ten Series") will invest approximately 10% of the value of its total assets in each of the ten common stocks in the DJIA that have the highest dividend yields (the "Top Ten"). In no event will a Top Ten Series invest more than 10.5% of the value of its total assets in the common stock of a Securities Related Issuer in the Top Ten. Certain other Dow Series ("Triple Strategy Series") will invest 20% of the value of its total assets in the Top Ten, 60% of the value of its total assets in the five lowest priced stocks of the Top Ten (the "Focus Five"), and 20% of the

value of its total assets in the single stock that is the second lowest priced stock of the Focus Five (the "Penultimate Pick"). A Triple Strategy Series will invest no more than 10.5% with respect to the Top Ten, 14.5% with respect to the Focus Five, or 34.5% with respect to the Penultimate Pick, if the Penultimate Pick is itself a Securities Related Issuer, of the value of its total assets in a Securities Related Issuer.

2. The DJIA comprises 30 widely-held common stocks listed on the New York Stock Exchange that are chosen by the editors of The Wall Street Journal. The DJIA is the property of Dow Jones & Company, Inc., which is not affiliated with any Series, the Sponsor, or any co-sponsor and does not participate in any way in the creation of any Series or the selection of its stocks. The securities deposited in each Dow Series will be chosen solely according to the formula described above. The Sponsor will not have any discretion as to which securities are purchased. Sales of securities in the Dow Series' portfolios will be made in connection with redemptions and at termination of the Trust on a date specified a year in advance. The Sponsor does not have discretion as to when the securities will be sold except in extremely limited circumstances, such as default by the issuer in the payment of amounts due on a security or the institution of certain legal proceedings against the issuer.

#### *Applicants' Legal Analysis*

1. Section 12(d)(3) of the Act prohibits, with limited exceptions, an investment company from acquiring any security issued by any person who is a broker, dealer, underwriter, an investment adviser of an investment company, or a registered investment adviser. Rule 12d3-1 under the Act exempts the purchase of securities of an issuer that derived more than fifteen percent of its gross revenues in its most recent fiscal year from securities related activities, provided that, among other things, immediately after an acquisition, the acquiring company has not invested more than 5% of the value of its total assets in the securities of the issuer.

2. Section 6(c) of the Act provides that the SEC may exempt a person from any provision of the Act or any rule under the Act, if and 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 policy and provisions of the Act.

3. Applicants request an exemption under section 6(c) from section 12(d)(3) to permit a Top Ten Series to invest up to approximately 10%, but in no event

more than 10.5%, of the value of its total assets in a Securities Related Issuer in the Top Ten, and to permit a Triple Strategy Series to invest up to approximately 10%, but in no event more than 10.5%, of the value of its total assets in a Securities Related Issuer in the Top Ten, approximately 14%, but in no event more than 14.5%, of the value of its total assets in a Securities Related Issuer in the Focus Five, and approximately 34%, but in no event more than 34.5%, of the value of its total assets in the Penultimate Pick, if the Penultimate Pick is itself a Securities Related Issuer. Each of the Top Ten Series and Triple Strategy Series will comply with all of the conditions of rule 12d3-1, except the condition prohibiting an investment company from investing more than 5% of the value of its total assets in securities of a Securities Related Issuer.

4. Applicants state that section 12(d)(3) was designed to prevent certain potential conflicts of interest and to eliminate certain reciprocal practices between investment companies and securities related businesses. One potential conflict of interest could occur if an investment company purchased securities or other interests in a broker-dealer to reward that broker-dealer for selling investment company shares, rather than solely on investment merit. Applicants state that this concern does not arise in connection with the Top Ten Series and the Triple Strategy Series because neither the Series nor the Sponsor has discretion in choosing the portfolio securities or the amount purchased. Applicants also state that the effect of a Series' purchase on the stock of a Securities Related Issuer would be *de minimis* because the common stocks represented in the DJIA are widely held and have active markets.

5. Applicants state that another potential conflict of interest could occur if an investment company directed brokerage to a broker-dealer in which the investment company has invested to enhance the broker-dealer's profitability or to assist it during financial difficulty, even though that broker-dealer may not offer the best price and execution. To preclude this type of conflict, applicants agree, as a condition to the requested order, that no company held in a Series' portfolio, nor any affiliated person of that company, will act as a broker for any Series in the purchase or sale of any security for its portfolio.

#### *Applicants' Condition*

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

No company held in the Series' portfolios nor any affiliated person of that company will act as a broker for any Series in the purchase or sale of any securities for the Series' portfolios.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 03-29656 Filed 11-26-03; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 26261; 812-12877]

### First Trust Portfolios, L.P., et al.; Notice of Application

November 21, 2003.

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

**ACTION:** Notice of an application for an order under section 12(d)(1)(J) of the Investment Company Act of 1940 (the "Act") for an exemption from sections 12(d)(1)(A), (B) and (C) of the Act and under sections 6(c) and 17(b) of the Act for an exemption from section 17(a) of the Act.

**SUMMARY OF THE APPLICATION:** FT Series (the "Trust") and any registered unit investment trusts ("UITs") organized in the future and sponsored by First Trust Portfolios, L.P. ("Sponsor"), and their respective series (together with the Trust, the "Trusts", and each series of the Trusts, a "Trust Series"), request an order to permit the Trusts to acquire shares of registered management investment companies and UITs both within and outside the same group of investment companies.

**APPLICANTS:** First Trust Portfolios, L.P. and FT Series.

**FILING DATES:** The application was filed on August 28, 2002 and amended on November 10, 2003.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the requested relief 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 December 16, 2003, 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, NW., Washington, DC, 20549-0609. Applicants, 1001 Warrenville Road, Lisle, IL 60532.

**FOR FURTHER INFORMATION CONTACT:** Emerson S. Davis, Sr., Senior Counsel, at (202) 942-0714, or Annette Capretta, 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 Commission's Public Reference Branch, 450 Fifth Street, NW., Washington, DC, 20549-0102 (tel. 202-942-8090).

### Applicants' Representations

1. The Trust is a UIT registered under the Act. Each Trust Series will be a series of a Trust, each a UIT which is or will be registered under the Act.<sup>1</sup> The Sponsor, an Illinois limited partnership, is registered under the Securities Exchange Act of 1934 as a broker-dealer.

2. Applicants request relief to permit a Trust Series to invest in (a) registered investment companies that are part of the same "group of investment companies" (as that term is defined in section 12(d)(1)(G) of the Act) as the Trust ("Affiliated Funds"), and (b) registered investment companies that are not part of the same group of investment companies as the Trust ("Unaffiliated Funds," together with Affiliated Funds, the "Funds"). The Unaffiliated Funds may include UITs ("Unaffiliated Underlying Trusts") and open-end or closed-end management investment companies ("Unaffiliated Underlying Funds"). Certain of the Unaffiliated Underlying Trusts or Unaffiliated Underlying Funds may be "exchange-traded funds" that are registered under the Act as UITs or open-end management investment companies and have received exemptive relief to sell their shares on a national securities exchange at negotiated prices.<sup>1</sup>

3. Applicants state that the requested relief will benefit unitholders by

<sup>1</sup> All Trusts that currently intend to rely on the requested order are named as applicants. Any other Trust that relies on the order in the future will comply with the terms and conditions of the application.

<sup>1</sup> All Trusts that currently intend to rely on the requested order are named as applicants. Any other Trust that relies on the order in the future will comply with the terms and conditions of the application.

providing investors with a professionally selected, diversified portfolio of investment company shares through a single investment vehicle.

### Applicants' Legal Analysis

#### A. Section 12(d)(1)

1. Section 12(d)(1)(A) of the Act prohibits a registered investment company from acquiring shares of an investment company if such securities represent more than 3% of the total outstanding voting stock of the acquired company, more than 5% of the total assets of the acquiring company, or, together with the securities of any other investment companies, more than 10% of the total assets of the acquiring company. Section 12(d)(1)(B) of the Act prohibits a registered open-end investment company from selling its shares to another investment company if the sale will cause the acquiring company to own more than 3% of the acquired company's voting stock, or if the sale will cause more than 10% of the acquired company's voting stock to be owned by investment companies generally. Section 12(d)(1)(C) prohibits an investment company, other investment companies having the same investment adviser, and companies controlled by such investment companies, from acquiring more than 10% of the outstanding voting stock of a registered closed-end management investment company.

2. Section 12(d)(1)(G) provides, in relevant part, that section 12(d)(1) will not apply to securities of a registered open-end investment company or UIT acquired by a registered UIT if the acquired company and the acquiring company are part of the same group of investment companies, provided that certain other requirements contained in section 12(d)(1)(G) are met. Applicants state that they may not rely on section 12(d)(1)(G) because a Trust Series may invest in Unaffiliated Funds in addition to Affiliated Funds.

3. Section 12(d)(1)(J) of the Act provides that the Commission may exempt any person, security, or transaction or any class or classes of persons, securities or transactions, from any provision of section 12(d)(1) if the exemption is consistent with the public interest and the protection of investors. Applicants request an exemption under section 12(d)(1)(J) to permit a Trust Series to acquire shares of a Fund and to permit a Fund to sell shares to a Trust Series beyond the limits set forth in sections 12(d)(1)(A), (B) and (C).

4. Applicants state that the proposed arrangement will not give rise to the policy concerns underlying sections