available through the NRC Public Document Room at pdr.resource@nrc.gov, or by calling the PDR at 1–800–397–4209, or from the Publicly Available Records System (PARS) component of NRC’s document system (ADAMS) which is accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html or http://www.nrc.gov/reading-rm/doc-collections/ACRS/.

Video teleconferencing service is available for observing open sessions of ACRS meetings. Those wishing to use this service should contact Mr. Theron Brown, ACRS Audio Visual Technician (301–415–8066), between 7:30 a.m. and 3:45 p.m. (ET), at least 10 days before the meeting to ensure the availability of this service.

Individuals or organizations requesting this service will be responsible for telephone line charges and for providing the equipment and facilities that they use to establish the video teleconferencing link. The availability of video teleconferencing services is not guaranteed.

Dated: March 14, 2012.

Andrew L. Bates,
Advisory Committee Management Officer.

[FR Doc. 2012–6667 Filed 3–19–12; 8:45 am]
Applicants’ Representations

1. AFIS is organized as a Massachusetts business trust and is registered under the Act as an open-end management investment company. CRMC, a Delaware corporation, is an investment adviser registered under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). CRMC or another Adviser (as defined below) will serve as investment adviser to each Fund of Funds (as defined below). AFD is a California corporation, registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and will serve as the distributor for the initial Fund of Funds.

2. Applicants request the exemption to the extent necessary to permit any existing or future series of AFIS and any other existing or future registered open-end investment company or series thereof that (i) is advised by CRMC or any person controlling, controlled by or under common control with CRMC (any such adviser or CRMC, an “Adviser”); 1 (ii) invests in other registered open-end investment companies (“Underlying Funds”) in reliance on section 12(d)(1)(G) of the Act; and (iii) is also eligible to invest in securities (as defined in section 2(a)(36) of the Act) in reliance on rule 12d1–2 under the Act (each a “Fund of Funds”), to also invest, to the extent consistent with its investment objectives, policies, strategies and limitations, in financial instruments that may not be securities within the meaning of section 2(a)(36) of the Act (“Other Investments”). 2

Applicants also request that the order exempt AFD and any entity that now or in the future acts as principal underwriter, or broker or dealer if registered under the Exchange Act with respect to the transactions described in the application.

Applicants’ Legal Analysis

1. Section 12(d)(1)(A) of the Act provides that no registered investment company (“acquiring company”) may acquire securities of another investment company (“acquired company”) if such securities represent more than 3% of the acquiring company’s outstanding voting stock or more than 5% of the acquiring company’s total assets, or if such securities, together with the securities of other investment companies, represent more than 10% of the acquiring company’s total assets. Section 12(d)(1)(B) of the Act provides that no registered open-end investment company may sell its securities 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 cause more than 10% of the acquiring company’s voting stock to be owned by investment companies and companies controlled by them.

2. Section 12(d)(1)(G) of the Act provides, in part, that section 12(d)(1) will not apply to securities of an acquired company purchased by an acquiring company if: (i) The acquired company and acquiring company are part of the same group of investment companies; (ii) the acquiring company holds only securities of acquired companies that are part of the same group of investment companies, government securities, and short-term paper; (iii) the aggregate sales loads and distribution-related fees of the acquiring company and the acquired company are not excessive under rules adopted pursuant to section 22(b) or section 22(c) of the Act by a securities association registered under section 15A of the Exchange Act or by the Commission; and (iv) the acquired company has a policy that prohibits it from acquiring securities of registered open-end investment companies or registered unit investment trusts in reliance on section 12(d)(1)(F) or (G) of the Act.

3. Rule 12d1–2 under the Act permits a registered open-end investment company or a registered unit investment trust that relies on section 12(d)(1)(G) of the Act to acquire, in addition to securities issued by another registered investment company in the same group of investment companies, government securities, and short-term paper: (i) Securities issued by an investment company that is not in the same group of investment companies, when the acquisition is in reliance on section 12(d)(1)(A) or 12(d)(1)(F) of the Act; (ii) securities (other than securities issued by an investment company); and (iii) securities issued by a money market fund, when the investment is in reliance on rule 12d1–1 under the Act. For the purposes of rule 12d1–2, “securities” means any security as defined in section 2(a)(36) of the Act.

4. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction from any provision of the Act, or from any rule under the Act, if such 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.

5. Applicants state that the Funds of Funds will comply with rule 12d1–2 under the Act, but for the fact that the Funds of Funds may invest a portion of their assets in Other Investments. Applicants request an order under section 6(c) of the Act for an exemption from rule 12d1–2(a) to allow the Funds of Funds to invest in Other Investments while investing in Underlying Funds. Applicants assert that permitting the Funds of Funds to invest in Other Investments as described in the application would not raise any of the concerns that the requirements of section 12(d)(1) were designed to address.

6. Consistent with its fiduciary obligations under the Act, each Fund of Funds’ board of directors will review the advisory fees charged by the Fund of Funds’ Adviser to ensure that they are based on services provided that are in addition to, rather than duplicative of, services provided pursuant to the advisory agreement of any investment company in which the Fund of Funds may invest.

Applicants’ Condition

Applicants agree that any order granting the requested relief will be subject to the following condition: Applicants will comply with all provisions of rule 12d1–2 under the Act, except for paragraph [a](2) to the extent that it restricts any Fund of Funds from investing in Other Investments as described in the application.

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

Kevin M. O’Neill,
Deputy Secretary.

[FR Doc. 2012–6613 Filed 3–19–12; 8:45 am]