press releases and posting in the NRC's PDR are requested.

This policy statement would also be revised to state that staff meetings will be noticed as soon as the NRC staff is certain that a meeting will be held and that firm arrangements have been made, but generally no fewer than 10 calendar days before the meeting. Under the current policy, the NRC staff is instructed to provide a notice to the public meeting notice coordinator at least 10 days in advance of the date of the meeting, with certain exceptions. The goal of that practice was to ensure that the subsequent administrative processing of the notice for public notification would result in the public having at least a one-week notice of the open staff meeting. However, the current NRC guidance for this policy, Management Directive 3.5, ''Public Attendance at Certain Meetings Involving the NRC Staff'', states that ''[m]eetings open to the public should normally be *announced to the public* [emphasis added] and to the Commission at least 10 calendar days in advance of the date of the meeting. * * * The change to the policy would specify that the public can expect to receive notification of a staff meeting open to the public via the NRC Web site 10 calendar days in advance. The change will bring the policy statement into line with the Management Directive.

Experience has also shown that sometimes a staff meeting that is going to be open to the public needs to be scheduled quickly, and thus time is not available for the public to receive notice at least 10 calendar days in advance of the meeting. In these cases where an exception to the 10 calendar day policy must be made, the proposed change states that the staff will try to give notice as promptly as possible.

The current policy also provides for such exceptions, but the proposed policy would tie the exceptions to the NRC's strategic plan performance goals. The current draft of the strategic plan includes performance goals to: (1) Maintain safety; (2) increase public confidence; (3) reduce unnecessary regulatory burden; and (4) make NRC activities and decisions more effective, efficient and realistic. When the final version of the strategic plan is available, the Commission will consider whether the performance goals in the plan necessitate additional changes to NRC's policy of opening staff meetings to the public.

With respect to the third and fourth draft performance goals noted above, the Commission anticipates that they would be used sparingly and only when circumstances would not reasonably permit the 10 calendar-day notice. Comment is explicitly requested to identify circumstances in which these performance goals may justify an exception to the 10 calendar-day notice period.

To explain how these performance goals would be used to evaluate whether exceptions should be made to the 10 calendar-day notice period, the following examples are given. To maintain safety, it may be necessary to hold a meeting called on short notice to resolve a licensee safety issue. To increase public confidence, the NRC would hold a meeting as soon as is practical for a critical licensee safety issue requiring immediate attention even if the meeting notice period was less than 10 calendar days. To reduce unnecessary regulatory burden, it may be necessary for the staff to interact with an applicant for a license amendment frequently and on short notice in order to meet aggressive licensing schedules for high-priority reviews. The meeting notice would indicate that meetings will be held on the application for the stated period of time and that specifics on individual meetings will be provided with as much notice as possible. As shown in the three examples, the staff may have to provide less than the 10 calendar-day notice to make activities and decisions more effective, efficient and realistic for aggressive licensing schedules and unforeseen circumstances that require timely response.

Also, the policy is revised to eliminate the current practice of only posting meetings scheduled within 60 days. This restriction was placed in the current policy because of limited computer storage capacity available when the Public Meeting Notice System was designed in the early 1990s.

The Commission is requesting comments on the proposed discontinuation of providing notice of staff meetings open to the public through the electronic bulletin board and telephone recording as well as through the Weekly Compilation of Press Releases and posting in the NRC's Public Document Room.

The Commission will not finalize revisions to the Policy Statement or discontinue its current methods of informing the public of open staff meetings until any public comments have been evaluated as to whether changes in the proposed course are warranted.

Accordingly, the Commission is proposing to revise Section D of the Commission's Policy Statement on Staff Meetings Open to the Public, to read as follows:

Notice to the Public

1. Meeting announcement information is to be provided to the public as soon as the staff is certain that a meeting will be held and firm date, time, and facility arrangements have been made, but generally no fewer than 10 calendar days before the meeting. Where a meeting must be scheduled but cannot be announced 10 calendar days in advance, the staff will provide as much advance notice as possible. Public notice of meetings will be made via the Internet from the NRC Web site at *http://www.nrc.gov*. Meeting notices, changes to scheduled meetings, and cancellations will be updated on the NRC Web site each Federal work day, as appropriate. Information regarding public meetings can be obtained from the Public Document Room by calling toll-free at 1–800–397–4209.

2. Meeting announcements will include the date, time, and location of the meeting, as well as its purpose, the NRC office(s) and outside participant(s) in attendance, and the name and telephone number of the NRC contact for the meeting.

Dated at Rockville, MD, this 19th day of January, 2000.

For the Nuclear Regulatory Commission.

Annette L. Vietti-Cook,

Secretary of the Commission.

[FR Doc. 00–1730 Filed 1–24–00; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24255, 812–11774]

Liberty All-Star Equity Fund, et al.; Notice of Application

January 19, 2000.

AGENCY: Securities and Exchange Commission (''Commission'').

ACTION: Notice of an application for an order under sections 6(c) and 17(b) of the Investment Company Act of 1940 (''Act'') for an exemption from section 17(a) of the Act, under section 6(c) for an exemption from section 17(e) of the Act and rule 17e–1 under the Act, and under section 10(f) of the Act for an exemption from section 10(f).

APPLICANTS: Liberty All-Star Equity Fund (''Equity Fund''), Liberty All-Star Growth Fund, Inc. (''Growth Fund''), Liberty Funds Trust IX (''Liberty Trust'') on behalf of its sole series, Liberty All-Star Growth & Income Fund (''Growth &

Income Fund''), Liberty Variable Investment Trust (''LVIT'') on behalf of one of its services, Liberty All-Star Equity Fund, Variable Series (''Equity Fund, VS,'' collectively with Equity Fund, Growth Fund and Growth & Income Fund, the ''Funds''), Liberty Asset Management Company (''LAMCO''), J.P. Morgan Investment Management Inc. (''J.P. Morgan''), J.P. Morgan Securities Inc. (''Morgan Securities''), and William Blair & Company, L.L.C. (''William Blair'').

SUMMARY OF APPLICATION: Applicants request an order to permit certain registered management investment companies advised by several investment advisers to engage in principal and brokerage transactions with a broker-dealer affiliated with one of the investment advisers and to purchase securities in offerings underwritten by a principal underwriter affiliated with one of the investment advisers. The transactions would be between a broker-dealer or principal underwriter and a portion of the investment company's portfolio not advised by the adviser affiliated with the broker-dealer or principal underwriter. Applicants also request relief to permit a portion of the portfolio to purchase securities in offerings underwritten by a principal underwriter affiliated with the investment adviser to that portion if the purchase is in accordance with all of the conditions of rule 10f–3 under the Act, except for the provision that would require aggregation of certain purchases.

FILING DATES: The application was filed on September 16, 1999. Applicants have agreed to file an amendment during the notice period, the substance of which is reflected in this notice.

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 February 14, 2000 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 Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 5th Street, NW, Washington, D.C. 20549–0609. Applicants: Equity Fund, Growth Fund, Liberty Trust and LAMCO, 600 Atlantic Avenue, Boston, MA 02210–2214; LVIT, One Financial Center, Boston, MA 02111; J.P. Morgan, 522 Fifth Avenue, New York, NY 10036; Morgan Securities, 60 Wall Street, New York, NY 10260; and William Blair, 222 W. Adams Street, Chicago, IL 60606.

FOR FURTHER INFORMATION CONTACT: Anu Dubey, Senior Counsel, at (202) 942–0687, or Michael W. Mundt, 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 5th Street, NW, Washington, DC 20549–0102 (tel. 202–942–8090).

Applicants' Representations

1. Equity Fund, a Massachusetts business trust, and Growth Fund, a Maryland corporation, are registered under the Act as closed-end management investment companies. Liberty Trust and LVIT are Massachusetts business trusts registered under the Act as open-end management investment companies.

2. LAMCO is registered as an investment adviser under the Investment Advisers Act of 1940 (''Advisers Act'') and is responsible for the general management and investment of each Fund's assets. LAMCO also provides administrative services to each Fund, some of which are delegated to LAMCO's affiliate, Colonial Management Associates, Inc. The assets of each Fund are allocated by LAMCO among three to five subadvisers (''Subadvisers''). Each Subadviser has discretion to purchase and sell securities for a discrete portion of a Fund portfolio's assets in accordance with the Fund's objectives, policies, and restrictions. Each Subadviser is paid a fee by LAMCO out of the management fee received by LAMCO from the Funds. None of the Subadvisers (except by virtue of serving as Subadviser to a discrete portion of a Fund) has any affiliation with the Funds or LAMCO or with any person that serves as promoter or principal underwriter to the Funds.

3. J.P. Morgan, a subsidiary of J.P. Morgan & Co. Incorporated (''JPM Incorporated''), a bank holding company, is an investment adviser registered under the Advisers Act that serves as Subadviser to Growth Fund, Equity Fund, and Equity Fund, VS. Morgan Securities is a broker-dealer registered under the Securities Exchange Act of 1934 (''Exchange Act'') and, as a wholly-owned subsidiary of JPM Incorporated, is under common control with J.P. Morgan. William Blair is an investment adviser registered under the Advisers Act and a broker-dealer registered under the Exchange Act that serves as Subadviser to Growth Fund through its investment management services department. William Blair conducts brokerage activities through its institutional sales and trading department, an operating division separate from its investment management services department.

4. The requested relief would permit: (a) William Blair, Morgan Securities, or any broker-dealer registered under the Exchange Act that itself serves as Subadviser (either directly or through a separate operating division) or is an affiliated person (an ''Affiliated Broker-Dealer'') of J.P. Morgan, William Blair, or another investment adviser serving as Subadviser (an ''Affiliated Subadviser'') to one or more Multi-Managed Funds (as defined below) to engage in principal transactions with a portion of the Fund that is advised by another Subadviser that is not an affiliated person of the Affiliated Broker-Dealer or the Affiliated Subadviser (an ''Unaffiliated Subadviser'') (each such portion, an ''Unaffiliated Portion''); (b) an Affiliated Broker Dealer to provide brokerage services to an Unaffiliated Portion, and the Unaffiliated Portion to utilize such brokerage services, without complying with rule 17e–1(b) and (c) under the Act; (c) an Unaffiliated Portion to purchase securities during the existence of an underwriting syndicate, a principal underwriter of which is an Affiliated Subadviser or an affiliated person of an Affiliated Subadviser (an ''Affiliated Underwriter''); and (d) a portion of the Fund advised by an Affiliated Subadviser (''Affiliated Portion'') to purchase securities during the existence of an underwriting syndicate, a principal underwriter of which is an Affiliated Underwriter, in accordance with the conditions of rule 10f–3, except that paragraph (b)(7) of the rule would not require the aggregation of purchases by the Affiliated Portion with purchases by an Unaffiliated Portion.

5. Applicants request that the exemptive relief apply to the Funds or any existing or future registered management and investment company (a) advised by LAMCO or any entity controlling, controlled by, or under common control (within the meaning of section 2(a)(9) of the Act) with LAMCO and (b) at least one other investment adviser registered under the Advisers Act or exempt from such registration (the Funds and such investment companies, each a ''Multi-Managed

Fund''). The relief also would apply as described in the application to any existing or future entity that serves as an Affiliated Subadviser, Affiliated Broker-Dealer, or Affiliated Underwriter. Any entity that currently intends to rely on the order is named as an applicant. Any other existing or future entity that relies on the order will comply with the terms and conditions of the application.

Applicants' Legal Analysis

A. Principal Transactions between Unaffiliated Portions and Affiliated Broker-Dealers

1. Section 17(a) of the Act generally prohibits sales and purchases of securities between a registered investment company and an affiliated person of, promoter of, or principal underwriter for such company, or any affiliated person of an affiliated person, promoter, or principal underwriter. Section 2(a)(3)(e) of the Act defines an affiliated person to be any investment adviser of an investment company, and section 2(a)(3)(C) of the Act defines an affiliated person of another person to include any person directly or indirectly controlling, controlled by, or under common control with such person. Applicants state that an Affiliated Subadviser would be an affiliated person of a Fund, and an Affiliated Broker-Dealer would be either an Affiliated Subadviser or an affiliated person of the Affiliated Subadviser, and thus an affiliated person of an affiliated person (''second-tier affiliate'') of a Fund, including the Unaffiliated Portion. Accordingly, applicants state that any transactions to be effected by an Unaffiliated Subadviser on behalf of an Unaffiliated Portion of a Fund with an Affiliated Broker-Dealer are subject to the prohibitions of section 17(a).

2. Applicants seek relief under sections 6(c) and 17(b) to exempt principal transactions prohibited by section 17(a) because an Affiliated Broker-Dealer is deemed to be an affiliated person or a second-tier affiliate of an Unaffiliated Portion solely because an Affiliated Subadviser is the Subadviser to another portion of the same Fund. The requested relief would not be available if the Affiliated Broker-Dealer (except by virtue of serving as a Subadviser to a discrete portion of a Fund) is an affiliated person or a second-tier affiliate of LAMCO, the unaffiliated Subadviser making the investment decision, or any officer, director or employee of the Multi-Managed Fund.

3. Section 17(b) of the Act authorizes the Commission to grant an order permitting a transaction otherwise prohibited by section 17(a) if it finds that the terms of the proposed transaction are fair and reasonable and do not involve overreaching on the part of any person concerned, and the proposed transaction is consistent with the policy of each registered investment company and the general purposes of the Act. Section 6(c) of the Act permits the Commission to exempt any person or transaction from any provision of the Act if 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.

4. Applicants contend that section 17(a) is intended to prevent persons who have the power to control an investment company from using that power to the person's own pecuniary advantage. Applicants assert that when the person acting on behalf of an investment company has no direct or indirect pecuniary interest in a party to a principal transaction, the abuses that section 17(a) is designed to prevent are not present. Applicants state that if an Unaffiliated Subadviser purchases securities on behalf of an Unaffiliated Portion in a principal transaction with an Affiliated Broker-Dealer, any benefit that might inure to the Affiliated Broker-Dealer would not be shared by the Unaffiliated Subadviser. In addition, applicants state that Subadvisers are paid on the basis of a percentage of the value of the assets allocated to their management. The execution of a transaction to the disadvantage of the Unaffiliated Portion would disadvantage the Unaffiliated Subadviser to the extent that it diminishes the value of the Unaffiliated Portion. Applicants further submit that LAMCO's power to dismiss Subadvisers or to change the portion of a Fund allocated to each Subadviser reinforces a Subadviser's incentive to maximize the investment performance of its own portion of the Fund.

5. Applicants state that each Subadviser's contract assigns it responsibility to manage a discrete portion of the Fund. Each Subadviser is responsible for making independent investment and brokerage allocation decisions based on its own research and credit evaluations. Applicants represent that LAMCO does not dictate brokerage allocation or investment decisions to any Fund advised by a Subadviser, or have the contractual right to do so. Applicants contend that, in managing a discrete portion of a Fund, each Subadviser acts for all practical purposes as though it is managing a separate investment company.

6. Applicants state that the proposed transactions will be consistent with the policies of the Fund involved, since each Unaffiliated Subadviser is required to manage the Unaffiliated Portion in accordance with the investment objectives and related investment policies of the Fund as described in its registration statement. Applicants also assert that permitting the transactions will be consistent with the general purposes of the Act and in the public interest because the ability to engage in the transactions increases the likelihood of a Fund achieving best price and execution on its principal transactions, while giving rise to none of the abuses that section 17(a) was designed to prevent.

B. Payment of Brokerage Compensation by Unaffiliated Portions to Affiliated Broker-Dealers

1. Section 17(e)(2) of the Act prohibits an affiliate or a second-tier affiliate of a registered investment company from receiving compensation for acting as broker in connection with the sale of securities to or by the investment company if the compensation exceeds the limits prescribed by the section unless otherwise permitted by rule 17e–1 under the Act. Rule 17e–1 sets forth the conditions under which an affiliated person or a second-tier affiliate of an investment company may receive a commission which would not exceed the ''usual and customary broker's commission'' for purposes of section 17(e)(2). Rule 17e–1(b) requires the investment company's board of directors, including a majority of the directors who are not interested persons under section 2(a)(19) of the Act, to adopt certain procedures and to determine at least quarterly that all transactions effected in reliance on the rule complied with the procedures. Rule 17e–1(c) specifies the records that must be maintained by each investment company with respect to any transaction effected pursuant to rule 17e–1.

2. As discussed above, applicants state that an Affiliated Broker-Dealer is either an affiliated person (as Subadviser to another portion of the Fund) or a second-tier affiliate of an Unaffiliated Portion and thus subject to section 17(e). Applicants request an exemption under section 6(c) from section 17(e) and rule 17e–1 to the extent necessary to permit an Unaffiliated Portion to pay brokerage compensation to an Affiliated Broker-Dealer acting as broker in the ordinary course of business in connection with the sale of securities to or by such Unaffiliated Portion, without complying with the requirements of rule 17e–1 (b)

and (c). The requested exemption would apply only where an Affiliated Broker-Dealer is deemed to be an affiliated person or a second-tier affiliate of an Unaffiliated Portion solely because an Affiliated Subadviser is the Subadviser to another portion of the same Fund. The relief would not apply if the Affiliated Broker-Dealer (except by virtue of serving as Subadviser to a discrete portion of a Fund) is an affiliated person or a second-tier affiliate of LAMCO, the Unaffiliated Subadviser to the Unaffiliated Portion of the Fund, or any officer, director or employee of the Multi-Managed Fund.

3. Applicants believe that the proposed brokerage transactions involve no conflicts of interest or possibility of self-dealing and will meet the standards of section 6(c). Applicants assert that the interests of an Unaffiliated Subadviser are directly aligned with the interests of the Unaffiliated Portion it advises, and an Unaffiliated Subadviser will enter into brokerage transactions with Affiliated Broker-Dealers only if the fees charged are reasonable and fair as required by rule 17e–1(a). Applicants also note that an Unaffiliated Subadviser has a fiduciary duty to obtain best price and execution for the Unaffiliated Portion.

C. Purchases of Securities From Offerings With Affiliated Underwriters

1. Section 10(f) of the Act, in relevant part, prohibits a registered investment company from knowingly purchasing or otherwise acquiring, during the existence of any underwriting or selling syndicate, any security (except a security of which the company is the issuer) a principal underwriter of such is an officer, director, member of an advisory board, investment adviser, or employee of the company, or an affiliated person of any of those persons. Section 10(f) also provides that the Commission may exempt by order any transaction or classes of transactions from any of the provisions of section 10(f), if and to the extent that such exemption is consistent with the protection of investors. Rule 10f–3 under the Act exempts certain transactions from the prohibitions of section 10(f) if specified conditions are met. Paragraph (b)(7) of rule 10f–3 limits the securities purchased by the investment company, or by two or more investment companies having the same investment adviser, to 25% of the principal amount of the offering of the class of securities.

2. Applicants state that each Subadviser, although under contract to manage only a distinct portion of a Fund, is considered an investment adviser to the entire Fund. As a result, applicants believe that all purchases of securities by an Unaffiliated Portion from an underwriting syndicate a principal underwriter of which is an Affiliated Underwriter would be subject to section 10(f).

3. Applicants request relief under section 10(f) from that section to permit an Unaffiliated Portion to purchase securities during the existence of an underwriting or selling syndicate, a principal underwriter of which is an Affiliated Underwriter. Applicants request relief from section 10(f) only to the extent those provisions apply solely because an Affiliated Subadviser is an investment adviser to the Fund. The requested relief would not be available if the Affiliated Underwriter (except by virtue of serving as Subadviser to a discrete portion of a Fund) is an affiliated person or a second-tier affiliate of LAMCO, the Unaffiliated Subadviser making the investment decision with respect to the Unaffiliated Portion of the Fund, or any officer, director, or employee of the Multi-Managed Fund. Applicants also seek relief from section 10(f) to permit an Affiliated Portion to purchase securities during the existence of an underwriting syndicate, a principal underwriter of which is an Affiliated Underwriter, provided that the purchase will be in accordance with the conditions of rule 10f–3, except that paragraph (b)(7) of the rule will not require the aggregation of purchases by the Affiliated Portion with purchases by an Unaffiliated Portion.

4. Applicants state that section 10(f) was adopted in response to concerns about the ''dumping '' of otherwise unmarketable securities on investment companies, either by forcing the investment company to purchase unmarketable securities from its underwriting affiliate, or by forcing or encouraging the investment company to purchase the securities from another member of the syndicate. Applicants submit that these abuses are not present in the context of the Funds because a decision by an Unaffiliated Subadviser to purchase securities from an underwriting syndicate, a principal underwriter of which is an Affiliated Underwriter, involves no potential for ''dumping.'' In addition, applicants assert that aggregating purchases would serve no purpose because there is no collaboration among Subadvisers, and any common purchases by an Affiliated Subadviser and an Unaffiliated Subadviser would be coincidence.

Applicants' Conditions

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

1. Each Fund relying on the requested order will be advised by an Affiliated Subadviser and at least one Unaffiliated Subadviser and will be operated in the manner described in this application.

2. No Affiliated Subadviser, Affiliated Broker-Dealer or Affiliated Underwriter (except by virtue of serving as Subadviser to a discrete portion of a Fund) will be an affiliated person or a second-tier affiliate of LAMCO, any Unaffiliated Subadviser or any officer, director or employee of a Multi-Managed Fund.

3. No Affiliated Subadviser will directly or indirectly consult with any Unaffiliated Subadvisers concerning allocation of principal or brokerage transactions.

4. No Affiliated Subadviser will participate in any arrangement whereby the amount of its subadvisory fees will be affected by the investment performance of an Unaffiliated Subadviser.

5. With respect to purchases of securities by an Affiliated Portion of a Fund during the existence of any underwriting or selling syndicate, a principal underwriter of which is an Affiliated Underwriter, the conditions of rule 10f–3 will be satisfied except that paragraph (b)(7) will not require the aggregation of purchases by the Affiliated Portion of the Fund with purchases by an Unaffiliated Portion.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00–1734 Filed 1–24–00; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting; Agency Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94–409, that the Securities and Exchange Commission will hold the following meeting during the week of January 24, 2000.

A closed meeting will be held on Tuesday, January 25, 2000 at 11:00 a.m.

Commissioner Hunt, as duty officer, determined that no earlier notice thereof was possible.

Commissioners, Counsel to the Commission, the Secretary to the