

Week of August 23–Tentative

Wednesday, August 25

9:55 a.m. Affirmation Session (Public Meeting) (If needed)

10:00 a.m. Briefing on PRA Implementation Plan (Public Meeting) (Contact: Tom King, 301–415–5828)

*The schedule for Commission meetings is subject to change on short notice. To verify the status of meetings call (recording)—(301) 415–1292. Contact person for more information: Bill Hill (301) 415–1661.

The NRC Commission Meeting Schedule can be found on the Internet at: <http://www.nrc.gov/SECY/smj/schedule.htm>

This notice is distributed by mail to several hundred subscribers; if you no longer wish to receive it, or would like to be added to it, please contact the Office of the Secretary, Attn: Operations Branch, Washington, D.C. 20555 (301–415–1661). In addition, distribution of this meeting notice over the Internet system is available. If you are interested in receiving this Commission meeting schedule electronically, please send an electronic message to wmh@nrc.gov or dkw@nrc.gov.

Dated: July 30, 1999.

William M. Hill, Jr.,
SECY Tracking Officer, Office of the Secretary.

[FR Doc. 99–20114 Filed 8–2–99; 10:34 am]

BILLING CODE 7590–01–M

NUCLEAR REGULATORY COMMISSION**Notice of Correction to Biweekly Notice; Applications and Amendments to Operating Licenses Involving No Significant Hazards Considerations**

On July 28, 1999 (64 FR 40903), the **Federal Register** published the Biweekly Notice of Applications and Amendments to Operating Licenses Involving No Significant Hazards Considerations. On page 40907, under Southern California Edison Company, Docket Nos. 50–361 and 50–362, the date of the amendment request was inadvertently left out. It should read, “Date of amendment requests: December 31, 1998, as supplemented June 14, 1999 (PCN–501).”

Dated at Rockville, Maryland, this 29th day of July 1999.

For the Nuclear Regulatory Commission.

Suzanne C. Black,

Deputy Director, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 99–19985 Filed 8–3–99; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC–23923; 812–11202]

Internet Capital Group, Inc.; Notice of Application

July 28, 1999

AGENCY: Securities and Exchange Commission (“Commission”).

ACTION: Notice of application for an order under section 3(b)(2) of the Investment Company Act of 1940 (the “Act”).

SUMMARY: Applicant Internet Capital Group, Inc. (“ICG”) seeks an order under section 3(b)(2) of the Act declaring it to be primarily engaged in a business other than that of investing, reinvesting, owning, holding or trading in securities. Applicant is an operating company engaged in business-to-business electronic commerce.

Filing Dates: The application was filed on June 26, 1998 and amended on July 26, 1999.

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 applicant with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on August 20, 1999 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 Commission’s Secretary.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549–0609; Applicant, 435 Devon Park Drive, Building 800, Wayne, PA 19087.

FOR FURTHER INFORMATION CONTACT: Nadya B. Roytblat, Assistant Director, at (202) 942–0693, Division of Investment Management, Office of Investment Company Regulation.

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application is available for a fee from the Commission’s Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549–0102 (tel. 202–942–8090).

Applicant’s Representations

1. ICG, a Delaware corporation, was formed in 1996.¹ ICG’s initial investors were Safeguard Scientifics, Comcast Corporation, and General Electric Corporation. ICG states that its goal from its inception has been to become a premier business-to-business electronic commerce company, primarily engaged in business-to-business electronic commerce through a network of partner companies (“Partner Companies”). ICG represents that it is not in the business of investing, reinvesting or trading in securities.

2. The Partner Companies fall into two categories: (i) Companies that bring buyers and sellers together by creating Internet-based markets for the exchange of goods, services and information, and (ii) companies that sell software and services to businesses engaged in electronic commerce. As of June 15, 1999, ICG owned interests in 35 Partner Companies, 3 of which were majority-owned subsidiaries of ICG and 16 of which were companies in which ICG owned more than 25% of the outstanding voting securities and thus controlled within the meaning of section 2(a)(9) of the Act (majority-owned and controlled subsidiaries of ICG, collectively, “Controlled Companies”).² ICG states that it also holds small minority interests in four other companies.

3. ICG states that many of the Partner Companies currently are early development stage businesses, in which the entrepreneur seeks to retain a large ownership stake. ICG further states that it invests in the Partner Companies for the long term. As ICG builds its network of companies, ICG expects that it might have a need to sell its interest in certain companies that no longer fit or contribute to the network. ICG does not contemplate selling interests in non-controlled companies in the ordinary course of business. As a general matter, ICG expects that it will seek to increase its ownership interests in Partner Companies it considers strategically important to the network.

4. ICG states that it seeks to acquire and build business-to-business market leaders in electronic commerce and integrate them into the ICG network of companies. ICG states that its infrastructure provides a framework for nurturing emerging companies and

¹ ICG was formed initially as a Delaware limited liability company.

² Section 2(a)(9) defines “control” as the power to exercise a controlling influence over the management or policies of a company. That section creates a presumption that an owner of more than 25% of the outstanding voting securities of a company controls the company.

institutionalizing operating practices among the Partner Companies, resulting in efficiencies and economies of scale. ICG also states that the network provides an environment of information exchange and innovation that gives ICG companies a competitive advantage over more isolated Internet firms. ICG states that the network also provides breadth in operations, technology and experience within a narrowly defined but fast growing industrial segment. In addition, ICG states that the network enables information and resources to be rapidly allocated and reallocated among the participating companies with ICG acting as the "parent" or hub or the network.

Applicant's Legal Analysis

1. ICG requests an order under section 3(b)(2) of the Act declaring that it is primarily engaged in a business other than that of investing, reinvesting, owning, holding or trading in securities, and therefore not an investment company as defined in the Act.

2. Under section 3(a)(1)(C) of the Act, an issuer is an investment company if it is engaged or proposes to engage in the business of investing, reinvesting, owning, holding or trading in securities, and owns or proposes to acquire investment securities having a value in excess of 40% of the value of the issuer's total assets (exclusive of government securities and cash items) on an unconsolidated basis. Under section 3(a)(2) of the Act, investment securities include all securities except Government securities, securities issued by employees securities companies, and securities issued by majority-owned subsidiaries of the owner which (i) are not investment companies, and (ii) are not relying on the exclusions from the definition of investment company in sections 3(c)(1) or 3(c)(7) of the Act.

3. ICG states that approximately 96% of its assets consists of investment securities as defined in section 3(a)(2). Accordingly, ICG may be deemed an investment company within the meaning of section 3(a)(1)(C) of the Act.³ ICG asserts that, as of June 15, 1999, 90% of its total assets was comprised of interests in majority-owned subsidiaries and companies primarily controlled by ICG for purposes of rule 3a-1 under the Act. Rule 3a-1 provides an exemption from the definition of investment company if no more than 45% of a company's total

assets consist of, and not more than 45% of its net income over the last four quarters is derived from, securities other than Government securities and securities of majority-owned subsidiaries and companies primarily controlled by it. ICG states that it is currently unable to rely on rule 3a-1 because of the net income generated from the sale of two minority interests in 1998.

4. Section 3(b)(2) of the Act provides that, notwithstanding section 3(a)(1)(C), the Commission may issue an order declaring an issuer to be primarily engaged in a business other than that of investing, reinvesting, owning, holding or trading in securities either directly, through majority-owned subsidiaries, or through controlled companies conducting similar types of businesses. ICG states that it meets the requirements of section 3(b)(2) because it is primarily engaged in business-to-business electronic commerce through its Controlled Companies.

5. In determining whether applicant is "primarily engaged" in a non-investment company business under section 3(b)(2), the Commission considers the following factors: (i) Applicant's historical development, (ii) applicant's public representations of policy, (iii) the activities of applicant's officers and directors, (iv) the nature of applicant's present assets, and (v) the sources of applicant's present income.⁴

a. *Historical Development.* ICG states that since its inception in 1996, it has considered itself to be an operating company engaged in business-to-business electronic commerce. ICG states that its business strategy has not changed since 1996, but has become more refined and focused, and that ICG has taken increasingly larger stakes in Partner Companies that ICG believes to be of strategic importance to its network of business-to-business electronic commerce companies.

b. *Public Representations of Policy.* ICG states that it has consistently held itself out as being engaged in the Internet business and not in the investment company business. ICG states that it describes itself as an operating company that holds interests in a group of Internet-related companies and actively participates in the management of those companies. ICG states that, as part of promoting its business operations in building the network, ICG intends, among other things, to pursue a strategy of "branding" its Partner Companies.

c. *Activities of Officers and Directors.* ICG states that it has three levels of operations: internal operations, Partner Company operations, and acquisitions. ICG states that approximately 27% of the ICG's officers' and employees' time (excluding administrative staff) is currently being allocated to internal operations, 56% to Partner Company operations, and 17% to acquisitions. ICG asserts that its officers have extensive experience in the information technology and Internet industries and are active board members for the Partner Companies. Twenty two of ICG's 25 full-time employees devote the majority of their time to issues involving the integration and management of ICG's Network Companies and ICG's operations. ICG has senior management dedicated exclusively to providing operational support and services to the Partner Companies in the areas of human resources, legal, finance, information technology, sales and marketing. ICG also possesses an advisory board composed of leading information technology executives who are actively involved in the affairs of ICG's Partner Companies.

d. *Nature of Assets.* ICG states that, as of June 15, 1999, ICG's three majority-owned subsidiaries represented 4.7%, and the other 16 controlled subsidiaries represented 90%, of ICG's total assets on an unconsolidated basis. ICG states that the rest of its assets was invested in Partner Companies in which ICG had an interest of below 25% and small minority interests in other companies. ICG represents that at least 60% of its total assets on an unconsolidated basis (exclusive of Government securities and cash items) will continue to be invested in Partner Companies that ICG controls within the meaning of the Act.

e. *Sources of Income.* ICG states that its Partner Companies are emerging Internet businesses that typically generate little or no income for ICG in the form of dividends. ICG also states that it may generate net income from time to time as a result of sales or dispositions of assets. ICG asserts that its activities as an operating company therefore are more appropriately analyzed by evaluating ICG's proportionate share of the revenues of its Controlled Companies as well as ICG's total revenues. ICG states that, for the 12 month period ending March 31, 1999, ICG's revenues attributable to its Controlled Companies represented approximately 68% of ICG's total revenues.⁵ ICG states that this figure

³ ICG currently is relying on rule 3a-2 under the Act. Rule 3a-2 provides a temporary exemption from the Act for companies with "a bona fide intent to be primarily engaged * * * within a year in a business other than that of investing, reinvesting, owning, holding or trading in securities."

⁴ *Tonopah Mining Company of Nevada*, 26 SEC 426, 427 (1947).

⁵ ICG states that, for purposes of this analysis, revenues from ICG's majority-owned subsidiaries were consolidated, and revenues of other

was derived by comparing (i) ICG's consolidated revenues, ICG's proportionate share of the revenues of its Controlled Companies, and ICG's income derived from interests in Controlled Companies to (ii) ICG's total revenues comprised of the items in (i) as well as income derived from sales of interests in non-controlled companies and interest income. ICG represents that it does not intend to derive a significant percentage of its revenues from income derived from sales of interest in non-controlled companies.

6. ICG thus asserts that it satisfies the standards for an order under section 3(b)(2) of the Act.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 99-19950 Filed 8-3-99; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23927; 812-11654]

Nations Fund Trust, et al.; Notice of Application

July 30, 1999.

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

ACTION: Notice of an application under section 17(b) of the Investment Company Act of 1940 ("Act") for an exemption from section 17(a) of the Act.

SUMMARY OF THE APPLICATION:

Applicants request an order to permit certain series of Nations Institutional Reserves ("NIR") to acquire all of the assets and liabilities of certain series of Nations Fund Trust ("NFT"), Nations Fund, Inc. ("NFI"), and Nations Fund Portfolios, Inc. ("NFP") (the "Reorganization"). Because of certain affiliations, applicants may not rely on rule 17a-8 under the Act.

Applicants: NIR, NFT, NFI, NFP, and NationsBanc Advisors, Inc. ("NBAI").

Filing Dates: The application was filed on June 9, 1999. Applicants have

Controlled Companies were attributed to ICG in proportion to ICG's interests in the Controlled Companies. ICG uses the equity method of accounting for these Controlled Companies, which under Generally Accepted Accounting Principles means that the Companies' income or losses, but not revenues, are attributed to ICG based on its ownership interests in the Companies. ICG notes that ICG's revenues attributable to its Controlled Companies would represent approximately 66% of ICG's total revenues if the revenues of ICG's consolidated majority-owned subsidiaries were attributed to ICG in proportion to ICG's interests in the majority-owned subsidiaries.

agreed to file an amendment to the application, the substance of which is reflected in this notice, during the notice period.

Hearing of 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 19, 1999 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 by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549-0609. Applicants, One Bank of America Plaza, 101 South Tryon Street, Charlotte, NC 28255.

FOR FURTHER INFORMATION CONTACT:

Bruce R. MacNeil, Staff Attorney, (202) 942-0634, or Michael W. Mundt, Branch Chief, (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, N.W., Washington, D.C. 20549-0102 (telephone (202) 942-8090).

Applicants' Representations

1. NFT, a Massachusetts business trust, NFI, a Maryland corporation, and NFP, a Maryland corporation, are open-end management investment companies registered under the Act. NFT currently offers 28 series, 2 of which will participate in the Reorganization. NFI offers 9 series, 2 of which will participate in the Reorganization. NFP currently offers one series, which will participate in the Reorganization. The participating series of NFT, NFI, and NFP are collectively referred to as the "Acquired Funds."

2. NIR, a Massachusetts business trust, is an open-end management investment company registered under the Act. NIR is organizing five new series, (the "Acquiring Funds," and together with the Acquired Funds, the "Funds").¹ Three of the Acquiring Funds are feeder funds ("Feeder Funds") which will invest all of their

assets in a corresponding master portfolio of Nations Master Investment Trust ("NMIT"), an open-end management investment company registered under the Act.

3. NBAI is registered under the Investment Advisers Act of 1940 ("Advisers Act") and is the investment adviser for the Funds and NMIT. NBAI is a wholly-owned subsidiary of Bank of America Corporation. Bank of America Corporation, NationsBank, N.A., and/or certain of their affiliates that are under common control with NBAI (the "BankAmerica Group"), hold of record, in their name and in the names of their nominees, more than 5% (and with respect to certain of the Acquired Funds more than 25%) of the outstanding voting securities of each of the Acquired Funds. All of these securities are held for the benefit of others in a trust, agency, custodial, or other fiduciary or representative capacity.

4. On March 31, 1999, and May 26, 1999, respectively, the board of trustees of NIR (the "Acquiring Funds' Board") and the boards of directors or trustees of NFT, NFI and NFP (the "Acquired Funds' Boards," together with the Acquiring Funds' Board, the "Boards") including a majority of the directors or trustees who are not "interested persons," as defined in section 2(a)(19) of the Act ("Disinterested Members"), approved Agreements and Plans of Reorganization (each a "Plan" and collectively, the "Plans") between each of the Acquiring and Acquired Funds. Pursuant to the Plans, each Acquiring Fund will acquire all of the assets and liabilities of the corresponding Acquired Fund in exchange for shares of the Acquiring Fund.²

5. Each of the Funds has five classes of shares: Primary A, Primary B, Investor A, Investor B, and Investor C. The number of Acquiring Fund shares to be issued to shareholders of the Acquired Fund will be determined by dividing the aggregate net assets of each Acquired Fund class by the net asset value per share of the corresponding Acquiring Fund class, each computed as of the close of business on the closing date ("Closing Date"). The Plans provide that these Acquiring Fund shares will be distributed pro rata to the

² The Acquired Funds and the corresponding Acquiring Funds are: (i) NFT Nations Marsico Focused Equities Fund and NIR Nations Marsico Focused Equities Fund; (ii) NFT Nations Marsico Growth and Income Fund and NIR Nations Marsico Growth and Income Fund (iii) NFI Nations International Equity Fund and NIR Nations International Equity Fund; (iv) NFI Nations International Value Fund and NIR Nations International Value Fund; (v) NFP Nations Emerging Markets Fund and NIR Nations Emerging Markets Fund.

¹ A registration statement for the five shell Acquiring Funds was filed with the SEC on June 4, 1999.