

(other than through a pooled investment vehicle that is not controlled by such person), any interest in a Subadviser except for: (a) ownership of interests in the Manager or any entity that controls the Manager; 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 Subadviser or an entity that controls, is controlled by, or is under common control with a Subadviser.

7. The Trust will disclose in its prospectus the existence, substance and effect of any order granted pursuant to the application. In addition, each Fund will hold itself out to the public as employing the adviser/subadviser approach described in the application. The prospectus will prominently disclose that the Manager has ultimate responsibility to oversee Subadvisers and recommend their hiring, termination and replacement.

8. The Manager will provide general management and administrative services to the Trust, including overall supervisory responsibility for the general management and investment of the Trust's securities portfolios, and, subject to review and approval by the Board, will (i) set the Funds' overall investment strategies; (ii) select Subadvisers; (iii) monitor and evaluate the performance of the Subadvisers; (iv) allocate, and when appropriate, reallocate a Fund's assets among its Subadvisers in those cases where a Fund has more than one Subadviser; and (v) implement procedures reasonably designed to ensure that the Subadvisers comply with the Trust's investment objectives, policies and restrictions.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-24091; File No. 812-11694]

Sentry Life Insurance Company, et al.

October 20, 1999.

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

ACTION: Notice of application for approval pursuant to Section 26(b) the Investment Company Act of 1940 (the "1940 Act") approving the proposed substitutions of securities.

SUMMARY OF APPLICATION: Applicants seek an order pursuant to Section 26(b) of the 1940 Act approving the substitution of securities issued by certain registered management investment companies for securities issued by certain other registered management investment companies currently held by separate accounts of Sentry Life Insurance Company and Sentry Life Insurance Company of New York to support variable annuity contracts and variable life insurance policies.

APPLICANTS: Sentry Life Insurance Company ("Sentry Life"), Sentry Life Insurance Company of New York ("Sentry Life of New York" and, together with Sentry Life, the "Companies"), and their respective separate accounts, Sentry Variable Account II ("Variable Account II"), Sentry Variable Life Account I ("Variable Life Account I"), and Sentry Variable Account I ("Variable Account I" and together with Variable Account II and Variable Life Account I, the "Accounts").

FILING DATES: The application was filed on July 9, 1999, and amended and restated on September 29, 1999.

Applicants represent that they will file an amended and restated application during the notice period to conform to the representations set forth herein.

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 on the application by writing to the Secretary of the Commission and serving Applicants with a copy of the request, in person or by mail. Hearing requests must be received by the Commission by 5:30 p.m. on November 15, 1999, and must be accompanied by proof of service on the Applicants in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the requester'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 Secretary of the Commission.

ADDRESSES: Secretary, Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, c/o Blazzard, Grodd & Hasenauer, P.C., 943 Post Road, East, Westport, CT 06880, Attention: Lynn K. Stone, Esq.

FOR FURTHER INFORMATION CONTACT: Lorna MacLeod, Attorney, or Kevin Kirchoff, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 942-0670.

SUPPLEMENTARY INFORMATION: Following is a summary of the application. The complete application is available for a fee from the Public Reference Branch of the Commission, 450 Fifth Street, N.W., Washington, D.C. 20549 (tel. (202) 942-8090).

Applicants' Representations

1. Sentry Life of New York, a New York corporation, is a wholly-owned subsidiary of Sentry Life, a Wisconsin corporation. Sentry Life is a wholly-owned subsidiary of Sentry Insurance a Mutual Company, also a Wisconsin corporation.

2. Sentry Variable Account I is a separate account of Sentry Life of New York. Sentry Variable Account II and Sentry Variable Life Account I are separate accounts of Sentry Life. Each of the Accounts is registered under the 1940 Act as a unit investment trust. The assets of each Account support variable annuity contracts and, with respect to Variable Life Account I, variable life insurance policies (the "Contracts"). Interests in each of the Accounts offered through the Contracts are registered under the Securities Act of 1933 on Form N-4 or Form S-6.

3. The variable annuity contracts permit Contract owners to make four transfers in any year before the income date and one transfer in any year after the income date. The variable life contracts permit owners to make four transfers in any Contract year. All the Contracts reserve the right to effect substitutions in compliance with applicable law or undertake to provide notice to the extent required by the 1940 Act.

4. Each of the Accounts is divided into four subaccounts. Each subaccount invests exclusively in shares representing an interest in a separate corresponding series (each, a "Portfolio") of Neuberger Berman Advisers Management Trust, a series-type investment company which is registered under the 1940 Act as a diversified open-end management investment company.

5. Neuberger Berman Advisers Management Trust is currently comprised of nine Portfolios, the following four of which are involved in the proposed substitution: AMT Liquid Asset Portfolio; AMT Limited Maturity Bond Portfolio; AMT Balanced Portfolio; and AMT Growth Portfolio. Neuberger Berman Management is the investment manager, administrator and distributor for all four of the Portfolios. It engages Neuberger Berman, LLC as sub-adviser for each of the four Portfolios and to provide management and related services.

6. Applicants propose that the Companies carry out the following substitution of shares held by corresponding subaccounts of the Accounts: (a) shares of the Prime Reserve Portfolio of T. Rowe Price Fixed Income Series, Inc. for shares of the Liquid Asset Portfolio of Neuberger Berman Advisers Management Trust; (b) shares of the Limited-Term Bond Portfolio of T. Rowe Price Fixed Income Series, Inc. for shares of the Limited Maturity Bond Portfolio of Neuberger Berman Advisers Management Trust; (c) shares of the Personal Strategy Balanced Portfolio of T. Rowe Price Equity Series, Inc. for shares of the Balanced Portfolio of Neuberger Berman Advisers Management Trust; and (d) shares of the Aggressive Growth Portfolio of Janus Aspen Series for shares of the Growth Portfolio of Neuberger Berman Advisers Management Trust.

7. T. Rowe Price Fixed Income Series, T. Rowe Price Equity Series and Janus Aspen Series are each series type

investment companies that are registered under the 1940 Act as open-end management investment companies. T. Rowe Price Fixed Income Series consists of two series, both of which are involved in the substitution. Each series is managed by an Investment Advisory Committee that develops and executes its investment program. T. Rowe Price Personal Strategy Balanced Portfolio is one of four series of the T. Rowe Price Equity Series, which are managed by two committees. The Asset Allocation Committee determines the asset allocation among stock, bonds and money market securities. The Investment Advisory Committee has day-to-day responsibility for management of investments. The Aggressive Growth Portfolio is one of eleven series of the Janus Aspen Series. The portfolio is advised by the Janus Capital Corporation.

8. The substitute portfolios have investment objectives that are similar to

or comparable to those of the replaced portfolios. The Prime Reserve Portfolio, like the AMT Liquid Asset Portfolio, is a money market fund, which invests in high quality money market securities and maintains a stable \$1.00 per share price. The Limited Term Bond Portfolio, like the AMT Limited Maturity Bond Portfolio, invests mainly in investment grade bonds and other securities from US Government and corporate issuers. The Personal Strategy Balanced Portfolio, like the AMT Balanced Portfolio, invests approximately 60 percent of its assets in growth stocks and the balance in senior fixed income securities. The Janus Aspen Series Aggressive Growth Portfolio, like the AMT Growth Portfolio, invests principally in the stocks of medium-sized companies that are selected for their growth potential.

9. The following table shows that the fees and expenses of the substituted funds are consistently lower than the replaced funds:

Neuberger Berman

AMT Liquid Asset Portfolio

Management Fee: .65%

Expenses: .49%

AMT Limited Maturity Bond Portfolio

Management Fee: .65%

Expenses: .11%

AMT Balanced Portfolio

Management Fee: .85%

Expenses: .18%

AMT Growth Portfolio

Management Fee: .83%

Expenses: .09%

* T. Rowe Price structures its management fee to include all expenses related to the portfolio.

10. The following table shows that, with one exception, the average annual returns of the substituted funds are higher than the replaced funds:

Neuberger Berman

AMT Liquid Assets

1996 3.3%

1997 3.5%

1998 3.4%

AMT Limited Maturity Bond

1996 3.1%

1997 5.5%

1998 3.1%

AMT Balanced

1996 5.6%

1997 18.0%

1998 10.9%

AMT Growth

1996 7.8%

1997 27.5%

1998 14.2%

T. Rowe Price Fixed Income Series, Inc.

Prime Reserve Portfolio

Management Fee: .55%

Expenses: *

Limited-Term Bond Portfolio

Management Fee: .70%

Expenses: *

T. Rowe Price Equity Series, Inc.

Personal Strategy Balanced Portfolio

Management Fee: .90%

Expenses: *

Janus Aspen Series

Aggressive Growth Portfolio

Management Fee: .72%

Expenses: .03%

T. Rowe Price Fixed Income, Inc.

Prime Reserve

1996 N/A

1997 5.33%

1998 5.29%

Limited-Term Bond

1996 3.26%

1997 6.74%

1998 7.28%

T. Rowe Price Equity Series, Inc.

Personal Strategy Balanced

1996 14.20%

1997 18.04%

1998 14.32%

Janus Aspen Fund

Aggressive Growth

1996 8.0%

1997 12.7%

1998 34.3%

11. The proposed substitutions will take place at relative net asset value with no change in the amount of any Contract owner's Contract value or in

the dollar value of his or her investment in the Accounts. The substitutions will be effected by redeeming shares of the replaced portfolios on the date of

substitution at net asset value and using the proceeds to purchase shares of the substitute portfolios at net asset value on the same date. At all times all

Contract values will remain unchanged and fully invested. Contract owners will not incur any fees or charges as a result of the proposed substitutions nor will their rights under the Contracts be altered in any way. All expenses incurred in connection with the proposed substitutions, including legal, brokerage, accounting and other fees and expenses, will be paid by the Companies. In addition, the proposed substitutions will not impose any tax liability on Contract owners. The proposed substitutions will not cause the Contract fees and charges currently being paid by existing Contract owners to be greater after the proposed substitutions than before the proposed substitutions.

12. By supplements to the prospectuses for the Contracts and Accounts, all owners of Contracts have been notified of the Companies' intention to take the necessary actions, including seeking the order requested by the Application, to carry out the proposed substitutions. The supplements inform Contract owners that following the substitution, for a period of 30 days, the Life Companies will permit transfers from any subaccounts to any other subaccount without any limitation or charge being imposed and without the transfer counting against the number of transfers permitted each Contract year.

13. Additionally, within 5 days after the proposed substitutions are completed, all Contract owners will be sent a written notice informing them that the substitutions were completed and reiterating their right to make transfers to any other subaccount for a period of 30 days from the date of the notice without any limitation or charge being imposed and without the transfer counting against the number of transfers permitted each year. The Companies will include in such mailing the supplements to the prospectuses of the Accounts which describe the substitutions.

14. The Companies will provide Contract owners with copies of the substitute portfolios' prospectuses prior to the substitution or with the confirmation of the substitution.

Applicants' Legal Analysis

1. Applicants request an order pursuant to Section 26(b) of the 1940 Act approving the proposed substitutions. Section 26(b) provides, in pertinent part, that "it shall be unlawful for any depositor or trustee of a registered unit investment trust holding the security of a single issuer to substitute another security for such security unless the commission shall

have approved such substitution." Section 26(b) also provides that the Commission will approve the substitution if the evidence establishes that the substitution is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

2. Applicants assert that the purposes, terms and conditions of the proposed substitutions are consistent with the principles and purposes of Section 26(b) and do not entail any of the abuses that the section is designed to prevent. Applicants further assert that the proposed substitutions will not result in the type of costly forced redemption that Section 26(b) was intended to guard against.

3. Applicants maintain that each of the substitute portfolios is a suitable and appropriate investment vehicle for Contract owners. Each of the substitute portfolios has a similar or comparable investment objective as the portfolio it is replacing.

4. The average annual returns of the substitute portfolios for the past three years, with one exception, have exceeded the average annual returns of the replaced portfolios. The investment management and administrative fees and related expenses charged to the Accounts by the substitute portfolios are less than those fees and expenses charged to the Accounts by the replaced portfolios. Applicants, therefore, assert that the substitute portfolios will provide Contract owners with more favorable investment results than would be the case if the proposed substitutions do not take place.

5. Applicants assert that the proposed substitutions meet the standards that the Commission and its staff have applied to substitutions that have been approved in the past in that: (a) the investment objectives of the substitute portfolios are similar to or comparable to those of the replaced portfolios; (b) the substitutions, in all cases, will be effected at the net asset value of the respective shares in conformity with Section 22(c) of the Act and Rule 22c-1 thereunder, without imposition of any transfer or similar charge; (c) the Companies have undertaken to assume the expenses and transaction costs, including among others, legal, brokerage and accounting fees and any other expenses, relating to the substitutions; (d) the substitutions will in no way alter the insurance benefits to Contract owners or the contractual obligations of the Life Companies; (e) the substitutions will in no way alter tax benefits to Contract owners; and (f) Contract owners may choose to simply withdraw amounts credited to them following the

substitutions under the conditions that currently exist without incurring any charges (other than applicable withdrawal charges).

16. Applicants assert that the transactions are consistent with the policies of the portfolios as recited in the current registration statements and reports filed under the 1940 Act; and that the proposed substitution is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

Conclusion

Applicants assert that, for the reasons summarized above, the requested order approving the substitutions should be granted.

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

Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (Unistar Financial Service Corp., Common Stock, \$.01 Par Value per Share) File No. 1-14975

October 20, 1999.

Unistar Financial Service Corp., a Delaware corporation ("Company"), has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act") and Rule 12d2-2(d) promulgated thereunder, to withdraw the security specified above ("Security") from listing and registration on the American Stock Exchange LLC ("Amex" or "Exchange").

In its application to the Commission, the Company has stated that it does not believe it meets the requirements for continued listing on the Exchange. On August 24, 1999, representatives of the Amex advised the Company that, in reviewing the Company's eligibility for continued listing, the Amex was considering delisting the Security. The Exchange cited the following concerns to the Company:

(a) Whether the transactions through which the Company acquired U.S. Fidelity Holding Corp. involved related parties and, if so, whether those relationships were adequately disclosed;

(b) Whether the Company had appropriately valued a "customer List"