SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application to Withdraw from Listing and Registration; (The Network Connection, Inc., Common Stock, $.001 Par Value, and Attached Common Stock Purchase Rights) File No. 1–13760

October 18, 2000.

The Network Connection, Inc. (''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'')[1] and Rule 12d2–2(d)[2] thereunder, to withdraw its Common Stock, $.001 par value, and attached Common Stock Purchase Rights (referred to collectively herein as the ''Securities'') from listing and registration on the Boston Stock Exchange (''BSE'').

In addition to being listed and registered on the BSE, the Securities trade over-the-counter and have been designated for quotation on the SmallCap Market of the Nasdaq Stock Market, Inc. (''Nasdaq'') since May 1995. The Company does not see any particular advantage in its Securities trading on two markets and so has applied to withdraw the Securities from listing and registration on the BSE in order to avoid possible fragmentation of the market for such Securities and to save the expense of maintaining the secondary listing.

The Company has stated in its application that it has complied with the rules of the BSE governing the withdrawal of its Securities from listing and that the BSE has in turn indicated that it will not oppose such withdrawal. In addition, the Company has stated that its application relates solely to the withdrawal of the Securities from listing and registration on the BSE and shall have no effect upon either their continued designation for quotation on the Nasdaq, their registration under Section 12(g) of the Act,[3] or the Company's continued obligation to file with the Commission the periodic and other reports required by Section 13 of the Act.[4]

Any interested person may, on or before November 8, 2000, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609, facts bearing upon whether the application has been made in accordance with the rules of the BSE and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[5]

Jonathan G. Katz,

Secretary.

[FR Doc. 00–27235 Filed 10–23–00; 8:45 am]

BILLING CODE 8010–01–M

[1] 15 U.S.C. 78*l*(d).

[2] 17 CFR 240.12d2–2(d).

[3] 15 U.S.C. 78*l*(g).

[4] 15 U.S.C. 78m.

[5] 17 CFR 200.30–3(a)(1).

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24694; 812–11608]

William Blair Funds and William Blair & Company, L.L.C.; Notice of Application

October 17, 2000.

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

ACTION: Notice of application for an order under section 12(d)(1)(J) of the Investment Company Act of 1940 (''Act'') for an exemption from sections 12(d)(1)(A) and (B) of the Act, under sections 6(c) and 17(b) of the Act for an exemption from section 17(a) of the Act, and under section 17(d) of the Act and rule 17d–1 under the Act to permit certain joint transactions.

SUMMARY OF APPLICATION: The applicants request an order that would permit certain registered management investment companies and private accounts to invest uninvested cash and cash collateral in one or more affiliated money market funds and engage in certain transactions with each other.

Applicants: William Blair Funds on behalf of its series William Blair Growth Fund, William Blair Tax-Managed Growth Fund, William Blair Large Cap Growth Fund, William Blair Small Cap Growth Fund, William Blair International Growth Fund, William Blair Emerging Markets Growth Fund, William Blair Disciplined Large Cap Fund, William Blair Value Discovery Fund, William Blair, Millennium Fund, William Blair Income Fund, William Blair Ready Reserves Fund, each subsequently created series, and any registered management investment company and its series that are currently or in the future advised by William Blair Advisers (defined below) (''Blair Funds''), and William Blair & Company, L.L.C. and any entity controlling, controlled by, or under common control with William Blair & Company, L.L.C. (''William Blair Advisers'').

FILING DATES: The application was filed on May 14, 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 November 13, 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 request 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, DC 20549–0609. Applicants, 227 West Monroe Street, Chicago, IL 60606.

FOR FURTHER INFORMATION CONTACT: Anu Dubey, Senior Counsel, at (202) 942–0687, or Michael 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. William Blair Funds is organized as a Delaware business trust and is an open-end management investment company registered under the Act. One of the series of the William Blair Funds is a money market fund subject to the requirements of rule 2a–7 under the Act (together with future Blair Funds that are money market funds, the ''Money Market Funds'').[1] William Blair &

[1] All existing Blair Funds that currently intend to rely on the requested order are named as applicants. Applicants also request that the order extend to each applicant's successor in interest, which is any entity or entities that result from a reorganization of the entity into another jurisdiction or a change in the type of business organization of the entity.

Company, L.L.C. is the investment adviser to each series of the William Blair Funds. Each of the William Blair Advisers is or will be registered as an investment adviser under the Investment Advisers Act of 1940. A William Blair Adviser may serve as investment adviser to institutional and individual managed accounts (''Managed Accounts''). The accountholders of the Managed Accounts are individual institutions and natural persons. The Managed Accounts are not pooled investment vehicles.

2. Applicants state that the Blair Funds that are not Money Market Funds (''Investing William Blair Funds'') and Managed Accounts have, or may be expected to have, uninvested cash. Such cash may result from a variety of sources, including dividends or interest received on portfolio securities, unsettled securities transactions, reserves held for investment strategy purposes, scheduled maturity of investments, liquidation of investment securities to meet anticipated redemptions, dividend payments or new monies received from investors (''Uninvested Cash''). Certain of the Blair Funds also may participate in a securities lending program under which they loan their portfolio securities to registered broker-dealers or other institutional investors (''Securities Lending Program''). The loans are secured by collateral, including cash collateral (''Cash Collateral''), equal at all times to at least the market value of the securities loaned. The Managed Accounts also may have Cash Collateral. Applicants request an order to permit the Investing William Blair Funds and Managed Accounts (together, the ''Investing Funds'') to use their Uninvested Cash and Cash Collateral to purchase shares of one or more of the Money Market Funds, and the Money Market Funds to sell their shares to, and redeem their shares from, the Investing Funds.

3. Applicants also state that the Blair Funds and Managed Accounts currently engage in purchase and sale transactions with other Blair Funds involving short-term money market instruments in reliance on rule 17a–7 under the Act. Applicants also seek relief so that Investing Funds may engage in these interfund transactions in the event that the Investing Funds become affiliated persons of Blair Funds by virtue of owning more than 5% of a Money Market Fund (''Interfund Transactions'').

Any other existing or future entity will rely on the order only in accordance with the terms and conditions of the application.

Applicant's Legal Analysis

I. Investment of Uninvested Cash and Cash Collateral

A. Section 12(d)(1)

1. Section 12(d)(1)(A) of the Act provides that no registered investment company may acquire securities of another investment company if such securities represent more than 3% of the acquired company's outstanding voting stock, more than 5% of the acquiring company's total assets, or if such securities, together with the securities of other acquired investment companies, represent more than 10% of the acquiring company's outstanding 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, of if the sale will cause more than 10% of the acquired company's voting stock to be owned by investment companies.

2. Section 12(d)(1)(J) of the Act provides that the Commission may exempt any person, security, or transaction from any provision of section 12(d)(1) if and to the extent that such exemption is consistent with the public interest and the protection of investors.

3. Applicants request relief under section 12(d)(1)(J) to permit the Investing William Blair Funds to use their Uninvested Cash and Cash Collateral to acquire shares of the Money Market Funds in excess of the percentage limitations in section 12(d)(1)(A), provided however, that in all cases an Investing William Blair Fund's aggregate investment of Uninvested Cash in shares of the Money Market Funds will not exceed 25% of the Investing William Blair Fund's total assets at any time. Applicants also request relief to permit the Money Market Funds to sell their securities to the Investing William Blair Funds in excess of the percentage limitations in section 12(d)(1)(B).

4. Applicants state that the proposed arrangement will not result in the abuses that sections 12(d)(1)(A) and (B) were intended to prevent. Applicants state that there is no threat of redemption to gain undue influence over the Money Market Funds due to the highly liquid nature of each Money Market Fund's portfolio. Applicants also note that the William Blair Advisers will serve as investment advisers to all of the Blair Funds. Applicants state that the proposed arrangement will not result in inappropriate layering of either sales charges or investment advisory fees. Shares of the Money Market Funds sold to the Investing William Blair Funds will not be subject to a sales load, redemption fee, asset-based distribution fee or service fee. In connection with approving any advisory contract for an Investing William Blair Fund, the board of trustees of each Investing William Blair Fund (''Board''), including a majority who are not ''interested persons,'' as defined in section 2(a)(19) of the Act (''Independent Trustees''), shall consider to what extent, if any, the advisory fees charged to the Investing William Blair Fund by the William Blair Adviser should be reduced to account for reduced services provided to the Investing William Blair Fund by the William Blair Adviser as a result of Uninvested Cash being invested in the Money Market Funds. Applicants represent that no Money Market Funds will acquire securities of any other investment company in excess of the limitations contained in section 12(d)(1)(A) of the Act.

B. Section 17(a)

5. Section 17(a) of the Act makes it unlawful for any affiliated person of a registered investment company, acting as principal, to sell or purchase any security to or from the investment company. Section 2(a)(3) of the Act defines an affiliated person of an investment company to include any person directly or indirectly owning, controlling, or holding with power to vote 5% or more of the outstanding voting securities of the other person, any person 5% or more of whose outstanding securities are directly or indirectly owned, controlled, or held with power to vote by the other person, any person directly or indirectly controlling, controlled by, or under common control with the other person, and any investment adviser to the investment company. Because the Blair Funds and the Managed Accounts share a common investment adviser, they may be deemed to be under common control and thus affiliated persons of each of the other Blair Funds and Managed Accounts. In addition, if an Investing Fund purchases more than 5% of the voting securities of a Money Market Fund, the Investing Fund and Money Market Fund would be affiliated persons of each other. As a result of these affiliations, section 17(a) would prohibit the sale of the shares of Money Market Funds to the Investing William Blair Funds, and the redemption of the shares by Money Market Funds.

6. Section 17(b) of the Act authorizes the Commission to exempt a transaction

from section 17(a) of the Act if the terms of the proposed transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned, and the proposed transaction is consistent with the policy of each investment company concerned and with the general purposes of the Act. Section 6(c) of the Act permits the Commission to exempt persons or transactions 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 policy and provisions of the Act.

7. Applicants submit that their request for relief to permit the purchase and redemption of shares of the Money Market Funds by the Investing William Blair Funds satisfies the standards in sections 6(c) and 17(b). Applicants state that the Investing William Blair Funds will retain their ability to invest Uninvested Cash and Cash Collateral directly in money market instruments as authorized by their respective investment objectives and policies, if they believe they can obtain a higher return or for any other reason. Similarly, a Money Market Fund has the right to discontinue selling shares to any of the Investing William Blair Funds if the Money Market Fund's board of trustees or investment adviser determines that such sale would adversely affect its portfolio management and operations. In addition, applicants note that shares of the Money Market Funds will be purchased and redeemed at their net asset value, the same consideration paid and received for these shares by any other shareholders.

C. Section 17(d) and Rule 17d–1

8. Section 17(d) of the Act and rule 17d–1 under the Act prohibit an affiliated person of an investment company, acting as principal, from participating in or effecting any transaction in connection with any joint enterprise or joint arrangement in which the investment company participates, unless the Commission has approved the joint arrangement. Applicants state that the Investing Funds and the Money Market Funds, by participating in the proposed transactions, and the William Blair Advisers, by effecting the proposed transactions, could be deemed to be participating in a joint arrangement within the meaning of section 17(d) and rule 17d–1.

9. In considering whether to approve a joint transaction under rule 17d–1, the Commission considers whether the investment company's participation in the joint enterprise is consistent with the provisions, policies and purposes of the Act and the extent to which participation in the joint enterprise is on a basis different from or less advantageous than that of other participants. Applicants state that, for the reasons discussed above, the proposed transactions meet the standards for an order under rule 17d–1.

II. Interfund Transactions

10. Rule 17a–7 under the Act excepts from the prohibitions of section 17(a) the purchase or sale of certain securities between registered investment companies which are affiliated persons, or affiliated persons of affiliated persons, of each other, or between a registered investment company and a person which is an affiliated person of such company, or an affiliated person of an affiliated person, solely by reason of having a common investment adviser or affiliated investment advisers, common officers and/or common directors. In the event that the Investing Funds could be deemed to be affiliated persons of each other, and of the Money Market Funds, by virtue of an Investing Fund owning 5% or more of the outstanding voting securities of a Money Market Fund, applicants state that they would be unable to rely on rule 17a–7 to effect Interfund Transactions.

11. Applicants request relief under sections 6(c) and 17(b) of the Act to permit the Interfund Transactions. Applicants submit that the Investing Funds and the Money Market Funds will comply with rule 17a–7 under the Act in all respects, other than the requirement that the participants be affiliated solely by reason of having a common investment adviser or affiliated investment advisers, common officers and/or common directors, solely because the Investing Funds and the Money Market Funds might become affiliated persons within the meaning of sections 2(a)(3)(A) and (B) of the Act. Applicants state that the Interfund Transactions will be reasonable and fair, will not involve overreaching, and will be consistent with the purposes of the Act and the policy of each registered investment company concerned.

Applicants' Conditions

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

1. Shares of the Money Market Funds sold to and redeemed by the Investing William Blair Funds will not be subject to a sales load, redemption fee, distribution fee under a plan adopted in accordance with rule 12b–1 under the Act, or service fee (as defined in rule 2830(b)(9) of the National Association of Securities Dealers' Conduct Rules).

2. No Money Market Fund will acquire securities of any other investment company in excess of the limits contained in section 12(d)(1)(A) of the Act.

3. Each of the Investing William Blair Funds will invest Uninvested Cash in, and hold shares of, a Money Market Fund only to the extent that such Investing William Blair Fund's aggregate investment of Uninvested Cash in all the Money Market Funds does not exceed 25% of the Investing William Blair Fund's total assets. For purposes of this limitation, each Investing William Blair Fund or series thereof will be treated as a separate investment company.

4. Each Investing Fund and Money Market Fund relying on the order will be advised by a William Blair Adviser.

5. Investment by an Investing William Blair Fund in shares of the Money Market Funds will be in accordance with each Investing William Blair Fund's respective investment restrictions and will be consistent with each Investing William Blair Fund's policies as set forth in its prospectus and statement of additional information.

6. Before the next meeting of the Board is held for the purpose of voting on an advisory contract under section 15 of the Act, the William Blair Adviser to the Investing William Blair Fund will provide the Board with specific information regarding the approximate cost to the William Blair Adviser of, or portion of the advisory fee under the existing advisory contract attributable to, managing the Uninvested Cash of the Investing William Blair Fund that can be expected to be invested in the Money Market Funds. In connection with approving any advisory contract for an Investing William Blair Fund, the Board, including a majority of the Independent Trustees, shall consider to what extent, if any, the advisory fees charged to the Investing William Blair Fund by the William Blair Adviser should be reduced to account for reduced services provided to the Investing William Blair Fund by the William Blair Adviser as a result of Uninvested Cash being invested in the Money Market Funds. The minute books of the Investing William Blair Fund will record fully the Board's consideration in approving the advisory contract, including the considerations referred to above.

7. Before a Blair Fund may participate in the Securities Lending Program, a majority of the trustees (including a majority of the trustees who are not

''interested persons,'' as defined in section 2(a)(19) of the Act) of the Blair Fund will approve the Blair Fund's participation in the Securities Lending Program. Such trustees also will evaluate the securities lending arrangement and its results no less frequently than annually and determine that any investment of Cash Collateral in the Money Market Funds is in the best interest of the shareholders of the Investing William Blair Fund.

8. To engage in Interfund Transactions, the Investing Funds and Money Market Funds will comply with Rule 17a–7 under the Act in all respects other than the requirement that the parties to the transactions be affiliated persons (or affiliated persons of affiliated persons) of each other solely by reason of having a common investment adviser or investment advisers which are affiliated persons of each other, common officers and/or common directors, solely because the Investing Funds and Money Market Funds might become affiliated persons within the meaning of section 2(a)(3)(A) and (B) of the Act.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00–27215 Filed 10–23–00; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24692; 812–11376]

The Galaxy Fund, et al.; Notice of Application

October 17, 2000.

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

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

SUMMARY OF THE APPLICATION: The requested order would amend an existing order that permits an open-end management investment company to purchase certain securities: (i) from an affiliated underwriter, if such securities are solely underwritten by that underwriter or are unavailable from other members of an underwriting syndicate, and (ii) through group orders placed with an underwriting syndicate that includes the affiliated underwriter.

Applicants: The Galaxy Fund (''Trust''); Fleet Investment Advisors, Inc. (''Adviser''); and Fleet Securities, Inc. (''Fleet Securities'').

FILING DATES: The application was filed on October 28, 1998, and was amended on April 22, 1999, and February 18, 2000.

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 November 9, 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 by writing to the Commission's Secretary.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Applicants: Trust, c/o Drinker Biddle & Reath LLP, Attn: Mary Jo Reilly, Esq. or Terry Riley, Esq., 1345 Chestnut Street, Philadelphia, PA 19107; Adviser, 75 State Street, Boston, MA 02109; Fleet Securities, 14 Wall Street, 27th Floor, New York, NY 10005.

FOR FURTHER INFORMATION CONTACT: Bruce R. MacNeil, Senior Counsel, at (202) 942–0634, or Nadya B. Roytblat, Assistant Director, 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 from the Commission's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549–0102 (telephone (202) 942–8090).

Applicants' Representations

1. The Trust is an open-end management investment company registered under the Act. The Trust offers several investment portfolios, including the Rhode Island Municipal Bond Fund (''Portfolio''). The Adviser, which is registered under the Investment Advisers Act of 1940, serves as investment adviser to the Portfolio. The Adviser is an indirect wholly-owned subsidiary of FleetBoston Corporation (''FleetBoston'').

2. The Portfolio's investment objective is to seek as high a level of current interest income exempt from federal income tax and, to the extent possible, from Rhode Island personal income tax, as is consistent with relative stability of principal. To achieve this objective, at least 65% of the Portfolio's assets are invested in: (i) debt securities of the State of Rhode Island, its political subdivisions, authorities, agencies, instrumentalities and corporations, the interest on which is exempt from federal and Rhode Island personal income taxes (''Rhode Island Tax-Exempt Securities''); and (ii) debt securities of certain other governmental issuers such as Puerto Rico, the interest on which is exempt from federal and Rhode Island personal income taxes.

3. Fleet Securities, a wholly-owned subsidiary of FleetBoston, is one of the top three underwriters of most types of Rhode Island Tax-Exempt Securities based on both dollar volume and number of new issues. In 1994, applicants received an exemptive order under sections 6(c), 10(f), and 17(b) of the Act that permits the Portfolio to purchase Rhode Island Tax-Exempt Securities: (i) from Fleet Securities, where Fleet Securities is the sole underwriter or such securities are unavailable from other members of an underwriting syndicate, and (ii) through group orders placed with an underwriting syndicate of which Fleet Securities is a member (''Existing Order'').[1] Under the Existing Order, the Portfolio and all other entities for which investment decisions are made by the Adviser, Fleet Securities, FleetBoston, and/or affiliated persons of the Adviser, Fleet Securities, and FleetBoston (collectively, ''Related Purchasers''), may not, in the aggregate, purchase more than the greater of 4% or $500,000, but in no event more than 10%, of any class of an issue of Rhode Island Tax-Exempt Securities (''Existing Limit''). Applicants seek to amend the Existing Order to increase the Existing Limit consistent with rule 10f–3 under the Act currently in effect.

Applicants' Legal Analysis:

1. Section 10(f) of the Act, in relevant part, prohibits a registered investment company from purchasing securities from an underwriting syndicate in which an affiliated person of the company's investment adviser acts as a principal underwriter. Under section 2(a)(3) of the Act, Fleet Securities is an affiliated person of the Adviser because

[1] *The Galaxy Fund*, Investment Company Act Rel. Nos. 20660 (Oct. 26, 1994) (notice) and 20726 (Nov. 22, 1994) (order). A group order is an order that is allocated to all members of an underwriting syndicate in proportion to their relative participations.