Environmental Impacts of the Proposed Action

With regard to potential radiological impacts to the general public, the exemptions under consideration involve features located entirely within the restricted area as defined in 10 CFR Part 20. The new fuel assemblies meet the same design bases as the fuel that is currently in the reactor. No safety limits have been changed or setpoints altered as a result of the use of these new assemblies. The FSAR analyses are bounding for the new assemblies as well as for the rest of the core. The advanced zirconium-based alloys Zircaloy and ZIRLO have been shown through testing to perform satisfactorily under conditions representative of a reactor environment and the material properties of M5 are very similar to these alloys.

With regard to the potential environmental impacts associated with the transportation of the M5 clad fuel assemblies, the advanced cladding has no impact on previous assessments determined in accordance with 10 CFR 51.52.

The proposed action will not significantly increase the probability or consequences of accidents, no changes are being made in the types of any effluents that may be released off site, and there is no significant increase in occupational or public radiation exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential nonradiological impacts, the proposed action does not involve any historic sites. It does not affect nonradiological plant effluents and has no other environmental impact. Therefore, there are no significant nonradiological environmental impacts associated with the proposed action.

Accordingly, the NRC concludes that there are no significant environmental impacts associated with the proposed action.

Alternatives to the Proposed Action

As an alternative to the proposed action, the staff considered denial of the proposed action (*i.e.*, the ''no-action'' alternative). Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources

This action does not involve the use of any resources not previously considered in the ''Final Environmental Statement Related to the Operation of Davis-Besse Nuclear Power Station, Unit 1,'' dated October 1975.

Agencies and Persons Consulted

In accordance with its stated policy, on December 7, 1999, the staff consulted with the Ohio State official, Carol O'Claire, of the Ohio Emergency Management Agency, regarding the environmental impact of the proposed action. The State official had no comments.

Finding of No Significant Impact

On the basis of the environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated September 15, 1998, which is available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC. Publically available records will be accessible electronically from the ADAMS Public Library component on the NRC Web site, *http://www.nrc.gov* (the Electronic Reading Room).

Dated at Rockville, Maryland, this 30th day of December 1999.

For the Nuclear Regulatory Commission.

Anthony J. Mendiola,

Chief, Section 2, Project Directorate III, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 00–251 Filed 1–5–00; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24227; 812–11670]

New Covenant Funds and New Covenant Trust Company, N.A.; Notice of Application

December 29, 1999.

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

ACTION: Notice of an application for an order under section 6(c) of the Investment Company Act of 1940 (the ''Act'') for an exemption from section 15(a) of the Act and rule 18f–2 under the Act.

SUMMARY OF APPLICATION: The requested order would permit applicants, New Covenant Funds (the ''Investment Company'') and New Covenant Trust Company, N.A. (the ''Adviser''), to enter into and materially amend subadvisory agreements without obtaining shareholder approval.

FILING DATES: The application was filed by July 2, 1999, and amended on November 8, 1999. Applicants have agreed to file an amendment during the notice period, the substance of which is reflected in this notice.

HEARING OF 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 January 24, 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 who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, NW., Washington, DC 20549–0609; Applicants, 200 East 12th Street, Jeffersonville, Indiana 47130.

FOR FURTHER INFORMATION CONTACT: Deepak T. Pai, Senior Counsel, at (202) 942–0574 or George J. Zornada, 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 Fifth Street, NW, Washington, DC 20549–0102 (202) 942–8090).

Applicants' Representations

1. The Investment Company, a Delaware business trust, is registered under the Act as an open-end management investment company. The Investment Company offers shares in four separate series: New Covenant Growth Fund, New Covenant Balanced Growth Fund, New Covenant Income Fund, and New Covenant Balanced Income Fund (the ''Funds''), each with its own distinct investment objectives, policies, and restrictions.[1]

[1] Applicants also request relief for (a) any series of the Investment Company organized in the future (''Future Series''), and (b) any registered open-end management investment companies or series of those companies advised in the future by the

Continued

2. The Adviser is not required to be registered as an investment adviser under the Investment Advisers Act of 1940 (the ''Advisers Act''). The Advisers serves an investment adviser to each Fund pursuant to an investment management agreement between the Adviser and the Investment Company (''Investment Management Agreement''). The Investment Management Agreement has been approved by the initial shareholder of each Fund and by a majority of the Investment Company's board of trustees (''Board''), including a majority of the trustees who are not ''interested persons'' (as defined in section 2(a)(19) of the Act) (the ''Independent Trustees'').

3. Under the Investment Management Agreement, the Adviser, subject to Board oversight, provides general management of the Funds' operations. The Advisers seeks to enhance performance and reduce market risk by allocating management of the assets of certain of the Funds among multiple specialist subadvisers (''Subadvisers''). Under investment subadvisory agreements (''Investment Subadvisory Agreements''), the specific investment decisions for each Fund are made by one or more Subadvisers, each of whom has discretionary authority to invest all or a portion of the assets of a particular Fund, subject to general supervision by the Adviser and the Board. Currently, the Adviser employees eight Subadvisers, each of which is registered under the Advisers Act. Any future Subadviser will be registered under the Advisers Act or will be exempt from registration. The Adviser monitors the performance of each Fund and each Subadviser and will recommend that the Board employee or terminate particular Subadvisers to achieve the overall investment objectives of a particular Fund. The Adviser pays the Subadvisers' fees out of the fees the Adviser receives from the Funds. The Adviser selects Subadvisers for the Funds based on the continuing quantitative and qualitative evaluation of their skills and proven abilities in managing assets pursuant to a particular investment style.

4. Applicants request relief to permit the Adviser to enter into and materially amend Investment Subadvisory Agreements without obtaining shareholder approval. The requested relief will not extend to a Subadviser that is an ''affiliated person,'' as defined in section 2(a)(3) of the Act, of the Investment Company or the Adviser, other than by reason of serving as a Subadviser to one or more of the Funds (an ''Affiliated Subadviser''). None of the current Subadvisers is an Affiliated Subadviser.

Applicants' Legal Analysis

1. Section 15(a) of the Act provides, in relevant part, that it is unlawful for any person to act as an investment adviser to a registered investment company except under a written contract approved by a majority of the investment company's outstanding voting shares. Rule 18f–2 under the Act provides that each series or class of stock in a series company affected by a matter must approve the matter if the Act requires shareholder approval.

2. Section 6(c) of the Act provides that the Commission may exempt persons or transactions from the provisions of the Act, or from any rule thereunder, to the extent that 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. Applicants request an exemption under section 6(c) of the Act from section 15(a) of the Act and rule 18f–2 under the Act to permit them to enter into and materially amend Investment Subadvisory Agreements without shareholder approval.

3. Applicants assert that a Fund's investors rely on the Adviser for investment management services and submit that the role of the Subadvisers, from the perspective of the investor, is comparable to that of the individual portfolio advisers employed by other advisory firms. Applicants contend that requiring shareholder approval of the Investment Subadvisory Agreements would increase the Investment Company's expenses and delay the prompt implementation of actions considered advisable by the Board. Applicants note that the Investment Management Agreement will continue to be fully subject to section 15 of the Act and rule 18f–2 thereunder.

Applicants' Conditions

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

1. Before a Fund or a Future Fund may rely on the order requested in the application, the operation of the Fund or a Future Fund in the manner described in the application will be approved by a majority of the Fund's or Future Fund's outstanding voting securities, as defined in the Act, or, in the case of a Fund or Future Fund whose public shareholders purchased shares on the basis of a prospectus containing the disclosure contemplated by condition 2 below, by the sole initial shareholder(s) before offering shares of such Fund or Future Fund to the public.

2. Any Fund or Future Fund relying on the requested relief will disclose in its prospectus the existence, substance, and effect of any order granted pursuant to the application. In addition, any such Fund will hold itself out to the public as employing the ''Subadviser'' structure described in the application. The prospectus with respect to the Funds and any Future Fund will prominently disclose that the Adviser has the ultimate responsibility (subject to oversight by the Board) to oversee the Subadvisers and recommend their hiring, termination and replacement.

3. The Adviser will provide general management services to the Investment Company and the Funds, including overall supervisory responsibility for the general management and investment of each Fund, and, subject to review and approval by the Board will (i) set each Fund's overall investment strategies; (ii) evaluate, select, and recommend Subadvisers to manage all or a part of Fund's assets; (iii) when appropriate, allocate and reallocate a Fund's assets among Subadvisers; (iv) monitor and evaluate the performance of Subadvisers; and (v) implement procedure reasonably designed to ensure that the Subadvisers comply with the relevant Fund's investment objective, policies, and restrictions.

4. At all times, a majority of the Board will be Independent Trustees, and the nomination of new or additional Independent Trustees will be placed within the discretion of the then existing Independent Trustees.

5. Neither the Investment Company nor the Adviser will enter into Investment Subadvisory Agreements on behalf of the Funds with any Affiliated Subadviser without such agreement, including the compensation to be paid thereunder, being approved by the shareholders of the applicable Fund.

6. When a change of Subadviser is proposed for a Fund with an Affiliated Subadviser, the Board, including a majority of the Independent Trustees, will make a separate finding, reflected in the minutes of meetings of the Board that any change of Subadviser is in the best interest of the Fund and its shareholders, and does not involve a conflict of interest from which the Adviser or Affiliated Subadviser derives an inappropriate advantage.

Adviser or a person controlling, controlled by, or under common control (within the meaning of section 2(a)(9) of the Act) with the Adviser that uses the adviser/subadviser structure described in the application and complies with the terms and conditions of the application (together with Future Series, ''Future Funds''). Each existing registered open-end management investment company that currently intends to rely on the application is named as an applicant. (p. 5)

7. No trustee or officer of the Investment Company or director or officer of the Adviser will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by any such person) any interest in a Subadviser except for ownership of interests in the Adviser or any entity that controls, is controlled by, or is under common control with the Adviser, or ownership of less than 1% of the outstanding securities of any class of equity or debt securities of any publicly traded company that is either a Subadviser of an entity that controls, is controlled by, or is under common control with a Subadviser.

8. Within 90 days of the hiring of any new Subadviser, shareholders will be furnished all information about the new Subadviser that would be contained in a proxy statement, including any change in such disclosure caused by the addition of the new Subadviser. Each Fund will meet this condition by providing shareholders with an information statement meeting the requirements of Regulation 14C, Schedule 14C, and Item 22 of Schedule 14A under the Securities Exchange Act of 1934 within 90 days of the hiring of a Subadviser.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00–231 Filed 1–5–00; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24226; 812–11668]

Manufacturers Investment Trust and Manufacturers Securities Services, LLC; Notice of Application

December 29, 1999.

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

ACTION: Notice of an application under section 6(c) of the Investment Company Act of 1940 (''Act'') for an exemption from section 15(a) of the Act and rule 18f–2 under the Act.

Summary of Application: Applicants, Manufacturers Investment Trust (the ''Trust'') (formerly NASL Series Trust) and Manufacturers Securities Services, LLC (the ''Adviser'') (formerly NASL Financial Services, Inc.), request an order that would permit applicants to enter into and materially amend sub-advisory agreements without shareholder approval. The order would supersede a prior order.

Filing Dates: The application was filed on June 22, 1999 and amended on October 8, 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 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 pm on January 24, 2000 and should be accompanied by proof of service on 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 5th Street NW, Washington, DC 20549–0609. Applicant, c/o John W. Blouch, Esq., Jones & Blouch L.L.P., 1025 Thomas Jefferson St., NW, Suite 405 West, Washington, DC 20007.

FOR FURTHER INFORMATION CONTACT: Lawrence W. Pisto, Senior Counsel, at (202) 942–0527, or George J. Zornada, Branch Chief at (202) 942–0564, Office of Investment Company Regulation, Division of Investment Management.

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. The Trust, a Massachusetts business trust, is registered under the Act as an open-end management investment company. The Trust is currently comprised of thirty-nine series (''Portfolios''), each of which has its own investment objectives, and policies.[1] The shares of the Portfolios serve as funding vehicles for variable annuity contracts and life insurance contracts offered through separate accounts of subsidiaries of The Manufacturers Life Insurance Company, a Canadian life insurance company (''Manulife'').

2. The Adviser, a Delaware limited liability company, serves as investment adviser to each of the Portfolios, and is registered as an investment adviser under the Investment Advisers Act of 1940 (''Advisers Act''). The Adviser is an indirectly-owned subsidiary of Manulife.

3. The Adviser serves as investment adviser to the Portfolios pursuant to an investment advisory agreement between the Adviser and the Trust that was approved by the board of trustees of the Trust (the ''Board''), including a majority of the trustees (''Trustees'') who are not ''interested persons,'' as defined in section 2(a)(19) of the Act (''Independent Trustees''), and the shareholders of the Trust (''Investment Advisory Agreement''). Under the Investment Advisory Agreement, the Adviser has overall general supervisory responsibility for the investment program of the Portfolios and recommends to the Board the selection of one or more subadvisers (each a ''Manager'' and collectively, ''Managers'') to provide one or more Portfolios with day-to-day portfolio management services (''Manager of Managers Strategy''). Each Manager is an investment adviser registered or exempt from registration under the Advisers Act, and performs services pursuant to a written agreement with the Adviser (the ''Portfolio Management Agreement''). Managers' fees are paid by the Adviser out of its fees from the Portfolios at rates negotiated with the Managers by the Adviser. The Portfolios currently have 16 Managers.

4. The Trust has operated under a prior order (''Original Order'') granting relief for the Manager of Managers Strategy since December 31, 1996.[2] The Adviser makes qualitative evaluations of each Manager's skills and demonstrated performance in managing assets under particular investment styles. The Adviser recommends to the Board for selection those Managers that have consistently distinguished themselves

[1] Applicants also request relief with respect to future series of the Trust and all future registered open-end management investment companies that are: (a) Advised by the Adviser or any entity controlling, controlled by, or under common control within the Adviser, and (b) which operate in substantially the same manner as the Trust and comply with the terms and conditions contained in the application. The Trust is the only existing investment company that currently intends to rely on the order.

[2] Investment Company Act Release Nos. 22382 (Dec. 9, 1996) (notice) and 22429 (Dec. 31, 1996) (order). The Original Order was granted to NASL Financial Services, Inc., NASL Series Trust and North American Funds. NASL Financial Services, Inc. has been merged into another wholly-owned subsidiary of Manulife. NASL Series Trust's name has been changed to Manufactures Investment Trust. The Adviser is no longer advising North American Funds; consequently it is not a party to this application. The Original Order also granted relief from certain disclosure requirements.