code of ethics and that every access person of a registered investment company report personal securities transactions. Applicant requests an exemption from the provisions of rule 17j–1, except for the antifraud provisions of paragraph (a), because they were unnecessarily burdensome as applied to the Partnerships.

Applicant's Conditions

Applicant agrees that any order granting the requested relief shall be subject to the following conditions:

1. Each proposed transaction involving a Partnership otherwise prohibited by section 17(a) or section 17(d) of the Act and rule 17d–1 thereunder (the ''Section 17 Transactions'') will be effected only if the General Partner determines that: (a) The terms of the transaction, including the consideration to be paid or received, are fair and reasonable to the Limited Partners and do not involve overreaching of the Partnership or its Limited Partners on the part of any person concerned; and (b) the transaction is consistent with the interests of the Limited Partners, the Partnership's organizational documents, and the Partnership's reports to its Limited Partners. In addition, the General Partner will record and preserve a description of such affiliated transactions, its findings, the information or materials upon which its findings are based, and the basis for the findings. All such records will be maintained for the life of the Partnership and at least two years thereafter, and will be subject to examination by the SEC and its staff.[2]

2. In connection with Section 17 Transactions, the General Partner will adopt, and periodically review and update, procedures designed to ensure that reasonable inquiry is made, prior to the consummation of any such transaction, with respect to the possible involvement in the transaction of any affiliated person or promoter of or principal underwriter for the Partnership, or any affiliated person of such person, promoter, or principal underwriter.

3. The General Partner will not invest the funds of any Partnership in any investment in which an Affiliated Co-Investor (as defined below) has or proposes to acquire the same class of securities of the same issuer, where the investment involves a joint enterprise or other joint arrangement within the meaning of rule 17d–1 in which the Partnership and an Affiliated Co-Investor are participants, unless any such Affiliated Co-Investor, prior to disposing of all or part of its investment, (a) gives the General Partner sufficient, but not less than one day's, notice of its intent to dispose of its investment, and (b) refrains from disposing of its investment unless the Partnership has the opportunity to dispose of the Partnership's investment prior to or concurrently with, on the same terms as, and pro rata with the Affiliated Co-Investor. The term ''Affiliated Co-Investor'' means any person who is: (a) An affiliated person of the Partnership (other than an investment company or other fund which is offered, sponsored, advised or managed by a CSFB Company and which includes investors who are not CSFB Companies); (b) a CSFB Company; (c) an officer or director of a CSFB Company, or (d) a company in which the General Partner of such Partnership acts as general partner or has a similar capacity to control the sale or other disposition of the company's securities. The restrictions contained in this condition, however, shall not be deemed to limit or prevent the disposition of an investment by an Affiliated Co-Investor: (a) To its direct or indirect majority-owned subsidiary, to any company (a ''Parent'') of which the Affiliated Co-Investor is a direct or indirect majority-owned subsidiary, or to a direct or indirect majority-owned subsidiary of its Parent; (b) to immediate family members of the Affiliated Co-Investor or a trust established for any Affiliated Co-Investor or any such family member; or (c) when the investment is comprised of securities that are (i) listed on a national securities exchange registered under section 6 of the 1934 Act; (ii) national market system securities pursuant to section 11A(a)(2) of the 1934 Act and rule 11Aa2–1 thereunder; or (iii) government securities as defined in section 2(a)(16) of the Act.

4. Each Partnership and its General Partner will maintain and preserve, for the life of each such Partnership and at least two years thereafter, such accounts, books, and other documents as constitute the record forming the basis for the audited financial statements that are to be provided to the Limited Partners, and each annual report of such Partnership required by the terms of the applicable partnership agreement, to be sent to the Limited Partners, and agree that all such records will be subject to examination by the SEC and its staff.[3]

5. The General Partner will send Partnership financial statements to each Limited Partner who had an interest in a Partnership at any time during the fiscal year then ended. Except for Partnerships formed to make a single investment, the statements will be audited by the Partnership's independent accountants. At the end of each fiscal year, the General Partners will make a valuation or have a valuation made of all of the assets of the Partnership as of such fiscal year end. In addition, within 90 days after the end of each fiscal year of each of the Partnerships or as soon as practicable thereafter, the General Partner shall send a report to each person who was a Limited Partner at any time during the fiscal year then ended setting forth such tax information as shall be necessary for the preparation by the Limited Partner of his or her federal and state income tax returns, and a report of the investment activities of the Partnership during each year.

6. Whenever a Partnership makes a purchase from or sale to an entity affiliated with a Partnership by reason of a 5% or more investment in such entity by a CSFB Company director, officer, or employee, or person on retainer, such individual will not participate in the General Partner's determination of whether or not to effect such purchase or sale.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–23953 Filed 9–9–97; 8:45 am]

BILLING CODE 8010–01–M

[2] Each partnership will preserve the accounts, books and other documents required to be maintained in an easily accessible place for the first two years.

[3] Each Partnership will preserve the accounts, books and other documents required to be maintained in an easily accessible place for the first two years.

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–22807; 812–10714]

Style Select Series, Inc., et al.; Notice of Application

September 3, 1997.

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

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

SUMMARY OF APPLICATION: Applicants request an order to permit a series of the

Style Select Series, Inc. to acquire all of the assets and assume all of the liabilities of a series of SunAmerica Equity Funds.

APPLICANTS: Style Select Series, Inc. (the ''Company''), on behalf of International Equity Portfolio (the ''Acquiring Fund''), and SunAmerica Equity Funds (the ''Trust''), on behalf of SunAmerica Global Balanced Fund (the ''Acquired Fund'').

FILING DATES: The application was filed on July 3, 1997, and amended on August 28, 1997.

HEARING OR 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 September 24, 1997, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW., Washington, DC 20549. Applicants, The SunAmerica Center, 733 Third Avenue, New York, New York 10017–3204.

FOR FURTHER INFORMATION CONTACT: Lawrence W. Pisto, Senior Counsel, at (202) 942–0527, or Christine Y. Greenlees, 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 SEC's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549 (tel. (202) 942–8090).

Applicants' Representations

1. The Company, a Maryland corporation, is registered under the Act as an open-end management investment company. The Acquiring Fund is one of four series of the Company. The Trust, a Massachusetts business trust, is registered under the Act as an open-end management investment company. The Acquired is one of six series of the Trust. The Acquiring Fund and the Acquired Fund may be referred to individually as a ''Fund'' and collectively as the ''Funds.'' SunAmerica Asset Management Corp. (''SAAMCo''), an investment adviser registered under the Investment Advisers Act of 1940 and indirect wholly-owned subsidiary of SunAmerica Inc., serves as investment adviser to both Funds.

2. Each Fund offers Class A and Class B shares.[1] Class A and Class B shares of the Acquiring Fund are subject to sales charges and distribution fees on identical terms as Class A and Class B shares, respectively, of the Acquired Fund. Class A shares of each Fund are sold at the respective net asset value plus a sales charge imposed at the time of purchase, and Class B shares of each Fund are sold at the respective net asset value subject to a contingent deferred sales charge (''CDSC'') if redeemed within six years of the date of purchase.

3. On the Effective Date (as defined below) of the proposed reorganization (the ''Reorganization''), all of the assets and liabilities of the Acquired Fund will be transferred to the Acquiring Fund in exchange for Class A and Class B shares of the Acquiring Fund (the ''Issued Shares'') on the basis of relative net asset value. The Funds are seeking to consummate the Reorganization on or about September 12, 1997, and in any event no later than September 30, 1997, the fiscal year end of the Acquired Fund (the ''Effective Date'').

4. No sales charge will be imposed on the Issued Shares. Class B shares of each Fund automatically convert to Class A shares approximately seven years after purchase. A shareholder's holding period for Class B shares of the Acquiring Fund received in the Reorganization will include the shareholder's holding period for the Class B shares of the Acquired Fund exchanged therefor in the Reorganization, for purposes of determining any applicable CDSC upon redemption of such shares as well as when such shares convert to Class A shares.

5. SunAmerica Capital Services, Inc. (''SACS'' or the ''Distributor''), an affiliated person of SAAMCo, serves as distributor of both Funds. Each Fund has adopted distribution plans with respect to Class A and Class B shares (hereinafter referred to as the ''Class A Plans'' and the ''Class B Plans,'' and collectively, the ''Distribution Plans''). Under the Class A Plans, the Distributor may receive payments from a Fund at an annul rate of up to 0.10% of average daily net assets of such Fund's Class A shares. Under the Class B Plans, the Distributor may receive payments from a Fund at the annual rate of up to 0.75% of the average daily net assets of such Fund's Class B shares. It is possible that in any given year, the amount paid to the Distributor under the Class A plans or Class B Plans May exceed the Distributor's distribution costs as described above. The Distribution Plans provide that each class of shares of each Fund may also pay the Distributor an account maintenance and service fee of up to 0.25% of the aggregate average daily net assets of such class of shares.

6. The Acquiring Fund seeks long-term growth of capital by investing in equity securities of issuers in countries other than the United States. The Acquiring Fund will invest, under normal circumstances, at least 65% of its total assets in equity securities of issuers in at least three countries other than the United States. The Acquired Fund seeks capital appreciation while conserving principal by maintaining at all times a balanced portfolio of domestic and foreign stocks and bonds. Under normal circumstances, the Acquired Fund will invest at least: (a) 25% of its assets in global fixed-income senior securities; (b) 10% of its assets in domestic equity securities; and (c) 45% of its assets in foreign equity securities. In addition, it is anticipated that, under normal circumstances, the Acquired Fund will invest its assets in at least 10 countries at any time, although it is only required, under such circumstances, to maintain investments in at least three countries (one of which may be the United States).

7. Immediately after the Effective Date, (a) the Issued Shares received by the Acquired Fund pursuant to the Agreement and Plan of Reorganization (the ''Agreement'') will be distributed to the shareholders of the Acquired Fund in exchange for their Class A and Class B shares (''Exchange Shares'') in the Acquired Fund, such that each shareholder of the Acquired Fund will receive a number of full and fractional Issued Shares of the same class as, and having, at the Effective Date, an aggregate net asset value equal to the aggregate net asset value of the Exchanged Shares held by such shareholder on Effective Date at the time at which the Acquiring Fund ordinarily determines its net asset value (computed as of close of regular trading on the New York Stock Exchange), and (b) the Exchanged Shares will thereupon be canceled on the books of the Trust. The net asset value of the Issued Shares and of the Exchanged Shares will be calculated in accordance with the description of the net asset value in the then-current prospectus of the

[1] The Acquiring Fund also offers Class C shares, but they will not be issued in connection with the Reorganization (as defined below).

Acquiring Fund and Acquired Fund, respectively.

8. The distribution of the Issued Shares to the shareholders of the Acquired Fund will be accomplished by the establishment of an open account on the share records of the Acquiring Fund in the name of each shareholder of the Acquired Fund and representing the respective *pro rata* number of Issued Shares of the same class as, and equal in value to the value of, the Exchanged Shares held by such shareholder at the Effective Date. Exchanged Shares held in an open account with the transfer agent of the Acquired Fund will automatically become the number of Issued Shares provided for above and be held in an open account with the transfer agent of the Acquiring Fund.

9. The Agreement provides that the Acquired Fund will make one or more distributions to shareholders prior to the Effective Date which, together with all previous distributions, will have the effect of distributing to its Class A and B shareholders all of its net investment income and capital gains for the period from the close of its last fiscal year to the close of business on the Effective Date and any undistributed amounts thereof from the last fiscal year.

10. On May 22, 1997, the board of directors of the Company and the board of trustees of the Trust (collectively, the ''Boards''), including their disinterested directors and trustees, respectively, unanimously approved the Agreement. In deciding to approve the Agreement, the Boards concluded that the Reorganization would operate in the best interests of the relevant Fund and its shareholders and that the interests of the shareholders of each Fund would not be diluted as a result of the Reorganization.

11. In deciding to approve the Agreement and recommend it to the shareholders of the Acquired Fund, the Board of the Trust reviewed information related to the following factors: (1) Performance of the Funds; (2) Funds' fees and expenses; (3) Funds' growth rate and economies of scale; (4) the similarities of the Funds; (5) the tax-free nature of the transaction; and (6) lack of dilution of the interests of the Acquired Fund shareholders.

12. All costs of the Reorganization, including the costs of printing and mailing the prospectus/proxy statement and the costs of the special meeting of shareholders of the Acquired Fund scheduled for September 5, 1997 (the ''Meeting''), will be borne by SAAMCo and not by either Fund.

13. A definitive prospectus/proxy statement relating to the Meeting was filed with the SEC on July 8, 1997. Applicants sent the prospectus/proxy statement to shareholders of the Acquired Fund on July 8, 1997, for their approval at the Meeting.

14. The Agreement sets forth certain conditions to the consummation of the Reorganization, including the approval of the Reorganization by shareholders of the Acquired Fund, receipt of an opinion of counsel as to tax matters, and receipt of the SEC order requested in the application.

15. The Agreement and the Reorganization may be terminated by either Board notwithstanding approval by the shareholders of the Acquired Fund at any time prior to the Effective Date if circumstances should develop that, in the opinion of either Board, make proceeding with the Agreement inadvisable. Applicants agree not to make any material changes to the Agreement without prior SEC approval.

Applicants' Legal Analysis

1. Section 17(a) generally prohibits an affiliated person of a registered investment company, or any affiliated person of such person, from selling any security to or purchasing any security from the company. Section 2(a)(3)(C) defines the term ''affiliated person'' of another person to include any person controlling, controlled by, or under common control with such person.

2. Rule 17a–8 exempts from the prohibitions of section 17(a) mergers, consolidations, or purchases or sales of substantially all of the assets of registered investment companies that are affiliated persons solely by reason of having a common investment adviser, common directors/trustees, and/or common officers, provided that certain conditions are satisfied.

3. Applicants believe that they may not rely on rule 17a–8 in connection with the Reorganization because the Acquiring Fund and the Acquired Fund may be affiliated for reasons other than those set forth in the rule. Specifically, SunAmerica Inc. indirectly owns 100% of the outstanding voting securities of each of SAAMCo and SACS, the adviser to and distributor of, respectively, both Funds. As of June 30, 1997, the record date for the Meeting, SunAmerica Inc. also owns with the power to vote approximately 32% of the outstanding shares of the Acquiring Fund.[2] Because of this ownership, applicants believe that the Acquiring Fund may be deemed an affiliated person of an affiliated person of the Acquired Fund, and vice versa, for reasons not based solely on their common adviser.

4. Section 17(b) authorizes the SEC to exempt a proposed transaction from section 17(a) 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; the proposed transaction is consistent with the policies of each registered investment company concerned and the general purposes of the Act.

5. Applicants submit that the terms of the Reorganization satisfy the standards set forth in section 17(b), in that the terms are fair and reasonable and do not involve overreaching on the part of any person concerned. Applicants note that each Board, including the non-interested trustees and directors, as applicable, reviewed the terms of the Reorganization as set forth in the Agreement, including the consideration to be paid or received, and found that participation in the Reorganization as contemplated by the Agreement is in the best interests of the Company, the Trust, and each Fund, and that the interests of existing shareholders of each Fund will not be diluted as a result of the Reorganization. Applicants also note that the exchange of the Acquired Fund's assets and liabilities for the shares of the Acquiring Fund will be based on the Funds' relative net asset values.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97–23952 Filed 9–9–97; 8:45 am]

BILLIING CODE 8010–01–M

[2] SunAmerica Inc. does not own any of the outstanding shares of the Acquired Fund as of June 30, 1997.

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–39008; File No. SR–Amex–97–32]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by American Stock Exchange, Inc. Relating to Board Telephone Conferencing and Exchange Official Qualification Requirements

September 3, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] notice is hereby given that on August 20, 1997, the American Stock Exchange, Inc. (''Amex'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'')

[1] 15 U.S.C. 78s(b)(1).