

**FILING DATE:** The application was filed on November 16, 1995 and amended on November 24, 1995.

**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 applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on January 8, 1996, 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 SEC's Secretary.

**ADDRESSES:** Secretary, SEC, 450 5th Street, NW., Washington, DC 20549. Applicant, 24 Federal Street, Boston, Massachusetts 02110.

**FOR FURTHER INFORMATION CONTACT:** Deepak T. Pai, Staff Attorney, at (202) 942-0574, or Alison E. Baur, 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 SEC's Public Reference Branch.

#### Applicant's Representations

1. Applicant is an open-end management investment company organized as a Massachusetts business trust. On February 28, 1986, applicant registered under the Act as an investment company. On March 5, 1986, applicant filed a registration statement under the Securities Act of 1933 registering an indefinite number of shares. The registration statement became effective on August 1, 1986, and applicant's initial public offering commenced soon thereafter. Applicant consists of two series, EV Classic High Income Fund ("Classic High Income") and EV Marathon High Income Fund ("Marathon High Income") (collectively the "Funds"). Applicant is a feeder fund in a master/feeder structure and therefore has no investment adviser.

2. On June 19, 1995, applicant's Board of Trustees, including a majority of Trustees who were not interested persons of applicant, approved an Agreement and Plan of Reorganization for each Fund whereby applicant would transfer all of the assets and liabilities of Classic High Income and Marathon High Income to a corresponding new

series of Eaton Vance Mutual Funds Trust (the "Trust"). These new series are EV Classic High Income Fund and EV Marathon High Income Fund (together, the "Successor Funds"). In exchange, each Fund would receive shares of beneficial interest of each Successor Fund with an aggregate net asset value equal to the net asset value of each Fund's assets and liabilities transferred. Pursuant to rule 17a-8, applicant's Board of Trustees determined that such reorganization would be in the best interests of applicant and that the interests of existing shareholders of the Funds would not be diluted as a result of the reorganization.<sup>1</sup> No shareholder approval was required by the Declarations of Trust of applicant or the Trust, or by applicable law.

3. On July 31, 1995, applicant transferred all of the assets and liabilities of the Funds to their corresponding Successor Funds. Shareholders in the Funds received shares of beneficial interest of each Successor Fund equal in value to their shares in a Fund in complete liquidation and dissolution of applicant. No brokerage commissions were paid as a result of the exchange.

4. Each Fund and each Successor Fund assumed its own expenses in connection with the reorganization. Such expenses included, but were not limited to, legal fees, registration fees and printing expenses.

5. At the time of the filing of the application, applicant had no assets or liabilities, was not a party to any litigation or administration proceeding, and had no shareholders. Applicant is neither engaged, nor does it propose to engage, in any business activities other than those necessary for the winding-up of its affairs.

6. On July 31, 1995, applicant dissolved as a Massachusetts business trust.

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

Jonathan G. Katz,

Secretary.

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<sup>1</sup> Although purchases and sales between affiliated persons generally are prohibited by section 17(a) of the Act, rule 17a-8 provides an exemption for certain purchases and sales among investment companies that are affiliated persons of one another solely by reason of having a common investment adviser, common directors, and/or common officers. Applicant and the Trust may be deemed to be affiliated persons of each other solely by reason of having common trustees and officers, and therefore may rely on the rule.

[Rel. No. IC-21601; 812-9828]

#### Mutual Fund Group, et al.; Notice of Application

December 14, 1995.

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

**ACTION:** Notice of Application for Exemption under the Investment Company Act of 1940 (the "Act").

**APPLICANTS:** Mutual Fund Group, Mutual Fund Trust, Mutual Fund Variable Annuity Trust, Vista Global Fixed Income Portfolio, Vista Growth and Income Portfolio, Vista International Equity Portfolio, Vista Capital Growth Portfolio (collectively, the "Investment Companies"), and the Chase Manhattan Bank, N.A. or its successor entity subsequent to its merger into Chemical Bank<sup>1</sup> (the "Adviser").

**RELEVANT ACT SECTIONS:** Order requested under section 6(c) of the Act for an exemption from sections 13(a)(2), 13(a)(3), 18(f)(1), 22(f), and 22(g) and rule 2a-7 thereunder, under sections 6(c) and 17(b) of the Act for an exemption from section 17(a)(1), and under section 17(d) of the Act and rule 17d-1 thereunder to permit certain joint arrangements.

**SUMMARY OF APPLICATION:** Applicants request an order that would permit each applicant investment company to enter into deferred compensation arrangements with its trustees who are not employees of its affiliated persons.

**FILING DATES:** The application was filed on October 23, 1995, and amended on December 7, 1995.

**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 January 8, 1996, 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.

<sup>1</sup> Chase Manhattan Corporation has announced that it plans to enter into a reorganization with Chemical Banking Corporation pursuant to which Chemical Banking Corporation will be the surviving corporation. This merger is expected to be completed on or about April 1, 1996. Subsequent to this merger it is expected that the Chase Manhattan Bank will be merged into Chemical Bank, with Chemical Bank as the surviving bank, assuming the investment management of the Investment Companies.