

**SECURITIES AND EXCHANGE
COMMISSION**

[Investment Company Act Release No.
31282; 812-14279]

**New Mountain Finance Corporation, et
al.; Notice of Application**

October 10, 2014.

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 sections
18(a) and 61(a) of the Act.

APPLICANTS: New Mountain Finance
Corporation (the “Company”), New
Mountain Finance Adviser BDC, L.L.C.
(the “Investment Adviser”), New
Mountain Finance SBIC G.P., L.L.C. (the
“General Partner”), and New Mountain
Finance SBIC, L.P. (“New Mountain
SBIC”).

SUMMARY OF THE APPLICATION: The
Company requests an order to permit it
to adhere to a modified asset coverage
requirement.

DATES: The application was filed on
February 18, 2014, and amended on
June 25, 2014, and September 4, 2014.

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 4, 2014, and
should be accompanied by proof of
service on applicants, in the form of an
affidavit, or for lawyers, a certificate of
service. Pursuant to Rule 0-5 under the
Act, hearing requests should state the
nature of the writer’s interest, any facts
bearing upon the desirability of a
hearing on the matter, 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, U.S. Securities
and Exchange Commission, 100 F Street
NE., Washington, DC 20549-1090.
Applicants: Robert A. Hamwee, New
Mountain Finance Corporation, 787
Seventh Avenue, 48th Floor, New York,
NY 10019.

FOR FURTHER INFORMATION CONTACT:
David Joire, Senior Counsel, at (202)
551-6866, or James M. Curtis, Branch
Chief, at (202) 551-6712 (Division of
Investment Management, Chief
Counsel’s Office).

SUPPLEMENTARY INFORMATION: The
following is a summary of the
application. The complete application
may be obtained via the Commission’s
Web site by searching for the file
number, or for an applicant using the
Company name box, at [http://
www.sec.gov/search/search.htm](http://www.sec.gov/search/search.htm) or by
calling (202) 551-8090.

Applicants’ Representations

1. The Company, a Delaware
corporation, is an externally managed,
non-diversified, closed-end
management investment company that
has elected to be regulated as a business
development company (“BDC”) under
the Act.¹ The Company’s investment
objective is to generate current income
and capital appreciation through the
sourcing and origination of debt
securities at all levels of the capital
structure, including first and second
lien debt, notes, bonds and mezzanine
securities. The Investment Adviser, a
Delaware limited liability company, is
the investment adviser to the Company.
The Investment Adviser is registered
under the Investment Advisers Act of
1940.

2. New Mountain SBIC, a Delaware
limited partnership, received approval
for a license from the Small Business
Administration (“SBA”) to operate as a
small business investment company
(“SBIC”) under the Small Business
Investment Act of 1958 (“SBIA”). New
Mountain SBIC is excluded from the
definition of investment company by
section 3(c)(7) of the Act. The General
Partner is the sole general partner of
New Mountain SBIC and the Company
is the sole member of the General
Partner. The Company is the sole
limited partner of New Mountain SBIC.
The Company, directly or indirectly
through the General Partner, wholly
owns New Mountain SBIC.

Applicants’ Legal Analysis

1. The Company requests an
exemption pursuant to section 6(c) of
the Act from the provisions of sections
18(a) and 61(a) of the Act to permit it
to adhere to a modified asset coverage
requirement with respect to any direct
or indirect wholly-owned subsidiary of
the Company that is licensed by the
SBA to operate under the SBIA as a
SBIC and relies on Section 3(c)(7) for an
exemption from the definition of
“investment company” under the Act

¹ Section 2(a)(48) defines a BDC to be any closed-
end investment company that operates for the
purpose of making investments in securities
described in section 55(a)(1) through 55(a)(3) of the
Act and makes available significant managerial
assistance with respect to the issuers of such
securities.

(each, a “SBIC Subsidiary”).²
Applicants state that companies
operating under the SBIA, such as the
SBIC Subsidiary, will be subject to the
SBA’s substantial regulation of
permissible leverage in their capital
structure.

2. Section 18(a) of the Act prohibits a
registered closed-end investment
company from issuing any class of
senior security or selling any such
security of which it is the issuer unless
the company complies with the asset
coverage requirements set forth in that
section. Section 61(a) of the Act makes
section 18 applicable to BDCs, with
certain modifications. Section 18(k)
exempts an investment company
operating as an SBIC from the asset
coverage requirements for senior
securities representing indebtedness
that are contained in section 18(a)(1)(A)
and (B).

3. Applicants state that the Company
may be required to comply with the
asset coverage requirements of section
18(a) (as modified by section 61(a)) on
a consolidated basis because the
Company may be deemed to be an
indirect issuer of any class of senior
security issued by New Mountain SBIC
or another SBIC Subsidiary. Applicants
state that applying section 18(a) (as
modified by section 61(a)) on a
consolidated basis generally would
require that the Company treat as its
own all assets and any liabilities held
directly either by itself, by New
Mountain SBIC, or by another SBIC
Subsidiary. Accordingly, the Company
requests an order under section 6(c) of
the Act exempting the Company from
the provisions of section 18(a) (as
modified by section 61(a)), such that
senior securities issued by each SBIC
Subsidiary that would be excluded from
its individual asset coverage ratio by
Section 18(k) if it were itself a BDC
would also be excluded from the
Company’s consolidated asset coverage
ratio.

4. Section 6(c) of the Act, in relevant
part, permits the Commission to exempt
any transaction or class of transactions
from any provision of the Act if and to
the extent that such 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. Applicants state
that the requested relief satisfies the
section 6(c) standard. Applicants
contend that, because the SBIC

² All existing entities that currently intend to rely
on the order are named as applicants. Any other
existing or future entity that may rely on the order
in the future will comply with the terms and
condition of the order.

Subsidiary would be entitled to rely on section 18(k) if it were a BDC, there is no policy reason to deny the benefit of that exemption to the Company.

Applicants' Condition

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

The Company will not itself issue or sell any senior security and the Company will not cause or permit New Mountain SBIC or any other SBIC Subsidiary to issue or sell any senior security of which the Company, New Mountain SBIC or any other SBIC Subsidiary is the issuer except to the extent permitted by Section 18 (as modified for BDCs by Section 61); provided that, immediately after the issuance or sale of any such senior security by any of the Company, New Mountain SBIC or any other SBIC Subsidiary, the Company, individually and on a consolidated basis, shall have the asset coverage required by Section 18(a) (as modified by Section 61(a)). In determining whether the Company, New Mountain SBIC and any other SBIC Subsidiary on a consolidated basis have the asset coverage required by Section 18(a) (as modified by Section 61(a)), any senior securities representing indebtedness of New Mountain SBIC or another SBIC Subsidiary if that SBIC Subsidiary has issued indebtedness that is held or guaranteed by the SBA shall not be considered senior securities and, for purposes of the definition of "asset coverage" in Section 18(h), shall be treated as indebtedness not represented by senior securities.

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

Kevin M. O'Neill,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-31268A; File No. 812-14250]

Managed Portfolio Series, et al.; Notice of Application

October 15, 2014.

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

ACTION: Notice of an application under section 6(c) of the Investment Company Act of 1940 ("Act") seeking exemptions from sections 9(a), 13(a), 15(a), and 15(b) of the Act and rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder.

APPLICANTS: Managed Portfolio Series (the "Trust"), U.S. Bancorp Fund Services, LLC ("USBFS"), and Tortoise Capital Advisors, L.L.C. ("Tortoise").

SUMMARY OF APPLICATION: Applicants request an order under section 6(c) of the Act granting exemptions from the provisions of sections 9(a), 13(a), 15(a), and 15(b) of the Act and rules 6e-2(b)(15) and 6e-3(T)(b)(15) (or any comparable provisions of a permanent rule that replaces rule 6e-3(T)) thereunder to permit an existing series of the Trust, Tortoise VIP MLP & Pipeline Portfolio ("Existing Variable Fund"), and/or any Future Variable Fund¹ to be sold to and held by: (i) Separate accounts registered as investment companies or separate accounts that are not registered as investment companies under the Act pursuant to exemptions from registration under section 3(c) of the Act that fund variable annuity contracts ("VA Accounts") and variable life insurance contracts ("VLI Accounts") (VA Accounts and VLI Accounts together "Separate Accounts") issued by both affiliated life insurance companies and unaffiliated life insurance companies ("Participating Insurance Companies"); (ii) trustees of qualified group pension or group retirement plans ("Qualified Plans") outside the Separate Account context; (iii) investment adviser(s) or affiliated person(s) of the investment adviser(s) (each an "Adviser") to a Variable Fund for the purpose of providing seed capital to a series of a Variable Fund; and (iv) general accounts ("General Accounts") of insurance company depositors of VA Accounts and/or VLI Accounts.

DATES: Filing Date: The application was filed on December 13, 2013, and amended on July 23, 2014 and September 11, 2014.

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 Secretary of the Commission 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 October 31, 2014 and should be accompanied by proof of service on

¹ As used herein, a "Future Variable Fund" is any investment company (or investment portfolio or series thereof), other than the Existing Variable Fund, designed to be sold to VA Accounts or VLI Accounts and for which USBFS or any of its affiliates serves in the future as investment adviser, subadviser, manager, administrator, principal underwriter, or sponsor. The Existing Variable Fund and any Future Variable Fund is referred to herein as a "Variable Fund," and collectively, as the "Variable Funds."

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 of a hearing by writing to the Secretary of the Commission.

ADDRESSES: Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090.

Applicants: Angela Pingel, Esq., U.S. Bancorp Fund Services, LLC, 615 East Michigan Street, Milwaukee, WI 53202.

FOR FURTHER INFORMATION CONTACT: Courtney S. Thornton, Senior Counsel, or David P. Bartels, Branch Chief (Division of Investment Management, Chief Counsel's Office) at 202-551-6821.

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained via the Commission's Web site by searching for the file number, or for an applicant using the Company name box, at <http://www.sec.gov/search.htm>, or by calling (202) 551-8090.

Applicants' Representations

1. The Trust was organized as a Delaware statutory trust on January 27, 2011, and is registered under the Act as an open-end management investment company (Reg. File No. 811-22525). The Trust is a series investment company as defined by Rule 18f-2 under the Act and currently is comprised of 24 series (including the Existing Variable Fund) managed by 16 different advisers and two sub-advisers. The Trust has registered two classes of shares of the Existing Variable Fund under the Securities Act of 1933 (the "1933 Act") (Reg. File No. 333-172080) on Form N-1A. The Trust may establish Future Variable Funds and additional classes of shares for any of the Variable Funds. Shares of the Variable Funds will not be offered to the general public. The application seeks exemptive relief only for the Existing Variable Fund and any Future Variable Fund, as defined herein, but does not seek exemptive relief for the remaining 23 current series because they are not designed to be sold to VA Accounts and/or VLI Accounts.

2. Tortoise is the investment adviser to the Existing Variable Fund as well as the investment adviser to three other series of the Trust. Tortoise is a Delaware limited liability company and is registered as an investment adviser under the Investment Advisers Act of 1940 ("Advisers Act"). Subject to the authority of the Board of Trustees of the Trust ("Board"), Tortoise will oversee