

What Is an Open Systems Environment?

An open system should be based on an architecture with published or documented interface specifications that have been adopted by a standards settings body.

Ultimately, Who Determines the Acceptable Level of Security for a System?

Each agency program official must understand the risk to systems under their control and determine the acceptable level of risk, ensure adequate security is maintained to support and assist the programs under their control, ensure that security controls comport with program needs and appropriately accommodate operational necessities. In addition, program officials should work in conjunction with Chief Information Officers and other appropriate agency officials so that security measures support agency information architectures.

Section 8b(3)

What Should agencies Consider Before Acquiring a COTS Solution?

COTS products can provide agencies a cost effective and efficient solution. However, often COTS products require customization for seamless use. Therefore agencies must still thoroughly examine the impact of a COTS product selection. A lessons-learned guide describing the risks of COTS products has been published by the Information Technology Resources Board (ITRB). The guide, entitled "Assessing the Risks of Commercial-Off-The-Shelf (COTS) Applications," is available on the ITRB web site (<http://itrb.gov>).

Section 9a(3). Chief Information Officer (CIO)

To Whom Does the CIO Report?

Each agency must appoint a Chief Information Officer, as required by 44 U.S.C. 3506(a), who will report directly to the agency's head to carry out the responsibilities of the agency under the PRA.

What Are the CIO's Responsibilities in Regards to Financial Management Systems?

The head of the agency is responsible for defining the operating relationship between the CIO and CFO functions and ensuring coordination in the implementation of the Clinger-Cohen Act, the PRA, the Chief Financial Officers Act, and the Government Performance and Results Act. The Clinger-Cohen Act encourages the CIO and CFO to work together under the direction of the agency head to ensure that the agency's information systems provide reliable, consistent, and timely program performance information.

What Is the CIO's Role in the Capital Planning Process?

The CIO will ensure that a capital planning process is established and rigorously used to

define and validate all information resource investments. Through this process, the CIO shall monitor and evaluate the performance of the information technology portfolio of the agency and advise the agency head whether to continue, modify, or terminate a program or project. The CIO will have accountability and authority over continuation or termination of information resource investments.

Additionally, the CIO will establish a board composed of senior level managers who will have the responsibility of making key business recommendations on information resource investments, and who will be continuously involved. Many agencies will institute a second board, composed of program or project level managers, with more detailed business and information resource knowledge. They will be able to provide technical support to the senior level board in proposing, evaluating, and recommending information resource investments.

What Is the CIO's Role in the Annual Budget Process?

The CIO will be an active participant during all agency annual budget processes and strategic planning activities, including the development, implementation, and maintenance of agency strategic plans. The CIO's role is to provide leadership and a strategic vision for using information technology to transform the agency. CIO's must also ensure that all information resource investments deliver a substantial mission benefit to the agency and/or a substantial ROI to the taxpayer.

Additionally, the CIO will ensure coordination of information resource planning processes and documentation with the agency's strategic, performance and budget process.

Section 9a(4)

Why Is the CIO Considered an Ombudsman?

The CIO designated by the head of each agency under 44 U.S.C. 3506(a) is charged with carrying out the responsibilities of the agency under the PRA. Agency CIOs are responsible for ensuring that their agency practices are in compliance with OMB policies. It is envisioned that the CIO will work as an ombudsman to investigate alleged instances of agency failures to adhere to the policies set forth in the Circular and to recommend or take corrective action as appropriate. Agency heads should continue to use existing mechanisms to ensure compliance with laws and policies.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-24379, 812-11968]

Boston 1784 Funds et al., Notice of Application

April 6, 2000.

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

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

SUMMARY OF APPLICATION: Applicants request an order to permit certain series of The Galaxy Fund ("Galaxy") to acquire all of the assets and liabilities of all of the series of Boston 1784 Funds ("1784")(the "Reorganization"). Because of certain affiliations, applicants may not rely on rule 17a-8 under the Act.

APPLICANTS: 1784, Galaxy, Fleet National Bank and Fleet Investment Advisors Inc.

FILING DATES: The application was filed on February 9, 2000. Applicants agree 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 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 May 1, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW, Washington, DC 20549-0609. 1784, 2 Oliver Street, Boston, MA 02109; Fleet National Bank, 100 Federal Street, Boston, MA 02110; Galaxy, 4400

Computer Drive, Westborough, MA 01581-5108; and Fleet Investment Advisors Inc., 75 State Street, Boston MA 02109.

FOR FURTHER INFORMATION CONTACT:

Paula L. Kashtan, Senior Counsel, at (202) 942-0615, or Mary Kay Frech, 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, 450 Fifth Street, NW, Washington, DC 20549-0102 (telephone (202) 942-8090).

Applicants' Representations

1. 1784, a Massachusetts business trust, is registered under the Act as an open-end management investment company and is comprised of seventeen series (the "Acquired Fund").

2. Galaxy, a Massachusetts business trust, is registered under the Act as an open-end management investment company. Galaxy currently offers 29 series, ten of which will participate in the Reorganization (the "Operating Acquiring Funds"). Galaxy also is organizing seven new shell series, each of which will participate in the Reorganization (the "Shell Acquiring Funds," and together with the Operating Acquiring Funds, the "Acquiring Funds").¹ The Acquiring Funds and the Acquired Funds are collectively referred to as the "Fund." Applicants state that the investment objectives, policies and restrictions of each Acquired Fund and its corresponding Acquiring Fund are substantially similar.

3. Fleet National Bank, formerly BankBoston, N.A. ("Fleet National"), serves as investment adviser to the Acquired Funds and is exempt from registration pursuant to section 202(a)(11)(A) of the Investment Advisers Act of 1940 ("Advisers Act"). Fleet Investment Advisers Inc. ("Fleet") is registered under the Advisers Act, and is the investment adviser for the Operating Acquiring Funds and will be the investment adviser for the Shell Acquiring Funds. Fleet National and Fleet and wholly owned subsidiaries of Fleet Boston Corporation.

4. Currently, Fleet National, Fleet and certain of their affiliates that are under common control (the "Fleet Boston Group") hold of record, in their names or in the names of their nominees, in

excess of 5% (and with respect to certain of the Funds more than 25%) of the outstanding voting securities of certain of the Funds. All of these securities are held for the benefit of others in a trust, agency, custodial, or other fiduciary or representative capacity, except that certain companies of the Fleet Boston Group may, at times, own economic interests in certain money market Funds for their own account.

5. On January 25, 2000 and February 4, 2000, respectively, the boards of trustees of Galaxy (the "Board of Galaxy") and 1784 ("Board of 1784"), including all of their disinterested trustees ("Disinterested Trustees"), unanimously approved a plan of Reorganization pursuant to which substantially all of the assets and liabilities of each of the Acquired Funds will be transferred to the corresponding Acquiring Fund in exchange for shares of designated classes of the corresponding Acquiring Fund (the "Plan of Reorganization").² The number of Acquiring Fund shares to be issued to shareholders of the Acquired Fund will be determined by dividing the aggregate net assets of each Acquired Fund by the net asset value per share of the corresponding Acquiring Fund class, each computed immediately prior to the effective time of the Reorganization ("Effective Time"). The Acquiring Fund shares will be distributed *pro rata* to the shareholders of record in the applicable Acquired Fund, determined as of the Effective Time. This distribution will be

² The Acquired Funds and their corresponding Acquiring Funds are: (1) 1784 Tax-Free Money Market Fund and Galaxy Tax-Exempt Fund; (2) 1784 U.S. Treasury Money Market Fund and Galaxy U.S. Treasury Fund; (3) 1784 Institutional U.S. Treasury Money Market Fund and Galaxy Institutional Treasury Money Market Fund (shell); (4) 1784 Prime Money Market Fund and Galaxy Money Market Fund; (5) 1784 Institutional Prime Money Market Fund and Galaxy Institutional Money Market Fund (shell); (6) 1784 Short-Term Income Fund and Galaxy Short-Term Bond Fund; (7) 1784 Income Fund and Galaxy High Quality Bond Fund; (8) 1784 U.S. Government Medium-Term Income Fund and Galaxy Intermediate Government Income Fund; (9) 1784 Tax-Exempt Medium-Term Income Fund and Galaxy Intermediate Tax-Exempt Bond Fund (shell); (10) 1784 Connecticut Tax-Exempt Income Fund and Galaxy Connecticut Intermediate Municipal Bond Fund (shell); (11) 1784 Florida Tax-Exempt Income Fund and Galaxy Florida Municipal Bond Fund (shell); (12) 1784 Massachusetts Tax-Exempt Income Fund and Galaxy Massachusetts Intermediate Municipal Bond Fund (shell); (13) 1784 Rhode Island Tax-Exempt Income Fund and Galaxy Rhode Island Municipal Bond Fund; (14) 1784 Asset Allocation Fund and Galaxy Asset Association Fund; (15) 1784 Growth and Income Fund and Galaxy Growth and Income Fund; (16) 1784 Growth Fund and Galaxy Growth Fund II (shell); and (17) 1784 International Equity Fund and Galaxy International Equity Fund.

accomplished by issuing the Acquiring Fund shares to open accounts on the share records of the Acquiring Funds in the names of the Acquired Fund shareholders of record. Simultaneously, all issued and outstanding shares of the Acquired Funds will be canceled on the books of the Acquired funds. Each of the acquired Funds thereafter will be dissolved. The Reorganization is expected to occur on or around May 12, 2000. The Plan of Reorganization may be terminated by mutual written consent of the Board of Galaxy and the Board of 1784 any time prior to the Effective Time.

6. The Acquiring Funds and the Acquired Funds consist of: (a) Five money market Funds (the "Money Market Funds"); and (b) twelve non-money market Funds (the "Non-Money Market Funds"). Each Acquired Fund offers one class of shares. Three classes of shares of the Acquiring Funds (BKB, Trust and shares) will be issued in the Reorganization.³

7. As a result of the Reorganization, shareholders of the 1784 Florida Tax-Exempt Income Fund, 1784 Tax-Free Money Market Fund, and 1784 Institutional U.S. Treasury Money Market Fund will receive shares of the corresponding Acquiring Fund, each of which offers a single class of shares ("Shares"). Shareholders of the remaining Acquired Funds will receive either BKB shares or Trust shares of the corresponding Acquiring Fund. Shareholders who purchased shares of the remaining Acquired Funds through an investment management, trust, custody, or other agency relationship with Fleet National ("Institutional Shareholders") will receive Trust shares of the corresponding Acquiring Fund. All other shareholders of the remaining Acquired Funds ("Retail Shareholders") will receive BKB shares of the corresponding Acquiring Fund. BKB shares will convert to Retail A shares of the respective Acquiring Fund on the first anniversary of the Reorganization, provided that the Board of Galaxy determines that such conversion is in the best interests of the BKB shareholders. Applicants state that the rights and obligations of the shares of the Acquired Funds are substantially similar to those of the corresponding classes of shares of the Acquiring Funds issued in the Reorganization.

8. Shares of the Acquired Funds are offered at net asset value with no front-end sales load or contingent deferred

¹ A registration statement for the Shell Acquiring Funds was filed with the SEC on February 23, 2000, and it is anticipated that it will be declared effective on or about May 8, 2000.

³ Certain of the Acquiring Funds are authorized to issue four additional classes of shares (Retail A, Retail B, Prime A, and Prime B) not involved in the Reorganization.

sales charge ("CDSC"). Trust shares, BKB shares and Shares of the Acquiring Funds are offered at net asset value with no front-end sales load or CDSC. The Non-Money Market Funds of the Acquired Funds are subject to a .25% rule 12b-1 fee. Since 1784's inception, however, no fees have been paid under the rule 12b-1 plan. Two of the Money Market Funds of the Acquired Funds (the 1784 U.S. Treasury Money Market Fund and the 1784 Prime Money Market Fund) are subject to an annual service fee of .10% of average daily net assets. Trust shares, BKB shares and Shares of the Acquiring Funds are not subject to distribution fees under a rule 12b-1 plan. BKB shares and Retail A shares are subject to a maximum .50% shareholder servicing fee.⁴ The BKB service fee will be waived, fully or partially, so that no Acquired Fund shareholder will realize an increase in expenses as a result of such fees for as long as they hold BKB shares. No sales load or CDSC will be imposed with respect to the shares of the Acquiring Funds to be issued in the Reorganization. In addition, no sales load will be imposed on conversion of BKB shares to Retail A shares, and no CDSC will be imposed on redemptions of Retail A shares by former Acquired Fund shareholders.

9. The Boards of 1784 and Galaxy, including all of their Disinterested Trustees, found that participation in the Reorganization is in the best interest of each Fund and that the interests of existing shareholders in the Funds will not be diluted as a result of the Reorganization. In approving the Reorganization, the Board of 1784 and the Board of Galaxy considered, among other things: (a) The capabilities, practices, and resources of Fleet and other service providers to the Acquiring Funds; (b) the investment advisory and other fees projected to be paid by the Acquiring Funds, and the projected expense ratios of the Acquiring Funds as compared with those of the Acquiring Funds; (c) the investment objectives, strategies, and limitations of the Acquiring Funds and their compatibility with those of the Acquiring Funds; (d) the shareholder services offered by the Acquiring Funds; (e) the terms and conditions of the Plan of Reorganization; (f) the expected cost savings for certain of the Acquiring Funds; (g) the anticipated tax-free status of the Reorganization; and (h) the number of investment portfolio options that would be available to shareholders after the Reorganization. In addition, the Board of 1784 considered that the

Acquiring Funds' shareholders would benefit from the distribution and shareholder servicing plans of the Acquiring Funds. Further, the Board of 1784 considered that, as a result of the Reorganization, Acquired Fund shareholders should benefit from improved economies of scale and will have access to a larger and more diverse family of mutual funds. Fleet will assume all expenses incurred by the Funds in connection with the Reorganization.

10. The Reorganization is subject to a number of conditions precedent, as set forth in the Plan of Reorganization, including that: (a) a registration statement under the Securities Act of 1933 for the Acquiring Funds will have become effective; (b) the shareholders of the Acquiring Funds, including a majority of the Institutional Shareholders and a majority of the Retail Shareholders, will have approved the Plan of Reorganization independently;⁵ (c) each Acquiring Fund will have declared a dividend or dividends to distribute substantially all of its investment company taxable income and net capital gain, if any, to its shareholders; (d) applicants will have received exemptive relief from the SEC with respect to the issues in the application; and (e) the applicants will have received an opinion of counsel concerning the federal income tax aspects of the Reorganization.

Applicants agree not to make any material changes to the Reorganization Plan without prior SEC approval.

11. A registration statement on Form N-14 was filed with the SEC on February 7, 2000, and became effective on March 8, 2000. Applicants mailed prospectus/proxy statements to shareholders of the Acquiring Funds on or about March 15, 2000. A special meeting of the Acquired Fund shareholders will be held on or about April 28, 2000.

Applicants' Legal Analysis

1. Section 17(a) of the Act generally prohibits an affiliated person of a registered investment company, or an affiliated person of such a person, acting as principal, from selling any security to, or purchasing any security from, the company. Section 2(a)(3) of the Act defines an "affiliated person" of another person to include: (a) 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; (b)

any person 5% or more of whose securities are directly or indirectly owned, controlled, or held with power to vote by the other person; (c) any person directly or indirectly controlling, controlled by, or under common control with the other person, and (d) if the other person is an investment company, any investment adviser of that company. Applicants state that the Funds may be deemed affiliated persons and thus the Reorganization may be prohibited by section 17(a).

2. Rule 17a-8 under the Act 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, or affiliated persons of an affiliated person, solely by reason of having a common investment adviser, common directors, and/or common officers, provided that certain conditions set forth in the rule are satisfied.

3. Applicants believe that they may not rely on rule 17a-8 in connection with the Reorganization because the Funds may be deemed to be affiliated for reasons other than those set forth in the rule. By virtue of the direct or indirect ownership by the Fleet Boston Group of more than 5% (and in some cases, more than 25%) of the outstanding voting securities of certain of the Funds, each Acquired Fund may be deemed an affiliated person of an affiliated person of the corresponding Acquiring Fund. In addition, because of this ownership, certain of the Funds may be deemed to be under common control, and thus affiliated persons under section 2(a)(3)(C) of the Act.

4. Section 17(b) of the Act provides that the SEC may exempt a transaction from the provisions of section 17(a) if the evidence establishes that the terms of the proposed transaction, including the consideration to be paid, are reasonable and fair and do not involve overreaching on the part of each registered investment company concerned and with the general purposes of the Act.

5. Applicants request an order under section 17(b) of the Act exempting them from section 17(a) of the Act to the extent necessary to permit applicants to consummate the Reorganization. Applicants submit that the Reorganization satisfies the standards of section 17(b) of the Act. Applicants state that the Boards of Galaxy and 1784, including all of their Disinterested Trustees, found that participation in the Reorganization is in the best interests of each of the Funds, and that the interests of the existing shareholders will not be diluted as a result of the Reorganization.

⁴ The Acquiring Funds approved a shareholder services plan with respect to Trust shares, although no agreement has been entered into under the plan

⁵ An Acquired Fund will not be reorganized unless both the Institutional Shareholders and Retail Shareholders separately as a class approve the Reorganization.

Applicants also note that the exchange of the Acquired Funds' assets for shares in the Acquiring Funds 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. 00-9180 Filed 4-12-00; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application to Withdraw From Listing and Registration; (BriteSmile Inc., Common Stock, Par Value \$.001 per Share) File No. 1-11064

April 6, 2000.

BriteSmile, 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) thereunder,² to withdraw the security described above ("Security") from listing and registration on the American Stock Exchange LLC ("Amex").

The Security has been listed and registered on the Amex pursuant to Section 12(b) of the Act.³ The Company now desires to have its Security trade on the Nasdaq Stock Market, Inc. ("Nasdaq"). Accordingly, the Company has filed a Registration Statement on Form 8-A with the Commission pursuant to Section 12(g) of the Act,⁴ and the Company has stated that the Security is scheduled to begin trading on the Nasdaq National Market, and simultaneously be suspended from trading on the Amex, at the opening of business on April 7, 2000. In conjunction with the transfer of trading from the Amex to the Nasdaq, the Company is seeking to withdraw its Security from listing and registration on the Amex in order to avoid both the costs of maintaining dual listings and the potential fragmentation of the market for its Security.

The Company has stated that it has complied with the Rule of the Amex governing the withdrawal of its Security from listing and registration on the Amex and that the Amex, in turn has indicated that it will not oppose such withdrawal.

The Company's application relates solely to the withdrawal of the Security

from listing and registration on the Amex and shall have no effect upon the Security's designation for quotation and trading on the Nasdaq National Market. By reason of Section 12(g) of the Act⁵ and the rules and regulations of the Commission thereunder, the Company shall continue to be obligated to file reports with the Commission required by Section 13 of the Act.⁶

Any interested person may, on or before April 27, 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 Amex 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.⁷

Jonathan G. Katz,
Secretary.

[FR Doc. 00-9182 Filed 4-12-00; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-24380; File No. 812-11848]

ING Variable Insurance Trust, et al., Notice of Application

April 6, 2000.

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

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

SUMMARY OF APPLICATION: Applicants seek an order to the extent necessary to permit shares of any current or future series of ING Variable Insurance Trust ("Fund") designed to fund insurance products and shares of any other investment company or series thereof now or in the future registered under the 1940 Act that is designed to fund insurance products and for which ING Mutual Funds Management Co. LLC

("Adviser"), or any of its affiliates, may serve as investment adviser, administrator, manager, principal underwriter or sponsor (the Fund, together with such other investment companies are referred to, collectively, as the "Funds"), to be sold to and held by: (1) Variable annuity and variable life insurance separate accounts of both affiliated and unaffiliated life insurance companies; (2) qualified pension and retirement plans; (3) any investment adviser to a Fund and affiliates thereof; and (4) general accounts of any insurance company whose separate account holds, or will hold, shares of a Fund.

Applicants: ING Variable Insurance Trust, ING Mutual Funds Management Co. LLC (collectively, "Applicants") and certain life insurance companies and variable annuity and life insurance separate accounts.

Filing Date: The application was filed on November 5, 1999, and amended and restated on March 29, 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 on this application by writing to the Secretary of the SEC and serving Applicants with a copy of the request, in person or by mail. Hearing requests must be received by the Commission by 5:30 p.m. on May 1, 2000, and accompanied by proof of service on the Applicants in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of your interest, the reason for the request, and the issues you contest. Persons may request notification of the date of a hearing by writing to the Secretary of the SEC.

ADDRESSES: Secretary, SEC, 450 5th Street, NW., Washington, DC 20549-0609. ING Variable Insurance Trust and ING Mutual Funds Management Co. LLC, 1475 Dunwoody Drive, West Chester, PA 19380.

FOR FURTHER INFORMATION CONTACT: Ronald A. Holinsky, Attorney or Susan M. Olson, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 942-0670.

SUPPLEMENTARY INFORMATION: Following is a summary of the application. The complete application is available for a fee from the SEC's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549-0102 (tel. (202) 942-8090).

Applicants' Representations

1. The Fund, an open-end management investment company

¹ 15 U.S.C. 781(d).

² 17 CFR 240.12d2-2(d).

³ 15 U.S.C. 781(b).

⁴ 15 U.S.C. 781(g).

⁵ *Id.*

⁶ 15 U.S.C. 78m.

⁷ 17 CFR 200.30-2(a)(1).