

is comprised of securities (i) that meet the requirements of and are authorized as Nasdaq SmallCap Market securities by The Nasdaq Stock Market, Inc., (ii) that have an average daily trading volume value over the last 60 calendar days of at least \$1 million, and (iii) are issued by an issuer whose common equity securities have a public float value of at least \$150 million.

5. Each Fund will send to each person who was a Fund Investor in such Fund at any time during the fiscal year then ended audited financial statements with respect to those Series in which the Fund Investor held Interests. At the end of each fiscal year, the Manager will make a valuation or have a valuation made of all the assets of the Fund as of the fiscal year end in a manner consistent with customary practice with respect to the valuation of assets of the kind held by the Fund. In addition, as soon as practicable after the end of each fiscal year of each Fund, the Manager of the Fund shall send a report to each person who was a Fund Investor at any time during the fiscal year then ended, setting forth such tax information as shall be necessary for the preparation by the Fund Investor of his or her federal and state income tax returns and a report of the investment activities of such Fund during such year.

6. The Manager of each Fund will maintain and preserve, for the life of each Series of that Fund and at least two years thereafter, such accounts, books, and other documents as constitute the record forming the basis for the financial statements and annual reports of such Series to be provided to its Fund Investors, and agree that all such records will be subject to examination by the Commission and its staff. All such records will be maintained in an easily accessible place for at least the first two years.

Compliance With Rule 701

7. Prior to receiving a subscription agreement from any potential Fund Investor pursuant to an offering in reliance on rule 701, the Firm will make available at no charge to potential Fund Investors the services of a Financial Consultant qualified to provide advice concerning the appropriateness of investing in a Fund. Specifically, the Financial Consultant will hold one or more group meetings with potential Fund Investors at which the Financial Consultant will discuss the risks and other considerations relevant to determining whether to invest in a Fund. The Financial Consultant also will be available to the group of potential Fund Investors to answer general questions regarding an

investment in the Fund. In addition, potential Fund Investors will be given the opportunity to submit relevant questions and issues to the Financial Consultant in advance of the group meetings, so that the Financial Consultant can address those questions and issues at the meetings. The Firm, however, will not need to reveal the specific investments made by any Fund to the Financial Consultant, as long as the investment objectives, risk characteristics and other material information about the Fund of the type that would be disclosed in the offering documents for the Fund is made available to the Financial Consultant.

8. The Firm will at all times control each Fund, within the meaning of rule 405 under the Securities Act. In this regard, the Firm will be the sole manager of the Fund, own at least 95% of the voting Interests of the Fund, and make all investment and other operational decisions for the Fund.

9. The Firm will own not less than 5% of the economic Interests issued by each Series of the Fund, and (as discussed above) at least 95% of the voting Interests of the Fund. In addition, the Firm and its Partners (directly or through Qualified Investment Vehicles) together will own at least 80% of the economic Interests of each Series.

10. The Firm prepares its financial statements on a modified cash basis, and does not consolidate the Fund's financial statements with its own. If, however, the Firm prepared its financial statements in accordance with GAAP, it would consolidate the Fund's financial statements with its own.

11. The Firm, when offering Interests pursuant to rule 701 under the Securities Act, will issue Interests in each Series in compliance with rule 701(d)(2),³ and will comply with all applicable requirements of rule 701(e).⁴

³ If the Firm relies on rule 701(d)(2)(ii), it will not sell pursuant to rule 701, during any consecutive 12-month period, Interests in the Fund if the sales price of those Interests exceeds 15% of the total assets of the Fund.

⁴ In order to comply with the requirements of rule 701, at the beginning of each Investment Period the Fund will accept capital contributions or irrevocable commitments from Regulation D Investors for the relevant Series, and then prepare a balance sheet as required by rule 701. The Fund may then receive and accept subscription agreements, and thereafter accept capital contributions or commitments, from rule 701 Investors for that Series, which in the aggregate will not exceed 15% of the total amount of capital contributions and irrevocable commitments received from Regulation D Investors.

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

J. Lynn Taylor,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-25887; 812-12917]

Robertson Stephens Inc., et al.; Notice of Application

January 10, 2003.

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

ACTION: Temporary order and notice of application under section 9(c) of the Investment Company Act of 1940 ("Act").

SUMMARY OF APPLICATION: Applicants have received a temporary order exempting them and other entities of which Robertson Stephens, Inc. ("RS") is or becomes an affiliated person from section 9(a) of the Act, with respect to a securities-related injunction entered on January 10, 2003, until the Commission takes final action on an application for a permanent order. Applicants also have requested a permanent order.

Applicants: RS, Colonial Management Associates, Inc., Columbia Management Co., Crabbe Huson Group, Inc., Fleet Investment Advisors, Inc., Liberty Advisory Services Corp., Liberty Asset Management Company, Liberty Wanger Asset Management, L.P., Newport Fund Management, Inc., and Stein Roe & Farnham Incorporated (together, the "Adviser Applicants"), and Liberty Funds Distributor, Inc. and Columbia Financial Center, Inc. (together, the "Underwriter Applicants").¹

Filing Date: The application was filed on January 10, 2003. In addition, a letter was submitted on January 10, 2003.

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 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 February 4, 2003, and should be accompanied by proof of service on applicants, in the form of an

¹ Applicants request that any relief granted pursuant to the application also apply to any other entity of which RS is or hereafter becomes an affiliated person (together with the applicants, the "Covered Persons").