

ACTION: Notice of Application for Exemption under section 6(c) of the Investment Company Act of 1940, as amended (the "1940 Act"), for an exemption 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.

APPLICANTS: Vision Group of Funds (the "Trust") and Manufacturers and Traders Company ("M&T Bank"), on behalf of M&T Asset Management ("M&T"), a business unit of M&T Bank.

SUMMARY OF APPLICATION: Applicants seek an order exempting the Applicants and certain life insurance companies and their separate accounts that currently invest or may hereafter invest in the Trust (and, to the extent necessary, any investment adviser, principal underwriter and depositor of such an account) 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, to the extent necessary to permit shares of the Trust and shares of any other investment company or portfolio that is designed to fund insurance products and for which M&T Bank or any of its affiliates may serve in the future as investment adviser, manager, principal underwriter, sponsor, or administrator ("Future Trusts") (the Trust, together with Future Trusts, are the "Trusts") to be sold to and held by: (i) Separate accounts funding variable annuity and variable life insurance contracts (collectively referred to herein as "Variable Contracts") issued by both affiliated and unaffiliated life insurance companies; (ii) qualified pension and retirement plans ("Qualified Plans") outside of the separate account context; (iii) separate accounts that are not registered as investment companies under the 1940 Act pursuant to exemptions from registration under section 3(c) of the 1940 Act; (iv) M&T Bank or certain related corporations (collectively "M&T Bank"); and (v) any other person permitted to hold shares of the Trusts pursuant to Treasury Regulation 1.817-5 ("General Accounts"), including the general account of any life insurance company whose separate account holds, or will hold, shares of the Trusts or certain related corporations.

FILING DATES: The application was filed on September 9, 2002, and amended and restated on January 13, 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 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 March 10, 2003 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 may request notification of a hearing by writing to the Secretary of the Commission.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW., Washington, DC 20549-0609. Applicants, C. Grant Anderson, Esq., Reed Smith LLP, Federated Investors Tower, 1001 Liberty Avenue, Pittsburgh, Pennsylvania 15222-3779.

FOR FURTHER INFORMATION CONTACT: Mark Cowan, Senior Counsel, or Zandra Bailes, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 942-0670.

SUPPLEMENTARY INFORMATION: The following is a summary of the application; the complete application may be obtained for a fee from the Public Reference Branch of the Commission, 450 Fifth Street, NW., Washington, DC 20549 (tel. (202) 942-8090).

Applicants' Representations

1. The Trust is registered with the Commission as an open-end management investment company and is organized as a Delaware business trust. M&T is registered with the Commission as an investment adviser under the Investment Advisers Act of 1940, as amended, and serves as the investment adviser to the Trust. The Trust currently consists of twenty-one investment portfolios, including three investment portfolios that are sold only to separate accounts of insurance companies in conjunction with variable life and variable annuity contracts: Vision Large Cap Growth Fund II, Vision Large Cap Value Fund II and Vision Managed Allocation Fund—Moderate Growth II (each, a "Fund," and collectively, the "Funds"). The Trust or any Future Trusts may offer one or more additional investment portfolios in the future (also referred to as "Funds").

2. Shares of the Funds will be offered to separate accounts of affiliated and unaffiliated insurance companies (each, a "Participating Insurance Company") to serve as investment vehicles to fund Variable Contracts (as hereinafter defined). These separate accounts either will be registered as investment companies under the 1940 Act or will be exempt from such registration

pursuant to exemptions from registration under section 3(c) of the 1940 Act (individually, a "Separate Account" and collectively, the "Separate Accounts"). Shares of the Portfolios may also be offered to Qualified Plans, M&T Bank or certain related corporations (collectively "M&T Bank"), and any other person permitted to hold shares of the Trusts pursuant to Treasury Regulation 1.817-5 ("General Accounts"), including the general account of any life insurance company whose separate account holds, or will hold, shares of the Trusts or certain related corporations.

3. The Participating Insurance Companies at the time of their investment in the Trusts either have or will establish their own Separate Accounts and design their own Variable Contracts. Each Participating Insurance Company has or will have the legal obligation of satisfying all applicable requirements under both state and federal law. Each Participating Insurance Company, on behalf of its Separate Accounts, has or will enter into an agreement with the Trusts concerning such Participating Insurance Company's participation in the Funds. The role of the Trusts under this agreement, insofar as the federal securities laws are applicable, will consist of, among other things, offering shares of the Trusts to the participating Separate Accounts and complying with any conditions that the Commission may impose upon granting the order requested herein.

Applicants' Legal Analysis

1. Applicants and certain life insurance companies and their Separate Accounts that currently invest or may hereafter invest in the Trust (and, to the extent necessary, any investment adviser, principal underwriter and depositor of such an account) seek exemptive relief 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, to the extent necessary to permit shares of the Trusts and shares of any Future Trusts to be sold to and held by: (a) Separate accounts funding Variable Contracts issued by both affiliated and unaffiliated life insurance companies; (b) Qualified Plans outside of the separate account context; (c) separate accounts that are not registered as investment companies under the 1940 Act pursuant to exemptions from registration under section 3(c) of the 1940 Act; (d) M&T Bank or certain related corporations (collectively "M&T Bank"); and (e) any General Accounts, including the general account of any life insurance company