

SECURITIES AND EXCHANGE COMMISSION

Investment Company Act Release No. 32802; 812-14777

Eagle Series Trust, et al.

August 31, 2017

AGENCY: Securities and Exchange Commission (“Commission”).

ACTION: Notice

Notice of an application under section 6(c) of the Investment Company Act of 1940 (“Act”) for an exemption from section 15(a) of the Act and rule 18f-2 under the Act, as well as from certain disclosure requirements in rule 20a-1 under the Act, Item 19(a)(3) of Form N-1A, Items 22(c)(1)(ii), 22(c)(1)(iii), 22(c)(8) and 22(c)(9) of Schedule 14A under the Securities Exchange Act of 1934, and Sections 6-07(2)(a), (b), and (c) of Regulation S-X (“Disclosure Requirements”). The requested exemption would permit an investment adviser to hire and replace certain subadvisers without shareholder approval and grant relief from the Disclosure Requirements as they relate to fees paid to the subadvisers. The requested order would supersede a prior order.¹

Applicants: Eagle Capital Appreciation Fund, Eagle Growth & Income Fund and Eagle Series Trust (each, a “Trust” and collectively, the “Trusts”), each a Massachusetts business trust registered under the Act as an open-end management investment company with multiple series (each a “Fund”), and Carillon Tower Advisers, Inc. (the “Initial Adviser”), a Florida corporation registered as an investment adviser under the Investment Advisers Act of 1940 (collectively with the Trusts, the “Applicants”).

¹ *Eagle Capital Appreciation Fund, et al.*, Investment Company Act Rel. Nos. 31239 (Sep. 3, 2014) (notice) and 31269 (Sep. 29, 2014) (order).

Filing Dates: The application was filed May 17, 2017, and amended on August 22, 2017.

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 September 25, 2017, and should be accompanied by proof of service on the 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: Susan L. Walzer, Carillon Tower Advisers, Inc., 880 Carillon Parkway, St. Petersburg, FL 33716 and Kathy Kresch Ingber, K&L Gates LLP, 1601 K Street, NW, Washington, DC 20006-1600.

FOR FURTHER INFORMATION CONTACT: Laura L. Solomon, Senior Counsel, at (202) 551-6915, or David Marcinkus, Branch Chief, at (202) 551-6821 (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 website by searching for the file number, or an Applicant using the Company name box, at <http://www.sec.gov/search/search.htm> or by calling (202) 551-8090.

Summary of the Application

1. The Adviser serves as the investment adviser to each Fund pursuant to an investment advisory agreement with the Fund (the “Investment Advisory Agreement”).² The Adviser provides the Funds with continuous and comprehensive investment management services subject to the supervision of, and policies established by, each Trust’s board of Trustees (“Board”). The Investment Advisory Agreement permits the Adviser, subject to the approval of the Board, to delegate to one or more subadvisers (each, a “Subadviser” and collectively, the “Subadvisers”) the responsibility to provide the day-to-day portfolio investment management of each Fund, subject to the supervision and direction of the Adviser.³ The primary responsibility for managing the Subadvised Funds will remain vested in the Adviser. The Adviser will hire, evaluate, allocate assets to and oversee the Subadvisers, including determining whether a Subadviser should be terminated, at all times subject to the authority of the Board.

2. Applicants request an exemption to permit the Adviser, subject to Board approval, to hire certain Subadvisers pursuant to subadvisory agreements (each, a “Subadvisory

² Applicants request relief with respect to the named Applicants, as well as to any future Fund and any other existing or future registered open-end management investment company or series thereof that intends to rely on the requested order in the future and that: (i) is advised by the Adviser; (ii) uses the multi-manager structure described in the application; and (iii) complies with the terms and conditions of the application (each, together with any Fund that currently uses the multi-manager structure described in the application, a “Subadvised Fund”). The term “Adviser” means (i) the Initial Adviser, (ii) its successors, and (iii) any entity controlling, controlled by, or under common control with, the Initial Adviser or its successors. For purposes of the requested order, “successor” is limited to an entity resulting from a reorganization into another jurisdiction or a change in the type of business organization.

³ A “Subadviser” for a Fund is (1) an indirect or direct “wholly owned subsidiary” (as such term is defined in the Act) of the Adviser, or (2) a sister company of the Adviser that is an indirect or direct “wholly-owned subsidiary” (as such term is defined in the Act) of the same company that, indirectly or directly, wholly owns the Adviser (each of (1) and (2) a “Wholly-Owned Subadviser” and collectively, the “Wholly-Owned Subadvisers”), or (3) not an “affiliated person” (as such term is defined in Section 2(a)(3) of the Act) of a Fund or the Adviser, except to the extent that an affiliation arises solely because the Subadviser serves as a subadviser to one or more Funds (each a “Non-Affiliated Subadviser” and collectively, the “Non-Affiliated Subadvisers”).

Agreement” and collectively, the “Subadvisory Agreements”) and materially amend Subadvisory Agreements without obtaining the shareholder approval required under section 15(a) of the Act and rule 18f-2 under the Act.⁴ Applicants also seek an exemption from the Disclosure Requirements to permit a Subadvised Fund to disclose (as both a dollar amount and a percentage of the Subadvised Fund’s net assets): (a) the aggregate fees paid to the Adviser and any Wholly-Owned Subadvisers; (b) the aggregate fees paid to Non-Affiliated Subadvisers, and (c) the fee paid to each Affiliated Subadviser.

3. Applicants agree that any order granting the requested relief will be subject to the terms and conditions stated in the application. Such terms and conditions provide for, among other safeguards, appropriate disclosure to Subadvised Fund’s shareholders and notification about subadvisory changes and enhanced Board oversight to protect the interests of the Subadvised Fund’s shareholders.

4. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction or any class or classes of persons, securities, or transactions from any provisions of the Act, or any rule thereunder, if such relief is necessary or appropriate in the public interest and consistent with the protection of investors and purposes fairly intended by the policy and provisions of the Act. Applicants believe that the requested relief meets this standard because, as further explained in the application, the Investment Advisory Agreements will remain subject to shareholder approval, while the role of the Subadvisers is substantially equivalent to that of individual portfolio managers, so that requiring shareholder approval of Subadvisory Agreements would impose unnecessary delays and expenses on the Subadvised

⁴ The requested relief will not extend to any subadviser, other than a Wholly-Owned Subadviser, who is an affiliated person, as defined in section 2(a)(3) of the Act, of the Subadvised Fund or of the Adviser, other than by reason of serving as a subadviser to one or more of the Subadvised Funds (“Affiliated Subadviser”).

Fund. Applicants believe that the requested relief from the Disclosure Requirements meets this standard because it will improve the Adviser's ability to negotiate fees paid to the Subadvisers that are more advantageous for the Subadvised Fund.

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

Eduardo A. Aleman
Assistant Secretary