

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9971 / October 29, 2015

SECURITIES EXCHANGE ACT OF 1934
Release No. 76306 / October 29, 2015

INVESTMENT ADVISERS ACT OF 1940
Release No. 4248 / October 29, 2015

INVESTMENT COMPANY ACT OF 1940
Release No. 31885 / October 29, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-11818

In the Matter of

**Banc of America Capital
Management, LLC, BACAP
Distributors, LLC, and Banc of
America Securities, LLC,**

Respondents.

**ORDER MODIFYING ORDER
INSTITUTING ADMINISTRATIVE AND
CEASE-AND-DESIST PROCEEDINGS,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS AND A CEASE-
AND-DESIST ORDER PURSUANT TO
SECTION 8A OF THE SECURITIES ACT OF
1933, SECTIONS 15(b) AND 21C OF THE
SECURITIES EXCHANGE ACT OF 1934,
SECTIONS 203(e) AND 203(k) OF THE
INVESTMENT ADVISERS ACT OF 1940,
AND SECTIONS 9(b) AND 9(f) OF THE
INVESTMENT COMPANY ACT OF 1940**

I.

On February 9, 2005, the Securities and Exchange Commission (“Commission”) issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933, Sections 15(b) and 21C of the Securities Exchange Act of 1934, Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (“2005 Order”),¹ against Banc of America Capital Management, LLC, now known as BofA Advisors, LLC (“BACAP”), BACAP Distributors, LLC, now known as BofA Distributors, Inc. (“BACAP Distributors”) and Banc of America

¹ See Securities Act Rel. No. 8538, February 9, 2005, Admin. Proc. File No. 3-11818.

Securities, LLC (“BAS”) (collectively, “Respondents”).

II.

Respondents consented to the entry of the 2005 Order. Among other things, the 2005 Order required Respondents to cease and desist from further violations of the federal securities laws, directed Respondents to pay disgorgement and civil money penalties, and imposed certain compliance undertakings on Respondents.

III.

Respondents BACAP and BACAP Distributors (collectively, the “BACM Entities”) have submitted an Amended Offer of Settlement (“Offer”) proposing that the Commission eliminate the undertakings by the BACM Entities that: (1) each of the Nations Funds mutual funds hold a shareholders meeting every five years to elect its board of trustees pursuant to Paragraph 134(g) of the 2005 Order; (2) each of the Nations Funds mutual funds designate an independent compliance officer reporting to its board of trustees pursuant to Paragraph 134(h) of the 2005 Order; and (3) the BACM Entities maintain an Internal Compliance Controls Committee in accordance with Paragraph 137(b) of the 2005 Order.

Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings in the 2005 Order, except as to the Commission’s jurisdiction over them and the subject matter of these proceedings, which are admitted, the BACM Entities consent to the entry of this Order Modifying Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933, Sections 15(b) and 21C of the Securities Exchange Act of 1934, Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 and Sections 9(b) and 9(f) of the Investment Company Act of 1940, as set forth below.

IV.

The Commission deems it appropriate and in the public interest to amend the 2005 Order as agreed to in the BACM Entities’ Offer.

Accordingly, IT IS HEREBY ORDERED that:

A. Paragraph 134(g) of the 2005 Order is amended as follows to order:

In 2005 and 2011, each of the Nations Funds mutual funds will hold a meeting of shareholders at which the Board of Trustees will be elected.

B. Paragraph 134(h) of the 2005 Order is amended as follows to order:

Until at least December 31, 2014, each of the Nations Funds mutual funds will designate

an independent compliance officer reporting to its Board of Trustees as being responsible for assisting the Board of Trustees and any of its committees in monitoring compliance by BACAP and BACAP Distributors with the federal securities laws, BACAP's fiduciary duties to fund shareholders, and their Code of Ethics in all matters relevant to the operation of the Nations Funds. The duties of this person will include reviewing all compliance reports furnished to the Board of Trustees or its committees by BACAP and/or BACAP Distributors, attending meetings of BACAP's Internal Compliance Controls Committee and BACAP Distributors' Internal Compliance Controls Committee to be established pursuant to BACAP's and BACAP Distributors' undertakings set forth in Section IV of the 2005 Order, serving as liaison between the Board of Trustees and its committees and the Chief Compliance Officer of BACAP and BACAP Distributors, making such recommendations to the Board of Trustees regarding BACAP's and BACAP Distributors' compliance procedures as may appear advisable from time to time, and promptly reporting to the Board of Trustees any material breach of fiduciary duty, breach of the Code of Ethics and/or violation of the federal securities laws of which he or she becomes aware in the course of carrying out his or her duties.

C. Paragraph 137(b) of the 2005 Order is amended as follows to order:

Until at least December 31, 2014, BACAP and BACAP Distributors shall establish an Internal Compliance Controls Committee to be chaired by either BACAP's Chief Compliance Officer or BACAP Distributors' Chief Compliance Officer, which Committee shall have as its members senior executives of BACAP's and BACAP Distributors' operating businesses. Notice of all meetings of the Internal Compliance Controls Committee shall be given to the independent trustees of the Nations Funds mutual funds, who shall be invited to attend and participate in such meetings. The Internal Compliance Controls Committee shall review compliance issues throughout the business of BACAP and BACAP Distributors, endeavor to develop solutions to those issues as they may arise from time to time, and oversee implementation of those solutions. The Internal Compliance Controls Committee shall provide reports on internal compliance matters to the Audit Committee of the Board of Trustees of the Nations Funds mutual funds with such frequency as the independent trustees of such funds may instruct, and in any event at least quarterly. BACAP and BACAP Distributors shall also provide to the Board of Managers of BACAP and the Board of Managers of BACAP Distributors the same reports of the Code of

Ethics Oversight Committee and the Internal Compliance Controls Committee that it provides to the Audit Committee of the Board of Trustees of the Nations Funds mutual funds.

D. All other provisions of the 2005 Order, as amended by the Order Modifying Order dated August 30, 2011,² remain in effect.

By the Commission.

Brent J. Fields
Secretary

² See Securities Act Rel. No. 9254, August 30, 2011, Admin. Proc. File No. 3-11818.