

UNITED STATES OF AMERICA  
BEFORE THE  
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT COMPANY ACT OF 1940  
Release No. 27824 / May 22, 2007

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In the Matter of	:
	:
Hill Physicians Medical Group, Inc.	:
c/o Paul A. Stewart, Esq.	:
Foley and Lardner LLP	:
One Maritime Plaza, 6 <sup>th</sup> Floor	:
San Francisco, CA 94111	:
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(812-13255)	:

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ORDER UNDER SECTION 3(b)(2) OF THE INVESTMENT COMPANY ACT OF 1940

Hill Physicians Medical Group, Inc. filed an application on January 18, 2006, and an amendment to the application on January 29, 2007, requesting an order under section 3(b)(2) of the Investment Company Act of 1940 (“Act”) declaring it to be primarily engaged in a business other than that of investing, reinvesting, owning, holding or trading in securities or, alternatively, under section 6(c) of the Act granting it an exemption from all provisions of the Act and the rules and regulations thereunder. Applicant is in the business of providing or arranging to provide physician services in Northern California to individual enrollee members of various health plans.

On April 26, 2007, a notice of the filing of the application was issued (Investment Company Act Release No. 27804). The notice gave interested persons an opportunity to request a hearing and stated that an order disposing of the application would be issued unless a hearing was ordered. No request for a hearing has been filed, and the Commission has not ordered a hearing.

The matter has been considered and it is found, on the basis of the information set forth in the application, as amended, that applicant is primarily engaged in a business other than that of investing, reinvesting, owning, holding or trading in securities.

Accordingly,

IT IS ORDERED, under section 3(b)(2) of the Act, that the requested declaration is granted to Hill Physicians Medical Group, Inc. (File No. 812-13255), effective immediately.

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

Florence E. Harmon  
Deputy Secretary