

maintain the market value of the collateral that secures each outstanding Interfund Loan at least equal to 102% of the outstanding principal value of the loan.

6. No Fund may loan funds through the credit facility if the loan would cause its aggregate outstanding loans through the credit facility to exceed 15% of its current net assets at the time of the loan.

7. A Fund's Interfund Loans to any one Fund will be limited to 5% of the lending Fund's net assets.

8. The duration of Interfund Loans will be limited to the time required to receive payment for securities sold, but in no event more than seven days. Loans effected within seven days of each other will be treated as separate loan transactions for purposes of this condition.

9. All loans may be called on one business day's notice by a lending Fund and may be repaid on any day by a borrowing Fund.

10. A Fund's participation in the credit facility must be consistent with its investment policies and limitations and Declaration of Trust. No Fund may borrow through the credit facility unless the Fund has a fundamental policy that prevents the Fund from borrowing for other than temporary or emergency purposes (and not for leveraging), except that certain Funds may engage in reverse repurchase agreements for any purpose.

11. The Cash Management Department will calculate total Fund borrowing and lending demand through the credit facility, and allocate loans on an equitable basis among Funds, without the intervention of the portfolio manager of any Fund. The Cash Management Department will not solicit cash for the credit facility from any Fund or prospectively publish or disseminate loan demand data to portfolio managers. The Cash Management Department will invest amounts remaining after satisfaction of borrowing demand in FICASH or Central Funds or return remaining amounts for investment directly by the portfolio managers of the money market Funds.

12. FMR will monitor the interest rates charged and the other terms and conditions of the Interfund Loans and will make a quarterly report to the Board concerning the participation of the Funds in the credit facility and the terms and other conditions of any extensions of credit thereunder.

13. Each Fund's Board, including a majority of the trustees who are not interested persons of the Funds as defined in section 2(a)(19) of the Act

("Independent Trustees"), will: (a) review, no less frequently than quarterly, the Fund's participation in the credit facility during the preceding quarter for compliance with the conditions of any order permitting such transactions; (b) establish the bank loan rate formula used to determine the interest rate on Interfund Loans, and review, no less frequently than annually, the continuing appropriateness of such benchmark rate formula; and (c) review, no less frequently than annually, the continuing appropriateness of the Fund's participation in the credit facility.

14. In the event an Interfund Loan is not paid according to its terms and such default is not cured within two business days from its maturity or from the time the lending Fund makes a demand for payment under the provisions of the Interfund Loan agreement, FMR will promptly refer such loan for arbitration to a retired Independent Trustee previously selected by the Board of each Fund, who no longer has any fiduciary responsibilities to any Fund, and who will serve as arbitrator of disputes concerning Interfund Loans. The arbitrator will resolve any problem promptly, and the arbitrator's decision will be binding on both Funds. The arbitrator will submit, at least annually, a written report to the Boards setting forth a description of the nature of any dispute and the actions taken by the Funds to resolve the dispute.

15. Each Fund will maintain and preserve for a period of not less than six years from the end of the fiscal year in which any transaction under the credit facility occurred, the first two years in an easily accessible place, written records of all such transactions setting forth a description of the terms of the transaction, including the amount, the maturity, and the rate of interest on the loan, the rate of interest available at the time on short-term repurchase agreements and commercial bank borrowings, and such other information presented to the Fund's Board in connection with the review required by conditions 12 and 13.

16. Compliance with the conditions to any order issued on the application will be considered by the external auditors as part of their internal accounting control procedures, performed in connection with Fund audit examinations, which form the basis, in part, of the auditors' report on internal accounting controls in Form N-SAR.

17. No Fund will participate in the credit facility unless it has fully disclosed in its registration statement all material facts about its intended participation.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 99-10021 Filed 4-21-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-27007]

Filings Under the Public Utility Holding Company Act of 1935, as Amended ("Act")

April 16, 1999.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated under the Act. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by May 11, 1999, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549-0609, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After May 11, 1999, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Northeast Utilities (70-9342)

Northeast Utilities ("NU"), a registered holding company, located at 174 Brush Hill Avenue, West Springfield, Massachusetts 01090-0010 has filed a post-effective amendment under section 12(b) of the Act and rule 45 under the Act.

By order dated November 12, 1998 (HCAR No. 26939) ("Order"), the Commission authorized NU and

NEWCO¹ to, among other things, provide guarantees and similar forms of credit support or enhancements (collectively, "Guarantee") to, or for the benefit of, NEWCO, its nonutility subsidiaries, or NU's other to-be-formed direct or indirect energy related companies, as defined in rule 58 under the Act, in an aggregate amount not to exceed \$75 million, through December 31, 1999. NU and NEWCO now propose to increase the Guarantee authority from \$75 million to \$250 million under the terms and conditions of the Order.²

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 99-10101 Filed 4-21-99; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23789; 812-11424]

The RBB Fund, Inc. and Boston Partners Asset Management, L.P.; Notice of Application

April 16, 1999.

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

ACTION: Notice of an application under section 12(d)(1)(J) of the Investment Company Act of 1940 (the "Act") for an exemption from section 12(d)(1)(G)(i)(II) of the Act.

SUMMARY OF APPLICATION: Applicants request an order to permit a fund of funds relying on section 12(d)(1)(G) of the Act to invest directly in securities and other instruments.

APPLICANTS: The RBB Fund, Inc. ("Company") and Boston Partners Asset Management, L.P. ("Boston Partners"). The requested order also would extend to any existing or future open-end management investment company or series thereof advised by Boston Partners (an "Upper Tier Fund") that wishes to invest in a registered open-end management investment company or series thereof that is advised by Boston Partners and is part of the same "group of investment companies" (as defined in section 12(d)(1)(G)(ii) of the Act) (together with the series of the Company excluding the Boston Partners Long-Short Equity Fund, the

"Underlying Funds") as the investing Upper Tier Fund.¹

FILING DATES: The application was filed on December 4, 1998 and amended on April 9, 1999.

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 May 11, 1999 and should be accompanied by proof of service on the 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 Commission's Secretary.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, D.C. 20549-0609. Applicants, c/o Allan J. Oster, Drinker Biddle & Reath LLP, 1345 Chestnut Street, Philadelphia, PA 19107-3496.

FOR FURTHER INFORMATION CONTACT: Emerson S. Davis, Sr., Senior Counsel, at (202) 942-0714, or George J. Zornada, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the Commission's Public Reference Branch, 450 Fifth Street, NW., Washington, D.C. 20549-0102 (telephone (202) 942-8090).

Applicants' Representations

1. The Company, a Maryland corporation, is registered under the Act as an open-end management investment company and organized as a series company (each series a "Fund" and collectively, the "Funds"). Boston Partners is an investment adviser registered under the Investment Advisers Act of 1940 and is the investment adviser for five of the Funds (the "Boston Partners Funds"), including the Boston Partners Market Neutral Fund (the "Market Neutral Fund").² Boston Partners also will be

the investment adviser for a proposed series of the Company, the Boston Partners Long-Short Equity Fund (the "Equity Fund").

2. The Equity Fund will seek a total return greater than that of the Standard and Poor's 500 Composite Stock Price Index by investing in shares of the Market Neutral Fund, while also investing in futures, options on futures, equity swap contracts and other investments (collectively, "Index Securities"). The Market Neutral Fund seeks long-term capital appreciation while minimizing exposure to general equity market risk, by taking long positions in stocks that Boston Partners has identified as undervalued and short positions in stocks that Boston Partners has identified as overvalued. By investing in shares of the Market Neutral Fund, the Equity Fund seeks to capture the return generated by the "market neutral strategy" of the Market Neutral Fund. The Equity Fund and Upper Tier Funds also would like to retain the flexibility to invest, subject to their respective investment restrictions, in other securities and financial instruments (excluding investments in shares of investment companies other than those made in reliance on section 12(d)(1)(G) (collectively, "Other Securities").

3. With respect to the Equity Fund and Market Neutral Fund, Boston Partners expects to reduce its advisory fees and bear certain expenses to the extent that each Fund's total annual operating expenses (excluding nonrecurring account fees and extraordinary expenses) exceed a specified percentage of net assets. Any advisory fee that Boston Partners charges to the Equity Fund will be for services that are in addition to, rather than duplicative of, services provided to the Underlying Funds. Neither the Equity Fund's nor the Underlying Funds' shares are subject to a sales charge and the Equity Fund intends to invest only in shares of the Underlying Funds that are not subject to distribution fees. Applicants believe that the proposed operation of the Equity Fund will benefit investors by lowering transactions and operational costs and providing them with investment alternatives.

Applicants' Legal Analysis

1. Section 12(d)(1)(A) of the Act provides that no registered investment company may acquire securities of another investment company if such securities represent more than 3% of the

¹ NEWCO is now known as NU Enterprises and is engaged, through the use of multiple subsidiaries, in various energy related and other activities.

² Rule 52 exempts NEWCO's financial transactions among associate companies from Commission jurisdiction, however, this information is provided for background purposes.

¹ All existing entities that currently intend to rely on the order are named as applicants and any registered open-end management investment company that may rely on this order in the future will do so only in accordance with the terms and conditions of the application.

² The other Boston Partners Funds are the Boston Partners Board Fund, Boston Partners Micro Cap Value Fund, Boston Partners Mid Cap Fund and Boston Partners Large Cap Value Fund.