staff is not ready at this time to approve Amendment 124 for that purpose. The review of Amendment 124, or any other licensee submittal, for the purpose of allowing the licensee to make future changes to the P/T and COMS limits in ITS 5.6.6 without prior staff approval will the subject of a future letter.

For further details with respect to the amendment see (1) the application for amendment dated May 15, 1997, as supplemented by letters in 1998 dated June 26, August 4, August 27, September 24, October 21 (2 letters), November 23, November 25, December 11, and December 22, and in 1999 dated February 5, March 9, April 7, April 21, April 30, May 4, May 27, and May 28, and (2) the Commission's related Safety Evaluation and Environmental Assessment.

All of these items are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, N.W., Washington, D.C., and at the local public document room located at the Elmer Ellis Library, University of Missouri, Columbia, Missouri, 65201.

Dated at Rockville, Maryland, this 28th day of May 1999.

For the Nuclear Regulatory Commission.

Jack N. Donohew,

Senior Project Manager, Section 1, Project Directorate IV & Decommissioning, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 99–14841 Filed 6–10–99; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

Laboratory Testing of Nuclear-Grade Activated Charcoal; Issue

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of issuance.

SUMMARY: The Nuclear Regulatory Commission (NRC) has issued Generic Letter (GL) 99–02 to all holders of operating licenses for nuclear power reactors, except those who have permanently ceased operations and have certified that fuel has been permanently removed from the reactor vessel. It concerns the laboratory testing of nuclear-grade activated charcoal that is used in the safety-related air-cleaning units of engineered safety feature ventilation systems of nuclear power plants to reduce the potential onsite and offsite consequences of a radiological accident by adsorbing iodine. The purpose of the generic letter is to request licensees of operating nuclear power reactors to amend their facility technical specifications to reference either the American Society for Testing and Materials (ASTM) standard ASTM D3803–1989, ''Standard Test Method for Nuclear-Grade Activated Carbon,'' or an alternate test protocol that has been demonstrated to give comparable results. Licensees may also propose another course of action, which would be subject to NRC review and approval. The objective is to assure licensee compliance with the licensing bases of their respective facilities, as they relate to the onsite and offsite dose consequences of General Design Criterion 19 of Appendix A to 10 CFR part 50 and the guideline values of subpart A of 10 CFR part 100, respectively.

The generic letter also requests that licensees submit information. The requested information will enable the NRC staff to determine to which testing standard licensees are currently testing the nuclear-grade activated charcoal of their engineered safety features ventilation systems.

DATES: The generic letter was issued on June 3, 1999.

ADDRESSEES: Not applicable.

FOR FURTHER INFORMATION CONTACT: John P. Segala, at (301) 415–1858.

SUPPLEMENTARY INFORMATION: This generic letter is available in the NRC Public Document Room under accession number 9906030055. This generic letter is discussed in Commission information paper SECY–99–132 which is also available in the NRC Public Document Room.

Dated at Rockville, Maryland, this 3rd day of June 1999.

For The Nuclear Regulatory Commission.

Scott F. Newberry,

Deputy Director, Division of Reactor Program Management, Office of Nuclear Reactor Regulation.

[FR Doc. 99–14842 Filed 6–10–99; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23861; 812–11410]

Emerging Markets Growth Fund, Inc., et al.; Notice of Application

June 7, 1999.

AGENCY: Securities and Exchange Commission (''SEC'' or ''Commission'').

ACTION: Notice of application under sections 6(c) and 17(b) of the Investment Company Act of 1940 (the ''Act'') for an exemption from sections 2(a)(3)(A) and (D) and 17(a) of the Act, and under section 17(d) of the Act and rule 17d–1 under the Act to permit certain joint transactions.

SUMMARY OF APPLICATION: The order would permit applicant, Emerging Markets Growth Fund, Inc. (the ''Fund''), to invest in an affiliated investment vehicle, Capital International Global Emerging Markets Private Equity Fund, L.P. (the ''Partnership'').

APPLICANTS: The Fund, the Partnership, Capital International Investments, LLC (the ''General Partner''), Capital International, Inc. (the ''Manager''), Capital Group International, Inc. (''CGII''), and CGPE LLC (''CGPE'').

FILING DATES: The application was filed on November 17, 1998. Applicants have agreed to file an amendment, the substance of which is reflected in this notice, during the notice period.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on June 29, 1999, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549–0609. Applicants, c/o Capital International, Inc., 11100 Santa Monica Boulevard, Los Angeles, CA 90025.

FOR FURTHER INFORMATION CONTACT: Elaine M. Boggs, Senior Attorney, at (202) 942–0572 or Christine Y. Greenlees, 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 is available for a fee at the SEC's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549–0102 (telephone (202) 942–8090).

Applicants' Representations

1. The Fund, a Maryland corporation, currently is a closed-end management investment company registered under the Act. The Fund's shares are

registered under the Securities Act of 1933. The Fund's investment objective is to seek long-term capital growth by investing in equity securities of issuers in developing countries. The Fund may invest up to 10% of its assets in developing country securities that are not readily marketable. The Fund currently invests in nine private equity funds that invest in various regions globally and that are sponsored and advised by entities unaffiliated with the Manager.[1]

2. The Fund offers new shares for sale on a limited basis to investors that meet certain suitability criteria prescribed by the Fund. Pursuant to an SEC exemptive order, on or about July 1, 1999, the Fund intends to convert from a closed-end fund to a registered open-end interval fund with monthly redemptions.[2] In anticipation of the conversion, as of January 1, 1999, all new investors in the Fund must be ''qualified purchasers,'' within the meaning of section 2(a)(51) of the Act and the rules and interpretive positions under the Act.

3. The Partnership is organized as a limited partnership under the laws of Delaware. The Partnership relies on the exception from the definition of investment company in section 3(c)(7) of the Act. The investment objective of the Partnership is to seek long-term capital appreciation through privately negotiated equity and equity-related investments in emerging market companies (''Equity Investments''). The General Partner of the Partnership is a Delaware limited liability company wholly-owned by CGII, CGPE, and the Manager. CGII is a wholly-owned subsidiary of The Capital Group Companies, Inc. (''Capital Group''). CGPE is wholly-owned by the Manager and officers and employees of companies controlled by the Capital Group (collectively, the ''Associates''). The General Partner has made a U.S. $35.06 million capital commitment to the Partnership.

4. The Fund proposes to invest up to U.S. $95 million (less than 1% of the Fund's total assets as of March 1, 1999, and less than 10% of the Partnership's interests) in the Partnership. Applicants state that investing through the Partnership in Equity Investments would enable the Fund to achieve greater diversification by participating in many more investments than would be the case if the Fund invested directly in Equity Investments. In addition, applicants state that, given the Fund's current fee and expense structure, and the resource-intensive nature of the investment process for Equity Investments, it is not cost-effective for the Fund to invest directly in Equity Investments on a diversified basis. The Fund's board of directors (the ''Board''), including a majority of the directors who are not ''interested persons'' of the Fund, as defined in section 2(a)(19) of the Act (''Independent Directors''), has authorized the proposed investment by the Fund in the Partnership. Of the Fund's fourteen member Board, ten are Independent Directors. Of the ten Independent Directors, none is or will be a direct investor in CGPE. and nine are neither directors nor officers of any investor in the Partnership.

5. The Partnership has an advisory board comprised exclusively of representatives of current limited partners (together with future limited partners, ''Limited Partners'') that have a capital commitment of at least $40 million to the Partnership and other Limited Partners that are selected by the General Partner (''Advisory Committee''). A representative of the Fund, who is an Independent Director of the Fund and is not otherwise affiliated with the Partnership or any of the Limited Partners, will become a member of the Advisory Committee if the requested relief is granted. The Advisory Committee is responsible for, among other things: (a) providing advice and counsel to the Partnership and the General Partner in connection with potential conflicts of interest and other matters relating to the Partnership as may be requested by the General Partner or as provided in the partnership agreement, as modified by side letters (''Partnership Agreement''); and (b) approving certain valuation determinations of the Partnership's assets or interests.

6. The Manager, a wholly-owned subsidiary of CGII, serves as investment adviser to the Fund and the Partnership and is registered under the Investment Advisers Act of 1940 (the ''Advisers Act''). The Manager will waive its management fee, including administrative fees, with respect to the Fund's net assets represented by the investment in the Partnership. Specifically, the Fund's aggregate net assets will be adjusted downward by the amount invested in the Partnership prior to determining the Manager's fee.

7. The Manager is responsible for all direct and indirect expenses incurred by the Manager in connection with identifying investments for the Partnership and all direct and indirect routine administrative expenses of the Partnership incurred in connection with managing the Partnership following the first closing, which occurred on July 10, 1998. For its services, the Manager receives an advisory fee throughout the term of the Partnership. In addition, the Manager, as a member of the General Partner, will be entitled to receive certain fees which may be characterized as a ''performance fee.'' The Partnership is responsible for all expenses except routine administrative expenses incurred in connection with the operation of the Partnership.

8. Each Limited Partner must execute a subscription agreement (''Subscription Agreement'') to invest in the Partnership. The term of the Partnership is ten years from the final closing, which occurred on January 19, 1999, but the General Partner may extend the term for one one-year period at its discretion and for an additional one-year period with the approval of a majority in interest of the Limited partners. Limited Partners generally may not withdraw from the Partnership nor transfer any of their interests, rights, or obligations under the Partnership, except with the express written consent of the General Partner.[3]

9. All Limited Partners that enter into the Partnership Agreement after the first closing date will make a capital contribution to the Partnership on the date of their admission so that the percentage of their capital commitment that is contributed to the Partnership is equal to the percentage of the other Limited Partners' and General Partner's (together, the ''Partners'') capital commitments (a ''Catch-up Contribution''). Any Limited Partner, other than the Fund, that is admitted to the Partnership after the fifteenth business day following the first closing date will be required to pay to all previously admitted Partners (in accordance with their respective percentage interests) an additional amount equal to a 1% monthly rate on the Catch-up Contribution from the date capital contributions were made by the previously admitted Partners to the date of its admission (the ''Additional Amount''). The Additional Amount which

[1] None of the Fund's current commitments to any single private equity fund exceeds 1% of the Fund's net assets.

[2] Investment Company Act Release Nos. 23433 (Sept. 11, 1998) (notice) and 23481 (Oct. 7, 1998) (order).

[3] Notwithstanding the foregoing, for regulatory compliance reasons, Limited Partners that are subject to fiduciary obligations under the Employee Retirement Income Security Act of 1974, as amended (''ERISA''), may withdraw from the Partnership in the event it becomes reasonably likely that the assets of the Partnership are deemed to be ''plan assets'' under ERISA rules and regulations. If Limited Partners subject to ERISA withdraw in the aggregate over 50% of the capital commitments of all Limited Partners subject to ERISA, any Limited Partner may elect to withdraw from the Partnership in accordance with the terms and procedures set forth in the Partnership Agreement.

the Fund will be required to pay on its admission will be an additional amount on its Catch-up Contribution at a rate equal to the then prime rate plus 2% per year (or a *pro rata* portion thereof) from the date capital contributions were made by the previously admitted Partners to the date of the Fund's admission. In addition, all new Limited Partners (including the Fund) will be required to pay to the Manager their share of current management fees as well as management fees from the first closing date. With respect to management fees allocable to the period prior to its admission, each new Limited Partner will pay an additional amount on the allocable amount of management fees at the rate of the then prime rate plus 2% per year (or a *pro rata* portion thereof) from the date the management fees were made by the previously admitted Partners to the date of its admission. Any such retroactive management fee allocated to the Fund will be credited against the management fees it pays to the Manager.

10. Applicants request relief to permit: (a) the Fund to invest as a Limited Partner up to U.S. $95 million (less than 1% of the Fund's total assets and less than 10% of the Partnership's interests) in the Partnership; (b) the General Partner to invest as a general partner in the Partnership; (c) the Chase Manhattan Bank, as trustee for the Second Plaza Group Trust (together with any successor trustee or trust, ''Plaza Trust''), any investor in the Fund who in the future may become an ''affiliated person'' (as defined in section 2(a)(3) of the Act) of the Fund by virtue of the investor's ownership of 5% or more of the Fund's outstanding securities (''Future Affiliates'') and any affiliated person of a Future Affiliate (also, ''Future Affiliates''), to invest as a Limited Partner in the Partnership under the terms and conditions of the Partnership Agreement and the Subscription Agreement; (d) the Manager, as investment adviser to the Fund and the Partnership, to effect the transactions described above in (a); (e) the Manager, CGII, and CGPE to exercise ownership rights in the General Partner and to invest in the Partnership indirectly through their ownership of the General Partner; (f) the Manager and the Associates to invest and exercise ownership rights in CGPE; (g) each of applicants, Plaza Trust, General Motors Investment Management Corporation (''Plaza Advisers''), current and future Limited Partners, and the Future Affiliates to exercise its rights and obligations under the Partnership Agreement and Subscription Agreement; and (h) any officer, director, or employee of the Fund or of any affiliated person of the Fund to participate as a member of the Advisory Committee of the Partnership and to exercise their rights and fulfill their obligations with respect to the Advisory Committee in accordance with the terms and conditions of the Partnership Agreement.

11. Applicants also request relief to allow the Limited Partners, the Chase Manhattan Bank, as trustee for General Motors Employees Global Group Pension Trust (together with any successor trustee or trust, the ''Pension Trust''), and any affiliated person of Plaza Trust or Pension Trust, including Plaza Advisers (''Trust Affiliates''), not to be considered affiliated persons, or affiliated persons of affiliated persons, of the Fund, either because: (a) the Limited Partners (including Plaza Trust) are ''partners'' or ''copartners'' of the Fund in the Partnership; or (b) they own (or are deemed to own) 5% or more of the Partnership's outstanding voting securities.[4]

Applicants' Legal Analysis

A. Section 2(a)(3)

1. Section 2(a)(3) of the Act defines an ''affiliated person'' of another person to include: (a) any person holding 5% or more of the outstanding voting securities of the other person; (b) any person 5% or more of whose outstanding voting securities are held by the other person; (c) any person directly or indirectly controlling, controlled by, or under common control with, the other person; (d) any officer, director, partner, copartner, or employee of the other person; and (e) any investment adviser to an investment company or member of an advisory board to an investment company (collectively, the ''first-tier affiliates'').

2. The Manager, as the investment adviser to the Fund and the Partnership and as the manager of the General Partner, is a first-tier affiliate of each. The General Partner would be a first-tier affiliate of the Fund. The Manager, CGII, and CGPE are members of the General Partner. Applicants state that the General Partner may be controlled by each, and the Partnership is likely controlled by the General Partner, perhaps making the Manager, CGII, and CGPE first-tier affiliates of the Partnership and, hence, affiliated persons of first-tier affiliates (''second-tier affiliates'') of the Fund.

3. Applicants state that each Limited Partner who owns 5% or more of the interests in the Partnership, to the extent that the interests are deemed voting securities, may be a first-tier affiliate of the Partnership. Further, applicants state that because the Fund also will own more than 5% of the interests in the Partnership if the requested relief is granted, it also may be a first-tier affiliate of the Partnership. Therefore, each other Limited Partner could be a second-tier affiliate of the Fund. In addition, each Limited Partner would, absent exemptive relief, be a first-tier affiliate of every other Partner in the Partnership, including the Fund, making the affiliated persons of each Limited Partner second-tier affiliates of the Fund.

4. Applicants state that Pension Trust is an owner with the power to vote 5% or more of the outstanding voting securities of the Fund and, together with Pension Trust's investment adviser, Plaza Advisers, may be a first-tier affiliate of the Fund. Applicants also state that Plaza Trust owns more than 5% of the outstanding Limited Partner interests in the Partnership, and, thus, may be a first-tier affiliate of the Partnership. Applicants further state that Plaza Trust and Pension Trust may be under common control and, therefore, Plaza Trust and certain other persons that make up the Trust Affiliates may be second-tier affiliates of the Fund. In addition, applicants state that some Associates may be directors, officers, or employees of the Manager or the Fund, arguably making them second-tier affiliates of the Fund.

B. Exemption From Sections 2(a)(3)(A) and (D)

1. The Fund requests an exemption under section 6(c) from sections 2(a)(3)(A) and (D) so that Limited Partners in the Partnership who are not otherwise first- or second-tier affiliates of the Fund would not, solely by reason of their status as Limited Partners or 5% holders of the Partnership's interests, be deemed to be first- or second-tier affiliates of the Fund. Section 6(c) of the Act permits the SEC to exempt any person or transaction from any provision of the Act, if such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policies of the Act. Applicants state that the requested

[4] Plaza Trust and Pension Trust are group trusts formed under and for the benefit of certain employee benefit plans of General Motors Corporation and its affiliates. Plaza Advisers serves as the investment adviser for both the Plaza Trust and Pension Trust and, in that capacity, has discretionary authority over their respective interests in the Partnership and the Fund. As of March 31, 1999, Pension Trust also owned approximately 7.4% of the Fund's outstanding securities.

relief meets the standards of section 6(c) and would relieve certain Limited Partners and their affiliated persons (and the Fund) of the burden of monitoring for compliance with the Act in connection with their independent and legitimate business and investment activities.

C. Section 17(a)

1. Section 17(a) of the Act makes it unlawful or any first- or second-tier affiliate of a registered investment company, acting as principal, to sell or purchase any security to or from the investment company. As noted above, applicants state that because the Partnership may be deemed to be a first- or second-tier affiliate of the Fund, section 17(a) may prohibit the Partnership from selling a limited partnership interest in the Partnership to the Fund. In addition, applicants state that because Plaza Trust, the Limited Partners, and the Future Affiliates may be deemed to be first- or second-tier affiliates of the Fund, section 17(a) may prohibit Plaza Trust, the Limited Partners, and the Future Affiliates from acting in accordance with the terms of the Partnership Agreement and the Subscription Agreement.

2. Section 17(b) of the Act authorizes the SEC to exempt a transaction from section 17(a) if the terms of the proposed transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned, the proposed transaction is consistent with the policy of each registered investment company concerned, and the proposed transaction is consistent with the general purposes of the Act. Applicants request relief under sections 6(c) and 17(b) to permit the Fund to participate in the Partnership, and to permit Plaza Trust, the Limited Partners, and the Future Affiliates to act in accordance with the terms of the Partnership Agreement and the Subscription Agreement.

3. Applicants submit that the requested relief satisfies the standards for relief in sections 6(c) and 17(b). Applicants state that each Limited Partner will participate in the Partnership in proportion to each Limited Partner's commitment, and each Limited Partner will share *pro rata* in the costs, risks, and any profits earned in proportion to its investment, except as noted above. In addition, applicants state that the proposed investment by the Fund in the Partnership is consistent with the Fund's investment objective and policies as recited in the Fund's registration statement. Further, applicants state that the proposed investment is consistent with the general purposes of the Act.

4. Applicants state that investing in the Partnership will enable the Fund to further diversify its portfolio and to obtain exposure to Equity Investments while reducing investment transaction costs. Applicants submit that investing in the Partnership will provide the Fund with access to investment opportunities that do not exist with respect to the public markets in which the Fund principally invests. Applicants state that Equity Investments are typically direct investments in closely-held enterprises that have either limited or no securities publicly outstanding and about which there exists little or no publicly available information. Accordingly, the process of investing in Equity Investments requires detailed on-site investigation of the enterprise and complex negotiations regarding the terms of the potential investment.

5. As noted above, all Limited Partners other than the Fund that are admitted after the fifteenth business day following the first closing date will be required to pay an Additional Amount equal to a 1% monthly rate on their Catch-up Contribution. This monthly rate calculated over a one-year period would equal an annual rate of approximately 12%. The Fund will be required to pay an Additional Amount on its Catch-up Contribution at a rate equal to the then-prime rate, plus 2% per year.[5] Accordingly, if the prime rate were to exceed 10% prior to the time the Fund is admitted into the Partnership, the Fund would pay an Additional Amount calculated at a higher rate than that rate used to calculate the Additional Accounts for the other Limited Partners. Notwithstanding that the Fund may have to pay a higher Additional Amount than that applicable to other Limited Partners, applicants believe that the consideration to be paid by the Fund is reasonable and fair and does not involve overreaching. In exchange for the ability to gain admission to the Partnership after the final closing date (which occurred on January 19, 1999), to which all other Limited Partners are subject, applicants believe that it is reasonable and fair for the Fund to bear the risk of fluctuations in the prime rate between the final closing date and the date the Fund is admitted into the Partnership.

[5] Applicants state that as of June 1, 1999, the prime rate was 7.75%

D. Section 17(d) and Rule 17d–1

1. Section 17(d) of the Act and rule 17d–1 under the Act prohibit any first- or second-tier affiliate of a registered investment company, acting as principal, from effecting any transaction in connection with any joint enterprise or other joint arrangement or profit sharing plan in which the investment company participates. As noted above, the Partnership, the General Partner, the Limited Partners, Plaza Trust, Pension Trust, the Trust Affiliates, the Future Affiliates, the Manager, CGII, CGPE, the Associates, and Capital Group may be first- or second-tier affiliates of the Fund. Accordingly, an investment in the Partnership by the Fund may represent a joint arrangement among these entities for the purposes of section 17(d).

2. Rule 17d–1 under the Act permits the SEC to approve a proposed joint transaction covered by the terms of section 17(d). In determining whether to approve a transaction, the SEC is to consider whether the proposed transaction is consistent with the provisions, policies, and purposes of the Act, and the extent to which the participation of the investment company is on a basis different from or less advantageous than that of the other participants.

3. Applicants believe that the proposed investment by the Fund in the Partnership satisfies the standards of rule 17d–1. Applicants state that the Fund will participate in the Partnership on terms that are comparable to the terms applicable to the other Limited Partners. Furthermore, both the profits to be earned and the risks to be incurred will be allocated among each of the Limited Partners *pro rata*, in direct proportion to each Limited Partner's investment. With regard to the payment by the Fund of an Additional Amount that could be at a rate higher than that for other Limited Partners, applicants state that the fund would receive a corresponding benefit not offered to other Limited Partners, namely the ability to participate in the Partnership after the final closing date.

Applicants' Conditions

Applicants agree that any other of the SEC granting the requested relief will be subject to the following conditions:

1. The Manager will waive its management fee (which includes administrative fees) payable by the Fund with respect to the Fund's net assets committed to the Partnership by the Fund's proposed investment in the Partnership. To effectuate this waiver, Fund assets represented by the Partnership interests purchased by the

Fund under the proposed investment will be excluded from the net assets of the Fund in the calculation of the management fee. As this waiver relates to the Manager's fee schedule, any Fund assets invested in the Partnership will be excluded from the Fund's assets before any fee calculation is made; thus, the Fund's aggregate net assets will be adjusted by the amount invested in the Partnership prior to determining the fee based on the Manager's fee schedule (the amount waived pursuant to this procedure is the ''Reduction Amount'' for purposes of condition no. 4, below). In addition, the Manager will credit against any future management fees payable to it in conjunction with the management of Fund assets other than those represented by the Partnership interests under the proposed investment, any amount of retroactive management fees, including any other amounts directly related to the retroactive management fees, payable to it from the first closing date that the Fund is admitted to the Partnership. The credit shall be applied to the management fee paid by the Fund for management of its assets after exclusion of the Fund's assets represented by its Partnership interests.

2. Any fees payable by the Fund to the Manager so excluded in connection with the proposed investment, as described in the application, will be excluded for all time, and will not be subject to recoupment by the Manager or by any other investment adviser at any other time.

3. The Fund's proposed investment in the Partnership will be no more than U.S. $95 million.

4. If the Manager waives any portion of its fees or bears any portion of its expenses in respect of the Fund (an ''Expense Waiver''), the adjusted fees for the Fund (gross fees minus Expense Waiver) will be calculated without reference to the Reduction Amount. If the Reduction Amount exceeds adjusted fees, the Manager will reimburse the Fund in an amount equal to such excess.

5. The Fund's proposed investment in the Partnership will not be subject to a sales load, redemption fee, distribution fee analogous to those adopted in accordance with rule 12b–1 by an investment company registered under the Act, or service fee (analogous to that defined in rule 2830(b)(9) of the Conduct Rules of the National Association of Securities Dealers, Inc.).

6. The Fund's proposed investment in the Partnership will be in accordance with the Fund's investment restrictions and will be consistent with its policies as recited in its registration statement.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99–14874 Filed 6–10–99; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–23860; 812–10756]

WEBS Index Fund, Inc., et al.; Notice of Application

June 7, 1999.

AGENCY: Securities and Exchange Commission (''Commission'' or ''SEC'').

ACTION: Notice of application for an order under section 6(c) of the Investment Company Act of 1940 (the ''Act'') for an exemption from sections 2(a)(32), 5(a)(1), 22(d), and 22(e) of the Act and rule 22c–1 under the Act, and under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and (2) of the Act.

SUMMARY OF APPLICATION: Applicants request an order that would permit an open-end management investment company, whose portfolios will consist of the component securities of certain indices, to issue shares of limited redeemability; permit secondary market transactions in the shares of the portfolios at negotiated prices on the American Stock Exchange LLC (the ''AMEX''); permit affiliated persons of the portfolios to deposit securities into, and receive securities from, the portfolios in connection with the purchase and redemption of aggregations of the portfolios' shares; and permit certain portfolios to pay redemption proceeds more than seven days after the tender of shares of the portfolios for redemption.

APPLICANTS: WEBS Index Fund, Inc. (the ''Fund''), Barclays Global Fund Advisors (the ''Adviser''), and Funds Distributor, Inc. (the ''Distributor'').

FILING DATES: The application was filed on August 14, 1997. Applicants have agreed to file an amendment, the substance of which is reflected in this notice, during the notice period.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on July 2, 1999, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW, Washington, DC 20549–0609. Applicants, WEBS Index Fund, Inc., 400 Bellevue Parkway, Wilmington, Delaware 19809, Attn: Gary M. Gardner, Esq., Asst. Secretary.

FOR FURTHER INFORMATION CONTACT: Timothy Kane, Senior Counsel, at (202) 942–0615, or Mary Kay Frech, 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 SEC's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549–0102 (tel. (202) 942–8090).

Applicants' Representations

1. The Fund is an open-end management investment company incorporated in the State of Maryland and registered under the Act. The Adviser, an investment adviser registered under the Investment Advisers Act of 1940, serves as investment adviser to the Fund. The Distributor, a broker registered under the Securities Exchange Act of 1934 (the ''Exchange Act'') and a member of the National Association of Securities Dealers, Inc., serves as the principal underwriter of the Fund's shares on an agency basis.

2. Currently, the Fund has 17 series operating and now proposes to establish 11 new series (each such new series, a ''WEBS Index Series''). Each WEBS Index Series will invest in a portfolio of equity securities (''Portfolio Securities'') generally consisting of component securities of a specified securities index compiled by Morgan Stanley Capital International Inc. (collectively, the ''MSCI Indices'').[1] The eleven proposed WEBS Index Series are the Brazil WEBS Index Series, the Greece WEBS Index Series, the Indonesia (Free) WEBS Index Series,[2] the South Korea WEBS Index

[1] Each of the MSCI Indices is calculated by Morgan Stanley Capital International Inc. (''MSCI''). The trade price of the WEBS of each WEBS Index Series, as traded on the AMEX, will be disseminated over the facilities of the Consolidated Tape Association.

[2] MSCI calculates two indices in some countries in order to address the issue of restrictions on foreign ownership in such countries. The additional indices are called ''Free'' indices, and they include