931.6 Experimental Weight Averaging Fees

931.61 [RESERVED]

931.62 A nonletter-size weight averaging monthly fee as set forth in Fee Schedule 931 must be paid each month during which the distributor's weight averaging account is active.

This fee applies to the (no more than) 10 advance deposit account holders which are selected by the Postal Service to participate in the weight averaging nonletter-size business reply mail experiment.

This provision expires February 29, 2000, or upon implementation of permanent fees for nonletter-size business reply mail, whichever comes first.

931.7 Authorizations and Licenses

931.71 In order to distribute business reply cards, envelopes, cartons or labels, the distributor must obtain a license or licenses from the Postal Service and pay the appropriate fee as set forth in Fee Schedule 931.

931.72 Except as provided in section 931.73, the license to distribute business reply cards, envelopes, cartons, or labels must be obtained at each office from which the mail is offered for delivery.

931.73 If the business reply mail is to be distributed from a central office to be returned to branches or dealers in other cities, one license obtained from the post office where the central office is located may be used to cover all business reply mail.

931.74 The license to mail business reply mail may be canceled for failure to pay business reply postage and fees when due, and for distributing business reply cards or envelopes that do not conform to prescribed form, style or size.

931.75 Authorization to pay experimental nonletter-size business reply mail fees as set forth in Fee Schedule 931 may be canceled for failure of a business reply mail advance deposit trust account holder to meet the standards specified by the Postal Service for the weight averaging accounting method.

This provision expires February 29, 2000, or upon implementation of permanent fees for nonletter-size business reply mail, whichever comes first.

Changes in DMCS Fee Schedule 931

The following material reflects changes to DMCS Fee Schedule 931 approved by the Governors of the United States Postal Service in response to the Postal Rate Commission's Recommended Decision in Docket No. MC99–1. This material also reflects changes to Fee Schedule 931 which will result from the June 7, 1999, expiration of provisions relating to the experimental classification and fees for nonletter-size Business Reply Mail subject to the reverse manifest method of accounting.

FEE SCHEDULE 931—BUSINESS REPLY MAIL

	Fee
Active business reply advance deposit account:	
Per piece:	
Qualified	$0.05
Nonletter-size, using weight averaging (experimental)	0.01
Other	0.08
Payment of postage due charges if active business reply mail advance deposit account not used:	
Per piece	0.30
Annual License and Accounting Fees:	
Accounting Fee for Advance Deposit Account	300
Permit fee (with or without Advance Deposit Account)	100
Monthly Fees for customers using weight averaging for nonletter-size business reply:	
Nonletter-size, using weight averaging (experimental)	600

Note: Experimental per piece and monthly fees are applicable only to participants selected by the Postal Service for the nonletter-size business reply mail experiment. The experimental fees expire February 29, 2000, or upon implementation of permanent fees for weight-averaged nonletter-size business reply mail, whichever comes first.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 99–14637 Filed 6–8–99; 8:45 am]

BILLING CODE 7710–12–P

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–23458; File No. 812–11518]

First Defined Portfolio Fund LLC

June 4, 1999.

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

ACTION: Notice of application for an order pursuant to Section 6(c) of the Investment Company Act of 1940 (the ''1940 Act'' or the ''Act'').

SUMMARY OF APPLICATION: Applicant seeks an order pursuant to Section 6(c) of the Act exempting Applicant and any other open-end investment company or series thereof advised by First Trust Advisors L.P. ''First Trust Advisors'') or any entity controlled by or under common control with First Trust Advisors that follows the same investment strategy as the Target 10 Series, the Target 5 Series, or the Global Target 15 Series, from the provisions of Section 12(d)(3) of the 1940 Act top the extent necessary to permit the Target 10 Series to invest up to 10.5%, the Target 5 Series to invest up to 20.5%, and the Global Target 15 Series to invest up to 7.5%, of their respective total assets in securities of issuers that derive more than 15% of their gross revenues from securities related activities.

Applicant: First Defined Portfolio Fund LLC.

Filing Date: The application was filed on February 18, 1999, amended and restated on May 25, 1999, and on June 3, 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 on this application by writing to the Secretary of the SEC and serving Applicant with a copy of the request, personally or by mail. Hearing requests must be received by the Commission by 5:30 p.m. on June 30, 1999, and accompanied by proof of service on the Applicant in the form of an affidavit or, for lawyers, a certificate of service. Hearing request should state the nature of the interest, the reason for the request and the issues contested. Persons may request notification of the date of a hearing by writing to the Secretary of the Commission.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549–0609. Applicant, 1001 Warrenville Road, Lisle, Illinois 60532, Suite 300.

FOR FURTHER INFORMATION CONTACT: Martha Peterson, Attorney, or Susan Olson, Branch Chief, Office or Insurance Products, Division of Investment Management, at (202) 942–0670.

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application is available for a fee from the Public Reference Branch of the SEC, 450 Fifth Street, N.W., Washington, D.C. 20549–0609 (tel. (202) 942–8090).

Applicant's Representations

1. First Defined Portfolio Fund LLC (the ''Fund'' or the ''Applicant'') is a registered, open-end management investment company (File No. 811–09235). It currently consists of seven series: the DOW℠ Target 5 Portfolio (i.e., the Target 5 Series), the Dow℠ Target 10 Portfolio (i.e., the Target 10 Series), the Global Target 15 Portfolio (i.e., the Global Target 15 Series), the Target 10 Large Cap Portfolio, the Target 15 Large Cap Portfolio, the Target Small Cap Portfolio and the 10 Uncommon Values Portfolio (collectively, the ''Current Fund Series''). Applicant was organized under the laws of Delaware as a limited liability company on January 8, 1999. Under Delaware law, limited liability company does not issue shares of stock. Instead, ownership rights are contained in membership interests. Each membership interest of Applicant (''Interest'') represents an undivided interest in the stocks held in one of Applicant's portfolios.

2. Interests in the Fund and any future fund relying on the application are not and will not be offered directly to the public but will be offered to separate accounts which serve as funding vehicles for variable annuity contracts and other variable insurance products. Interests of each Current Fund Series are sold only to American Skandia Life Assurance Corporation Variable Account B (''Account B''), to fund the benefits of variable annuity policies issued by American Skandia Life Assurance Corporation (''American Skandia''). The variable annuity owners of Account B who have contract values allocated to any of the Applicant's portfolios have indirect beneficial rights in the Interests and have the right to instruct American Skandia with regard to how it votes the Interests that it holds in its variable annuity separate accounts.

3. First Trust Advisors is the advisor of each of the Funds's series.

4. Applicant states that the portfolio of the Target 10 Series consists of an investment portfolio of the common stocks of the ten companies in the Dow Jones Industrial Average (the ''Dow'') having the highest dividend yields as of a date specified in the prospectus (the ''Stock Selection Date''). These ten companies are popularly known as the ''Dogs of the Dow.'' Applicant also states that take portfolio of the Target 5 Series consists of the common stock of the five companies with the lowest per share stock price of the ten companies in the Dow that have the highest dividend yields as of the Stock Selection Date specified in the prospectus. Finally, Applicant states that the portfolio of the Global Target 15 Series consists of the common stocks of the five companies with the lowest per share stock price of the ten companies in each of the Dow, the Financial Times Industrial Ordinary Share Index (''FT Index''), and the hang Seng Index, respectively, that have the highest dividend yields in the respective index as of the applicable Stock Selection Date.

5. Applicant states that on the initial Stock Selection Date, First Trust Advisors will establish the percentage relationships among the portfolio securities of each issuer held by the Target 5 Series, the Target 10 Series and the Global Target 15 Series (the ''Series''), respectively, for the period until the Series are rebalanced. The Target 5 Series, the Target 10 Series and Global Target 15 Series are adjusted annually on their Stock Selection Date. The Target 5 Series, the Target 10 Series and the Global Target 15 Series intend to invest in the portfolio securities determined by their respective strategies in relatively equal amounts. When additional amounts are invested in the Target 5 Series, the Target 10 Series and the Global Target 15 Series, additional securities will be purchased in numbers reflecting as closely as practicable the percentage relationship of the number of securities established on the Stock Selection Date. Similarly, sales of securities by each Series will attempt to replicate the percentage relationship of securities held in the portfolio of each Series. The percentage relationship among the number of securities in the Target 5 Series, the Target 10 Series and the Global Target 15 Series should therefore remain relatively stable until the Series are rebalanced. On the Stock Selection Date each year, First Trust Advisors will rebalance the portfolios with a new mix of securities in the Target 5 Series, the Target 10 Series and the Global Target 15 Series selected pursuant to the investment strategy of each Series. Applicant states that, given the fact that the market price of portfolio securities will vary after the Stock Selection Date, the value of the securities of each company as compared to the total assets of the Target 5 Series, the Target 10 Series and the Global Target 15 Series will fluctuate above and below the proportion established on the Stock Selection Date.

6. Applicant states that the Target 5 Series, the Target 10 Series and the Global Target 15 Series intend to invest in their portfolio securities determined by their respective strategies in relatively equal amounts and the Series may purchase securities in odd lots to achieve this goal. However, it may be more efficient for a Series to purchase securities in 100 or 50 share lots or in board lot size in the case of the Global Target 15 Series. A ''board lot'' is comprised of a fixed number of shares determined by the issuer. Most fees associated with trading, settling, and transfer of Hong Kong securities are charged on a per board lot basis. Accordingly, Applicant states that it is more efficient for the Global Target 15 Series to purchase securities in the specified board lot size. As a result, securities of a securities related issuer may represent (i) more than 10% but in no event more than 10.5% of the value of the Target 10 Series' total assets; (ii) more than 20%, but in no event more than 20.5% of the value of the Target 5 Series' total assets; and (iii) more than 6.7%, but in no event more than 7.5% of the value of the Global Target 15 Series, as of the close of business on the business day following the applicable Stock Selection Date. Although each Series will strive to purchase equal values of each of the stocks represented in a Series' portfolio, Applicant believes the flexibility to deviate slightly from this requirement is appropriate because it enables a Series to meet its purchase requirements while trying to obtain the best price. Applicant states that this is particularly important for the Global Target 15 Series because it is more

efficient to purchase Hong Kong securities on a board lot basis. Applicant submits that because the size of board lots vary widely, it is appropriate to permit the Global Target 15 Series to invest up to 7.5% of the value of its asset as of the close of business on the business day following the Stock Selection Date in the securities of a securities related issuer.

7. Applicant states that the objective of the Target 10 Series, the Target 5 Series and the Global Target 15 Series is to provide above-average total return. Each of these Series seeks its objective by investing in common stocks issued by companies that are expected to provide income and to have the potential for capital appreciation. These Series may or may not achieve that objective. Applicant states that the stocks held in these Series are not expected to reflect the entire applicable index or indices, and the prices of Interests are not intended to parallel or correlate with movements in the applicable index or indices. Applicant states that, generally, it will not be possible for all of the funds in the Target 10 Series Target 5 Series and Global Target 15 Series to be 100% invested in the prescribed mix of stocks at any time. Applicant states that First Trust Advisors will try, to the extent practicable, to maintain a minimum cash position at all times. Applicant represents that normally the only cash items held will represent amounts expected to be deducted as charges and amounts too small to purchase additional proportionate rounds lots of the portfolio securities.

8. The Dow consists of 30 stocks selected by Dow Jones & Company, Inc. as representative of the broader domestic stock market and of American industry. Applicant states that the Dow Jones & Company, Inc. is not affiliated with it and had not participated, and will not participate, in any way in the management of the Target 10 Series, Target 5 Series, or Global Target 15 Series or the selection of the stock purchased by such Series.

9. The FT Index consists of common stocks listed on the London Stock Exchange which are chosen by the editors of The Financial Times (London). The FT Index is an unweighted average of 30 companies representative of British industry and commerce. The companies in the FT Index are highly capitalized, major factors in their industries, and their stocks are widely held by individuals and institutional investors. All companies in the FT Index are listed and traded on the London Stock Exchange. The publishers of the FT Index are unaffiliated with the Fund and First Trust Advisors and do not participate in any way in the management of any Series or the selection of stocks purchased for a Series. Changes in the components of the FT Index are made entirely by the editors of The Financial Times without consultation with the companies, the stock exchange or any official agency. For the sake of continuity, changes are rarely made.

10. The Hang Seng Index consists of 33 of the 358 stocks currently listed on the Stock Exchange of Hong Kong Ltd. (the ''Hong Kong Stock Exchange''). The Hang Seng Index is representative of four major market sectors: commerce and industry, finance, properties, and utilities. The Hang Seng Index is a recognized indicator of stock market performance in Hong Kong. In computing the Hang Seng Index, the companies included therein are weighted by market capitalization and therefore the index is strongly influenced by stocks with large capitalizations. The publishers of the Hang Seng Index are unaffiliated with the Fund and First Trust Advisors and do not participate in any way in the management of any Series or the selection of stocks purchased for a Series.

11. Applicant states that it is not a ''regulated investment company'' under Subchapter M of the Internal Revenue Code of 1986, as amended (the ''Code''). Nonetheless, Applicant states that it does not pay federal income tax on its interest, dividend income or capital gains. As a limited liability company whose interests are sold only to Account B, Applicant states that it is disregarded as an entity for purposes of federal income taxation. Applicant states that American Skandia, through its variable annuity separate accounts, is treated as owning the assets of the portfolios directly and its tax obligations thereon are computed pursuant to Subchapter L of the Code (which governs the taxation of insurance companies). Applicant states that under current tax law, interest, dividend income and capital gains of Applicant are not taxable to Applicant, and are not currently taxable to American Skandia or to contract owners, when left to accumulate within a variable annuity contract.

12. Section 817(h) of the Code provides that in order for a variable contract which is based on a segregated asset account to qualify as an annuity contract under the Code, the investment made by that account must be ''adequately diversified'' in accordance with Treasury regulations.

13. Applicant states that the Target 10 Series, Target 5 Series and Global Target 15 Series must comply with the Section 817(h) diversification requirements. Therefore, Applicant states that First Trust Advisors may depart from the portfolio investment strategy, if necessary, in order to satisfy the Section 817(h) diversification requirements. Applicant represents that in all circumstances, except in order to meet Section 817(h) diversification requirements, the common stocks purchased for each portfolio will be chosen solely according to the applicable formula described above and will not be based on the research opinions or buy or sell recommendations of First Trust Advisors.

14. Applicant represents that First Trust Advisors does not have any discretion as to which common stocks are purchased. Applicant states that securities purchased for the Target 10 Series, Target 5 Series, and Global Target 15 Series may include securities of issuers in the Dow (and with respect to the Global Target 15 Series, issuers in the FT Index and the Hang Seng Index as well as the Dow) that derived more than 15% of their gross revenues in their most recent fiscal year from securities related activities.

Applicant's Legal Analysis

1. Section 12(d)(3) of the Act, with limited exceptions, prohibits an investment company from acquiring any security issued by any person who is a broker, dealer, underwriter, or investment adviser. Rule 12d3–1 under the Act exempts from Section 12(d)(3) purchases by an investment company of securities of an issuer, except its own investment adviser, promoter, or principal underwriter or their affiliates, that derived more than 15% of its gross revenues in its most recent fiscal year from securities related activities, provided that, among other things, immediately after any such acquisition the acquiring company has invested not more than 5% of the value of its total assets in the securities of the issuer. The Target 10 Series, Target 5 Series, and Global Target 15 Series undertake to comply with all of the requirements of Rule 12d3–1, except the condition in subparagraph (b)(3) prohibiting an investment company from investing more than 5% of the value of its total assets in securities related issuer.

2. Section 6(c) of the Act provides that the Commission by order upon application may, conditionally or unconditionally, exempt any person, security, or transaction, or any class or classes thereof, from any provision of the Act or any rule or regulation thereunder, if and to the extent that the

exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

3. Applicant states that Section 12(d)(3) was intended: (a) to prevent investment companies from exposing their assets to the entrepreneurial risks of securities related businesses, (b) to prevent potential conflicts of interests; (c) to eliminate certain reciprocal practices between investment companies and securities related business; and (d) to ensure that investment companies maintain adequate liquidity in their portfolios.

4. A potential conflict could occur, for example, if an investment company purchased securities or other interests in a broker-dealer to reward that broker-dealer for selling fund shares, rather than solely in the basis of investment merit. Applicant states that this concern does not arise in this situation. Applicant states that generally, neither the Applicant nor First Trust Advisors has discretion in choosing the common stock or amount purchased. Applicant states that the stock must first be included in the applicable index or indices (which along with the publishers of the indices are unaffiliated with Applicant and First Trust Advisors). In addition, with respect to the Target 10 Series, the stock must also qualify as one of the ten companies in the Dow that has the highest dividend yields as of the Stock Selection Date. With respect to the Target 5 Series, the stock must qualify as one of the five companies with the lowest per share stock price of the ten companies in the Dow that have the highest dividend yields as of the Stock Selection Date. Finally, with respect to the Global Target 15 Series, the stock must qualify as one of the five companies with the lowest per share stock price of the ten companies in each of the Dow, FT Index, and Hang Seng Index, respectively, that has the highest dividend yields in the respective index as of the Stock Selection Date.

5. Applicant states that the relief requested is substantially similar to that granted to management companies serving as investment options underlying variable annuities. In addition, Applicant states that the Commission has granted similar Section 12(d)(3) relief to unit investment trusts with no discretion to choose the portfolio securities or the amount purchased, but with discretion to sell portfolios securities to the extent necessary to meet redemptions, pay expenses, and in other limited circumstances.

6. Applicant states that First Trust Advisors is obligated to follow the applicable investment formula described above as nearly as practicable. Applicant states that, like prior applicants for Section 12(d)(3) relief, securities purchased for each portfolio will be chosen with respect to the specified formula. Applicant states that the only time any deviation from the formula would be permitted would be where circumstances were such that the investments of a particular portfolio would fail to be ‘‘adequately diversified’’ under the Section 817(h) diversification requirements, and would thus cause the annuity contracts to fail to qualify as an annuity under the Code. Applicant states that the likelihood of this exception arising is extremely remote. In such a situation, Applicant states that it must be permitted to deviate from the investment strategy in order to meet the Section 817(h) diversification requirements and then only to the extent necessary to do so. Applicant states that this limited discretion does not give rise to the potential conflicts of interest or to the possible reciprocal practices between investment companies in a securities related business that Section 12(d)(3) is designed to prevent.

7. Applicant states that the liquidity of the portfolios of the Target 10 Series and Target 5 Series is not a concern here since each common stock selected will be a component of the Dow, listed on the New York Stock Exchange, and among the most actively traded securities in the United States. Similarly, the liquidity of the portfolio of the Global Target 15 Series is also not a concern here as each common stock selected will be a component of the Dow, FT Index, or Hang Seng Index, listed on the New York Stock Exchange, London Stock Exchange, or the Hong Kong Stock Exchange and among the most actively traded securities in their respective countries.

8. In addition, Applicant states that the effect of a Series' purchase of the stock of parents of broker-dealers would be de minimis. Applicant states that the common stocks of securities related issuers represented in the Dow, FT Index or the Hang Seng Index, as the case may be are widely held with active markets and that potential purchases by a portfolio would represent an insignificant amount of the outstanding common stock and trading volume of any of these issuers. Therefore, Applicant argues that it is almost inconceivable that these purchases would have any significant effect on the market value of any of these securities related issuers.

9. Another possible conflict of interest which has raised concern is where broker-dealers may be influenced to recommend certain investment company funds which invest in the stock of the broker-dealer or any of its affiliates. Applicant states that because of the large market capitalization of the issuers in the Dow, FT Index and Hang Seng Index and the small portion of these issuers' common stock and trading value that would be purchased by a Series, it is extremely unlikely that any advice offered by a broker-dealer to a customer as to which investment company to invest in would be influenced by the possibility that a portfolio would be invested in the broker-dealer or a parent thereof.

10. Finally, another potential conflict of interest could occur if an investment company directed brokerage to an affiliated broker-dealer in which the company had invested to enhance the broker-dealer's profitability or to assist it during financial difficulty, even though the broker-dealer may not offer the best price and execution. To preclude this type of conflict, Applicant agrees, as a condition of this application that no company whose stock is held by the Target 10 Series, Target 5 Series, or Global Target 15 Series nor any affiliate of such a company, will act as broker or dealer for the Target 10 Series, Target 5 Series, or Global Target 15 Series in the purchase or sale of any security for such Series' portfolio.

11. Applicant seeks relief not only with respect to the Fund and its Series described above, but also with respect to any other existing or future open-end investment company or series thereof that is advised by First Trust Advisors, or any entity controlled by or under common control with First Trust Advisors, and that follows an investment strategy that is the same as the investment strategy of the Target 10 Series, Target 15 Series, or Global Target 15 Series (the ‘‘Future Funds’’). Applicant represents that any such Future Funds will comply with the terms and conditions of the Application, as amended.

12. Applicant represents that the terms of the relief requested are consistent with the relief previously granted in similar applications. Applicant states that the terms of the relief requested are consistent with the standards set forth in Section 6(c) of the Act.

Applicant's Conditions

Applicant agrees to the following conditions:

With respect to the Target 10 Series:

(a) The common stock is included in the Dow as of the applicable Stock Selection Date;

(b) The common stock represents one of the ten companies in the Dow that have the highest dividend yields as of the applicable Stock Selection Date;

(c) As of the close of business on the business day following the applicable Stock Section Date, the value of the common stock of each securities related issuer represents approximately 10% of the value of such Series' total assets, but in no event more than 10.5% of the value of such Series' total assets;

2. With respect to the Target 5 Series:

(a) The common stock is included in the Dow as of the applicable Stock Selection Date;

(b) The common stock represents one of the five companies with the lowest dollar per share stock price of the ten companies in the Dow that have the highest dividend yields as of the applicable Stock Selection Date;

(c) As of the close of business on the business day following the applicable Stock Section Date, the value of the common stock of each securities related issuer represents approximately 20% of the value of such Series' total assets, but in no event more than 20.5% of the value of such Series' total assets;

3. With respect to the Global Target 15 Series:

(a) The common stock is included in the Dow, the Hang Seng Index, or the FT Index as of the applicable Stock Selection Date;

(b) The common stock represents one of the five companies with the lowest per share stock price of the ten companies on each of the Dow, the FT Index, and the Hang Seng Index, respectively, that have the highest dividend yield as of the applicable Stock Selection Date;

(c) As of the close of business on the business day following the applicable Stock Selection Date, the value of the common stock of each securities related issuer represents approximately 6.7% of the value of such Series' total assets, but in no event more than 7.5% of the value of such Series' total assets; and

4. No company whose stock is held by the Target 10 Series, Target 5 Series, or Global Target 15 Series, or any affiliate thereof, will act as a broker or dealer for any Target 10 Series, and Target 5 Series, or any Global Target 15 Series in the purchase or sale of any security for such Series' portfolio.

Conclusion

For the reasons summarized above, Applicant asserts that the order requested is appropriate, in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99–14757 Filed 6–9–99; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23857; 812–11622]

Norwest Advantage Funds, et al.; Notice of Application

June 3, 1999.

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

ACTION: Notice of an application under section 17(b) of the Investment Company Act of 1940 (the ''Act'') for an exemption from section 17(a) of the Act.

SUMMARY OF APPLICATION: Applicants, Norwest Advantage Funds (''NAF''), Core Trust (Delaware) (''Core Trust'') (each, a ''Trust''), Norwest Corporation Master Savings Trust (the ''NW Plan''), Norwest Bank Minnesota, N.A. (''Norwest Bank''), and Norwest Investment Management, Inc. (''NIM'') seek an order to permit an in-kind redemption of shares of the Fund by an affiliated person of the Fund.

FILING DATE: The application was filed on May 28, 1999. Applicants have agreed to file an amendment during the notice period, the substance of which is reflected in this notice.

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 June 28, 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 who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, NW, Washington, DC 20549–0609; Applicants, Two Portland Square, Portland, ME 04101 and Norwest Center, Sixth and Marquette, Minneapolis, MN 55490–1026.

FOR FURTHER INFORMATION CONTACT: Deepak T. Pai, Senior Counsel, at (202) 942–0574 or Nadya Roytblat, Assistant Director, 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 at the Commission's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549–0102 (telephone (202) 942–8090).

Applicants' Representations

1. NAF is organized as a Delaware business trust and is registered under the Act as an open-end management investment company. NAF offers shares in 39 separate series, including the Index Fund (''Fund''). As a feeder fund in a master-feeder structure, the Fund seeks to achieve its investment objective by investing all of its assets in the Index Portfolio of Core Trust (''Portfolio''). The investment objective of the Portfolio is to replicate the return of the S&P 500 Index. Core Trust is organized as a Delaware business trust and is registered under the Act as an open-end management investment company. Core Trust offers shares in 21 separate series, including the Portfolio.

2. Norwest Bank is a national bank and is a wholly-owned subsidiary of Wells Fargo & Company, a bank holding company. NIM is a wholly-owned subsidiary of Norwest Bank and is registered under the Investment Advisers Act of 1940 (''Advisers Act''). NIM serves as investment adviser to the Portfolio. The NW Plan is an employee benefit plan for affiliates of the Norwest Corporation, the parent corporation of Norwest Bank. The NW Plan owns approximately 29% of the Fund's outstanding voting securities.

3. Wells Fargo has determined to combine a number of existing employee benefit plans, including the NW Plan into a single plan (''New Plan''). The New Plan will not offer the Fund as an investment option for plan participants and will instead offer an index investment option in an index collective trust fund (''CTF'') managed by Barclays Global Investors, N.A., which is not affiliated with any participant in the Transaction. The New Plan would redeem in-kind its interest in the Fund and ultimately reinvest the proceeds of the redemption in the CTF (''Transaction''). The Transaction is expected to take place on or about June 30, 1999.

4. The Fund's prospectus and statement of additional information