

Commission, 450 5th Street, NW.,
Washington, DC 20549.

Dated: July 27, 2000.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-19498 Filed 8-1-00; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No.
24583; 812-11916]

Pioneer America Income Trust et al.; Notice of Application

July 27, 2000.

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

ACTION: Notice of an application under
section 17(d) of the Investment
Company Act of 1940 (the "Act") and
rule 17d-1 under the Act to permit
certain joint transactions.

Summary of Application: Applicants
request an order to permit certain
registered investment companies to
deposit their uninvested cash balances
and their cash collateral in one or more
joint accounts to be used to enter short-
term investments.

Applicants: The Pioneer Family of
Funds, consisting of: Pioneer America
Income Trust, Pioneer Balanced Fund,
Pioneer Bond Fund, Pioneer Emerging
Markets Fund, Pioneer Equity-Income
Fund, Pioneer Europe Fund, Pioneer
Fund, Pioneer Growth Shares, Pioneer
High Yield Fund, Pioneer Independence
Fund, Pioneer Indo-Asia Fund, Pioneer
Interest Shares, Pioneer International
Growth Fund, Pioneer Limited Maturity
Bond Fund, Pioneer Micor-Cap Fund,
Pioneer Mid-Cap Fund, Pioneer Mid-
Cap Value Fund (formerly Pioneer
Capital Growth Fund), Pioneer Money
Market Trust, a series fund consisting of
Pioneer Cash Reserves Fund, Pioneer
Real Estate Shares, Pioneer Science &
Technology Fund, Pioneer Small
Company Fund, Pioneer Strategic
Income Fund, Pioneer Tax-Free Income
Fund, Pioneer Tax-Managed Fund,
Pioneer II, Pioneer World Equity Fund,
Pioneer Variable Contracts Trust, a
series fund consisting of the following
series: Pioneer America Income VCT
Portfolio, Pioneer Balanced VCT
Portfolio, Pioneer Emerging Markets
VCT Portfolio, Pioneer Equity-Income
VCT Portfolio, Pioneer Europe VCT
Portfolio, Pioneer Fund VCT Portfolio
(formerly Growth & Income Portfolio),
Pioneer Growth Shares VCT Portfolio,
Pioneer High Yield VCT Portfolio,
Pioneer International Growth VCT

Portfolio, Pioneer Mid-Cap Value VCT
Portfolio (formerly Capital Growth
Portfolio), Pioneer Money Market VCT
Portfolio, Pioneer Real Estate Growth
VCT Portfolio, Pioneer Science &
Technology VCT Portfolio, Pioneer
Strategic Income VCT Portfolio, and
Pioneer Swiss Franc Bond VCT Portfolio
(individually, a "Fund" and,
collectively, the "Funds") and Pioneer
Investment Management, Inc. (the
"Investment Manager").

Filing Dates: The application was
filed on December 27, 1999 and
amended on July 21, 2000.

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 August 21, 2000, 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, Robert P.
Nault, Esq., The Pioneer Group, Inc., 60
State Street, Boston, Massachusetts
02109.

FOR FURTHER INFORMATION CONTACT:
Janet M. Grossnickle, Branch Chief, or
Nadya B. Roytblat, Assistant Director, at
(202) 942-0564, Office of Investment
Company Regulation, Division of
Investment Management.

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 (tel. (202) 942-8090).

Applicants' Representations

1. Each Fund, other than Pioneer
Interest Shares, is an open-end
management investment company
registered under the Act. Pioneer
Interest Shares is a closed-end
management investment company
registered under the Act. Each Fund
currently offers one series of shares,
except for the Pioneer Variable
Contracts Trust which currently offers
fifteen series of shares. The assets of the
Funds are held by Brown Brothers,
Harriman & Co. (the "Custodian"),

which is not an affiliated person of any
of the Funds or of the Investment
Manager.

2. The Investment Manager is
registered under the Investment
Advisers Act of 1940 and serves as
investment adviser for each of the
Funds. The Investment Manager is a
wholly-owned subsidiary of The
Pioneer Group, Inc. ("PGI").

3. Applicants request that any relief
granted pursuant to the application also
apply to all future series of the Funds
and other registered management
investment companies for which the
Investment Manager or any entity
controlling, controlled by, or under
common control with the Investment
Manager acts as investment adviser.¹

4. Several of the Funds are authorized
to enter into securities lending
transactions. In connection with such
transactions, the Funds may receive
collateral in the form of either cash
("Cash Collateral") or certain securities.
When Cash Collateral is received, it is
invested in a manner consistent with (i)
each Fund's investment objectives and
restrictions and (ii) Commission and
staff guidelines concerning the
investment of Cash Collateral.

5. On a daily basis, the Funds also
may have uninvested cash balances
representing proceeds from sales of
portfolio securities, the cost of securities
purchased but not yet delivered, cash
available to meet the Fund's
redemptions or other liquidity
requirements and cash awaiting
investment ("Uninvested Cash," and
together with Cash Collateral, "Cash
Balances"). The Cash Balance of each
Fund is invested by the Investment
Manager in short-term liquid
investments authorized by the Fund's
investment policies. Currently, the
Investment Manager must make these
investments separately on behalf of each
Fund. Applicants assert that these
separate purchases result in certain
inefficiencies, a reduction in the returns
that the Funds could otherwise achieve
on such investments, and higher costs.

6. Applicants propose that the Funds
deposit some or all of their Cash
Balances into one or more joint accounts
("Joint Accounts"). The daily balances
in the Joint Accounts would be invested
in (i) repurchase agreements
"collateralized fully" (as defined in
Rule 2a-7 under the Act); (ii) interest-
bearing or discounted commercial
paper, including United States dollar-

¹ Each Fund that currently intends to rely on the
requested order is named as an applicant. Any
registered management investment company that
relies on the requested relief in the future will do
so only in compliance with the terms and
conditions of the application.

denominated commercial paper of foreign issuers; (iii) government securities, as defined in section 2(a)(16) of the Act; and (iv) any other short-term taxable or tax-exempt money market instruments that constitute "Eligible Securities," as defined in rule 2a-7 under the Act (collectively, "Short-Term Investments").

7. Any repurchase agreements entered into through the Joint Accounts will comply with the terms of Investment Company Act Release No. 13005 (Feb. 2, 1983) or any subsequent interpretive position of the Commission or its staff. The participating Funds will not enter into "hold-in-custody" repurchase agreements in which the counterparty or one of its affiliated persons may have possession of, or control over, the collateral subject to the agreement except in instances when cash is received very late in the business day or would otherwise be unavailable for investment.

8. Each Fund's decision to invest through a Joint Account would be based on the same factors as its decision to make any other short-term liquid investments consistent with its investment objectives, policies, and restrictions. The Joint Accounts will only be used to aggregate what otherwise would be one or more daily transactions by some or all participating Funds to manage their respective daily Cash Balances.

9. The Investment Manager will be responsible for investing the Cash Balances in the Joint Accounts, establishing accounting and control procedures, and operating the Joint Accounts in accordance with procedures that seek to ensure fair treatment of the participating Funds. The Investment Manager will not charge any additional or separate fees for administering or advising the Joint Accounts and will not participate monetarily in the Joint Accounts.

Applicants' Legal Analysis

1. Section 17(d) of the Act and rule 17d-1 prohibit an affiliated person of a registered investment company, or an affiliated person of such a person, acting as principal, from participating in any joint enterprise or arrangement in which that investment company is a participant, unless the Commission has issued an order authorizing the arrangement. In determining whether to grant such an order, the Commission may consider whether the participation of the registered investment company in the proposed joint arrangement is consistent with the provisions, policies, and purposes of the Act and the extent to which such participation is on a basis

different from or less advantageous than that of other participants in the arrangement.

2. Under section 2(a)(3)(C) of the Act, each fund may be deemed to be an "affiliated person" of each other Fund if the Investment Manager were deemed to control each Fund. Applicants state that each Fund participating in a Joint Account and the Investment Manager, by managing that Joint Account, may be deemed to be "joint participants" in a transaction within the meaning of section 17(d) of the Act. Applicants further state that each Joint Account may be deemed to be a "joint enterprise or other joint arrangement" within the meaning of rule 17d-1.

3. Applicants assert that no Fund would be in a less favorable position than any other Fund as a result of its participation in one or more Joint Accounts. Applicants also assert that the proposed operation of the Joint Accounts will not result in any conflicts of interest among any of the Funds and the Investment Manager. Each Fund's liability on any Short-Term Investment invested in through the Joint Accounts will be limited to its interest in such Short-Term Investment.

4. Applicants state that operation of the Joint Accounts could result in certain benefits to the Funds. The Funds may earn a higher rate of return on Short-Term Investments through the Joint Accounts relative to the returns they could earn individually. Under most market conditions, applicants assert it is generally possible to negotiate a rate of return on larger Short-Term Investments that is higher than that available on smaller Short-Term Investments. Applicants also contend that the aggregation of Cash Balances in a Joint Account may make more investment opportunities available to the Funds and may reduce the possibility of the Funds' Cash Balances remaining uninvested. In addition, the Joint Accounts may result in certain administrative efficiencies and reduce the potential for error by reducing the number of trade tickets and cash wires that the sellers of Short-Term Investments, the Custodian, and the Investment Manager must process.

5. Applicants submit that the proposed Joint Accounts meet the criteria of rule 17d-1 for issuance of an order. Applicants state that although the Investment Manager may realize some benefit through administrative convenience and reduced clerical costs, the Funds would be the primary beneficiaries of the Joint Accounts.

Applicants' Conditions

Applicants agree that the order granting the requested relief will be subject to the following conditions:

1. One or more Joint Accounts will be established on behalf of the Funds as separate accounts into which a Fund may deposit daily all or a portion of its Cash Balances. The Joint Accounts will be subject to the Funds' custody agreements and will not be distinguishable from any other accounts maintained by the Funds at the Custodian except that monies from the Funds will be deposited in the Joint Accounts on a commingled basis. The Joint Accounts will not have separate existences and will not be separate legal entities. The sole function of the Joint Accounts will be to provide a convenient way of aggregating individual transactions, which would otherwise require daily management by the Investment Manager of Cash Balances.

2. Assets in the Joint Accounts will be invested in Short-Term Investments, as directed by the Investment manager (or, in the case of Cash Collateral, the Custodian, in its role as securities lending agent in instruments pre-approved by the Investment Manager). Short-Term Investments that are repurchase agreements will have a remaining maturity of 60 days or less and other Short-Term Investments will have a remaining maturity of 90 days or less, each as calculated in accordance with rule 2a-7 under the Act. Cash Collateral in a Joint Account will be invested in Short-Term Investments which have a remaining maturity of 397 calendar days or less calculated in accordance with rule 2a-7 under the Act. No Fund will be permitted to invest in a Joint Account unless the Short-Term Investments in that Joint Account will comply with the investment policies and restrictions of that Fund.

3. All assets held by the Joint Accounts will be valued on an amortized cost basis to the extent permitted by applicable Commission or staff releases, rules, letters, or orders.

4. Each Fund valuing its net assets in reliance on rule 2a-7 under the Act will use the average maturity of the instruments in the Joint Account in which such Fund has an interest (determined on a dollar-weighted basis) for the purpose of computing its average portfolio maturity with respect to its portion of the assets held in the Joint Account on that day.

5. To prevent any Fund from using any part of a balance of a Joint Account credited to another Fund, no Fund will be allowed to create a negative balance

in any Joint Account for any reason, although each Fund will be permitted to draw down its entire balance at any time, provided the Investment Manager determines such draw-down would have no significant adverse impact on any other Fund in that Joint Account. Each Fund's decision to invest in a Joint Account would be solely at its option, and no Fund will be obligated to invest in a Joint Account or to maintain any minimum balance in a Joint Account. In addition, each Fund will retain the sole rights of ownership to any of its assets invested in a Joint Account, including interest payable on such assets invested in the Joint Account.

6. The Investment Manager will administer, manage, and invest the cash in the Joint Accounts in accordance with, and as part of, its general duties under existing or future investment management agreements with the Funds and will not collect any additional or separate fee for advising any Joint Account.

7. The administration of the Joint Accounts will be within the fidelity bond coverage required by section 17(g) of the Act and rule 17g-1 thereunder.

8. The Boards will adopt procedures for each of the Funds pursuant to which the Joint Accounts will operate, which will be reasonably designed to provide that the requirements of this application will be met. Each Board will make and approve such changes as it deems necessary to ensure such procedures are followed. In addition, the Board of each Fund will determine, no less frequently than annually, that the Joint Accounts have been operated in accordance with the adopted procedures and will only permit a Fund to continue to participate therein if it determines that there is a reasonable likelihood that the Fund and its shareholders will benefit from the Fund's continued participation.

9. Each Fund will participate in the Joint Accounts on the same basis as any other Fund in conformity with its respective fundamental investment objectives, policies, and restrictions.

10. Any Short-Term Investments made through the Joint Accounts will satisfy the investment criteria of all Funds in that Short-Term Investment.

11. Each Fund's investment in the Joint Accounts will be documented daily on its books and on the books of the Custodian. The Investment Manager and the Custodian of each Fund will maintain records documenting, for any given day, each Fund's aggregate investment in a Joint Account and each Fund's pro rata share of each investment made through such Joint Account. The records maintained for each Fund will be maintained in conformity with

section 31 of the Act and the rules and regulations promulgated thereunder.

12. Every Fund participating in a Joint Account will not necessarily have its cash invested in every Short-Term Investment made through such Joint Account. However, to the extent that a Fund's cash is applied to a particular Short-Term Investment, the Fund will participate in and own its proportionate share of such Short-Term Investment, and any income earned or accrued thereon, based upon the percentage of such investment purchased with monies contributed by the Fund.

13. Short-Term Investments held in a Joint Account generally will not be sold prior to maturity except if: (i) The Investment Manager believes the investment no longer presents minimal credit risks; (ii) the investment no longer satisfies the investment criteria of all Funds participating in the investment because of a credit downgrading or otherwise; or (iii) in the case of a repurchase agreement, the counterparty defaults. The Investment Manager may sell any Short-Term Investment (or any fractional portion thereof) on behalf of some or all Funds prior to the maturity of the investment provided the cost of such transaction will be allocated solely to the selling Funds and the transaction will not adversely affect the other Funds participating in that Joint Account. In no case would an early termination by less than all Funds be permitted if such early termination would reduce the principal amount or yield received by other Funds in the Joint Account or otherwise adversely affect the other Funds. Each Fund in a Joint Account will be deemed to have consented to such sale and partition of the investments in the Joint Account.

14. Short-Term Investments held through a Joint Account with remaining maturities of more than seven days, as calculated pursuant to rule 2a-7 under the Act, will be considered illiquid and, for any Fund that is an open-end management investment company registered under the Act, subject to the restriction that the Fund may not invest more than 15%, or in the case of a money market fund, more than 10% (or such other percentage as set forth by the Commission from time to time) of its net assets in illiquid securities, and any similar restrictions set forth in the Fund's investment restrictions and policies, if the Investment Manager cannot sell the instrument, or the Fund's fractional interest in such instrument, pursuant to the preceding condition.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43065; File No. SR-Amex-00-22]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange LLC Relating to the Amendment of Article V, Section 1 of the Exchange Constitution and Exchange Rule 345

July 21, 2000.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on April 13, 2000, the American Stock Exchange LLC ("Amex" "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Amex Rule 345 and Article V, Section 1 of the Exchange Constitution: (i) To give the Exchange's Enforcement Department the right to appeal a decision of a Disciplinary Panel, and (ii) to give the Amex Adjudicatory Council and Amex Board of Governors authority to increase the penalty imposed by a Disciplinary Panel.

The text of the proposed rule change is available at the Amex and at the Commission.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.