

plus 50 basis points. The Fixed Rate is a fixed rate for an interest period of up to 30 days determined by mutual agreement of MYR and the lender under the New Credit Agreement. The Fixed Rate is only available under the New Credit Agreement when there is only one lender.

MYR may borrow and repay Loans through November 1, 2003. MYR paid Bank One a one-time commitment fee at the initial closing of the New Credit Agreement of \$25,000. MYR also will pay the lenders a facility fee on the unused commitment which ranges from 10 basis points to 40 basis points, depending on the credit rating of GPU's senior unsecured debt, plus, after the Non Guaranty Date, 2.5 basis points.

Under the New Credit Agreement, MYR also may request lenders to issue L/Cs in a maximum aggregate amount for all L/Cs outstanding of up to \$10 million. The aggregate amount that MYR may borrow under the New Credit Agreement is reduced by the face amount of all outstanding L/Cs.¹⁸

MYR will use the proceeds of the Loans: (1) To refinance borrowings under the Old Credit Agreement; (2) to repay outstanding open account advances made by GPU; and (3) for working capital, acquisition financing, and other general corporate purposes.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-5794 Filed 3-8-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24885; 812-12066]

Global High Income Dollar Fund Inc.; Notice of Application

March 2, 2001.

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

published by the Federal Reserve Bank of New York.

¹⁸ Drawings on an L/C would bear interest at the Floating Rate if these amounts are repaid by MYR on the same day the drawing is made on the L/C. If MYR repays this drawing later, the drawing will bear interest at the Floating Rate plus 200 basis points. If MYR elects not to reimburse the issuing bank immediately and the conditions for a borrowing under the New Credit Agreement are satisfied, MYR may obtain a Loan to satisfy its reimbursement obligation. In this case, MYR would pay a letter of credit fee equal to the Applicable Margin for Eurodollar Rate Loans on the undrawn stated amount of outstanding L/Cs.

ACTION: Notice of an application under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from section 19(b) of the Act and rule 19b-1 under the Act.

Summary of Application: Global High Income Dollar Fund Inc. (the "Fund") requests an order to permit it to make up to twelve distributions of net long-term capital gains in any one taxable year, so long as it maintains in effect a distribution policy with respect to its common stock calling for monthly distributions of a fixed percentage of its net asset value ("NAV").

Filing Dates: The application was filed on April 18, 2000 and amended on January 22, 2001.

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 applicant with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on March 27, 2001, and should be accompanied by proof of service on the applicant, 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; Applicant, c/o Dianne E. O'Donnell, Vice President and Secretary, Global High Income Dollar Fund Inc., 1285 Avenue of the Americas, New York, New York 10019-6028.

FOR FURTHER INFORMATION CONTACT: Jean E. Minarick, Senior Counsel, at (202) 942-0527, 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 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).

Applicant's Representations

1. The Fund is registered under the Act as a closed-end, non-diversified management investment company and organized as a Maryland corporation. The Fund's primary investment

objective is to achieve a high level of current income; as a secondary objective, the Fund seeks capital appreciation, to the extent consistent with its primary objective. The Fund's shares are listed on the New York Stock Exchange and have historically traded at a discount to NAV. Mitchell Hutchins Asset Management Inc., an investment adviser registered under the Investment Advisers Act of 1940, serves as the Fund's investment adviser.

2. On December 17, 1999, the Fund's board of directors ("Board"), including all of the directors who are not "interested persons" of the Fund, as defined in section 2(a)(19) of the Act, adopted a distribution policy ("Distribution Policy") with respect to the Fund's common stock. Under the Distribution Policy, the Fund will make regular monthly distributions at an annualized rate equal to 11% of the Fund's NAV. Any amount paid under the Distribution Policy which exceeds the sum of the Fund's investment income and net realized capital gains will be treated as a return of capital. The Fund states that the Distribution Policy provides a steady cash flow to the Fund's shareholders. The Fund further states that the Distribution Policy can have a moderating effect on market discounts to NAV and is in the best interests of its shareholders.

3. The Fund requests relief to permit it, so long as it maintains in effect the Distribution Policy, to make up to twelve capital gains distributions in any one taxable year.

Applicant's Legal Analysis

1. Section 19(b) of the Act provides that a registered investment company may not, in contravention of such rules, regulations, or orders as the Commission may prescribe, distribute long-term capital gains more often than once every twelve months. Rule 19b-1(a) under the Act permits a registered investment company, with respect to any one taxable year, to make one capital gains distribution, as defined in section 852(b)(3)(C) of the Internal Revenue Code of 1986, as amended (the "Code"). Rule 19b-1(a) also permits a supplemental distribution to be made pursuant to section 855 of the Code not exceeding 10% of the total amount distributed for the year. Rule 19b-1(f) permits one additional long-term capital gains distribution to be made to avoid the excise tax under section 4982 of the Code.

2. The Fund asserts that rule 19b-1, by limiting the number of net long-term capital gains distributions the Fund may make with respect to any one year, would prohibit the Fund from including

available net long-term capital gains in certain of its fixed monthly distributions. As a result, the Fund states that it could be required to fund these monthly distributions with returns of capital (to the extent net investment income and net realized short-term capital gains are insufficient to cover a monthly distribution). The Fund further asserts that, to distribute all of its long-term capital gains within the limits in rule 19b-1, the Fund may be required to make total distributions in excess of the annual amount called for by the Distribution Policy or retain and pay taxes on the excess amount. The Fund asserts that the application of rule 19b-1 to the Fund's Distribution Policy may create pressure to limit the realization of long-term capital gains based on considerations unrelated to investment goals.

3. The Fund submits that the concerns underlying section 19(b) and rule 19b-1 are not present in the Fund's situation. One of the concerns leading to the adoption of section 19(b) and rule 19b-1 was that shareholders might be unable to distinguish between frequent distributions of capital gains and dividends from investment income. The Fund states that its Distribution Policy has been described in the Fund's periodic communications to its shareholders. The Fund further states that, to the extent required under rule 19a-1 under the Act, a separate statement showing the source of the distribution will accompany each distribution. In addition, a statement showing the amount and source of each monthly distribution during the year will be included with the Fund's IRS Form 1099-DIV report sent to each shareholder who received distributions during the year (including shareholders who sold shares during the year).

4. The Fund submits that another concern underlying section 19(b) and rule 19b-1 is that frequent capital gains distributions could facilitate improper fund distribution practices, including, in particular, the practice of urging an investor to purchase shares of a fund on the basis of an upcoming dividend ("selling the dividend"), when the dividend results in an immediate corresponding reduction in NAV and is, in effect, a return of the investor's capital. The Fund states that this concern does not apply to a closed-end management investment company, such as the Fund, that does not continuously distribute its shares.

5. The Fund states that increased administrative costs also are a concern underlying section 19(b) and rule 19b-1. The Fund asserts that this concern is not present because the Fund will

continue to make monthly distributions regardless of whether capital gains are included in any particular distribution.

6. Section 6(c) of the Act provides that the Commission may exempt any person or transaction from any provision of the Act or any rule under the Act to the extent that such 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. For the reasons stated above, the Fund believes that the requested relief satisfies this standard.

Applicant's Condition

The Fund agrees that the order granting the requested relief will terminate upon the effective date of a registration statement under the Securities Act of 1933 for any future public offering by the Fund of its common shares other than:

(i) A non-transferable rights offering to shareholders of the Fund, provided that such offering does not include solicitation by brokers or the payment of any commissions or underwriting fee; and

(ii) An offering in connection with a merger, consolidation, acquisition, spin-off or reorganization; unless the Fund has received from the staff of the Commission written assurance that the order will remain in effect.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-5793 Filed 3-8-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24883; 812-12222]

Advantus Bond Fund, Inc. et al.; Notice of Application

March 2, 2001.

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

ACTION: Notice of an application under section 17(d) of the Act and rule 17d-1 under the Act to permit certain joint arrangements.

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

Applicants: Advantus Bond Fund, Inc., Advantus Cornerstone Fund, Inc., Advantus Enterprise Fund, Inc., Advantus Horizon Fund, Inc., Advantus Index 500 Fund, Inc., Advantus International Balanced Fund, Inc., Advantus Money Market Fund, Inc., Advantus Mortgage Securities Fund, Inc., Advantus Real Estate Securities Fund, Inc., Advantus Spectrum Fund, Inc., Advantus Venture Fund, Inc., and Advantus Series Fund, Inc. (collectively, the "Companies"); Advantus Capital Management, Inc. ("Advantus Capital").

Filing Dates: The application was filed on August 15, 2000, and amended on January 10, 2001.

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 March 27, 2001, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW., Washington DC 20549-0609. Applicants, James D. Alt, Esq., Dorsey & Whitney LLP, 220 South Sixth Street, Minneapolis, MN 55402.

FOR FURTHER INFORMATION CONTACT: Maura McNulty, Senior Counsel, at (202) 942-0621, 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 at the SEC's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549-0102 (tel. 202-942-8090).

Applicant's Representations

1. Each of the Companies is an open-end management investment company organized under Minnesota law and registered under the Act. One of the Companies, Advantus Series Fund, Inc., offers 19 series of shares through variable life insurance policies and annuity contracts issued by Minnesota Life Insurance Company ("Minnesota Life"). Each of the other Companies