

American Electric Power Company, Inc., et al. (70-9937)

American Electric Power Company, Inc. ("AEP"), at registered holding company and its public utility subsidiary companies, Central Power and Light Company ("CP&L"), Southwestern Electric Power Company ("SWEPCO"), West Texas Utilities Company ("WTU"), Columbus Southern Power Company ("CSPC") and Ohio Power Company ("OPC"), all located at 1 Riverside Plaza, Columbus, Ohio 43215 (collectively, "Applicants"), have filed an application-declaration under sections 6(a), 7, 9(a) and 10 of the Act and rules 43, 45, and 54 under the Act.

By order dated June 14, 2000 (HCAR No. 27186) ("Merger Order"), the Commission approved the merger of AEP and Central and South West Corporation ("CSW"), authorized AEP to continue CSW's system money pool ("Money Pool"), added AEP's public utility subsidiaries as Money Pool participants, and established borrowing limits for the Money Pool.² Applicants propose to increase their respective borrowing limits through December 31, 2002 ("Authorization Period") as follows: (1) AEP's external borrowing limit³ would increase from \$5 billion to \$6.910 billion ("Aggregate Short-Term Debt Limit"); (2) CP&L's borrowing limit would increase from \$600 million to \$1.2 billion; (3) CSPC's borrowing limit would increase from \$350 million to \$800 million; (4) OPC's borrowing limit would increase from \$450 million to \$1 billion; (5) SWEPCO's borrowing limit would increase from \$250 million to \$350 million; and (6) WTU's borrowing limit would increase from \$165 million to \$375 million. The aggregate amount outstanding at any one time for all Applicants will not exceed the Aggregate Short-Term Debt Limit.

Applicants represent that the increase in AEP's borrowing authority would ensure that AEP has sufficient borrowing authority in order to loan funds through the Money Pool during the Authorization Period. CP&L, CSPC, OPC, SWEPC, and WTU will use the proceeds from the borrowings from the Money Pool to replace a portion of respective long-term securities with short-term debt as part of a restructuring of their debt portfolios ("Restructuring"). Applicants represent that the Restructuring is mandated by

the states of Ohio and Texas which require the separate ownership of generating and other power supply assets from transmission and distribution assets no later than January 1, 2002.

AEP further represents that it will maintain common equity as a percentage of its consolidated capitalization (inclusive of short-term debt) at 30% or above during the Authorization Period, and will also maintain common equity as a percentage of capitalization of AEP's utility subsidiaries that are Applicants at 30% or above during the Authorization Period.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-25167; 812-12500]

ING Pilgrim Investments, LLC, et al.; Notice of Application

September 21, 2001.

AGENCY: Securities and Exchange Commission ("Commission")

ACTION: Notice of application for an order under sections 6(c) and 23(c)(3) of the Investment Company Act of 1940 (the "Act") for an exemption from rule 23c-3 under the Act.

SUMMARY OF APPLICATION: Applicants request an order under sections 6(c) and 23(c) of the Act for an exemption from certain provisions of rule 23c-3 to permit a registered closed-end investment company to make repurchase offers on a monthly basis.

APPLICANTS: ING Pilgrim Investments, LLC ("ING Pilgrim Investments"), ING Pilgrim Securities, Inc. ("ING Pilgrim Securities"), and Pilgrim Senior Income Fund ("Fund").

FILING DATES: The application was filed on April 18, 2001, and amended on August 31, 2001, September 18, 2001 and September 20, 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 October 16, 2001, and should be accompanied by proof of service on 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.

Applicants: William H. Rivoir III, Esq., Senior Vice President and Secretary, ING Pilgrim Investments, LLC, 7337 East Doubletree Ranch Road, Scottsdale, AZ 85258.

FOR FURTHER INFORMATION CONTACT: Jaea F. Hahn, Senior Counsel, at (202) 942-0614, or Janet M. Grossnickle, 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 (tel. 202-942-8090).

Applicants' Representations

1. The Fund is a closed-end management investment company registered under the Act and organized as a Delaware business trust. ING Pilgrim Investments, an investment adviser registered under the Investment Advisers Act of 1940 (the "Advisers Act"), serves as investment adviser to the Fund. ING Pilgrim Securities, a broker-dealer registered under the Securities Exchange Act of 1934, distributes the Fund's shares. ING Pilgrim Investments and ING Pilgrim Securities are both indirect, wholly owned subsidiaries of ING Groep N.V.

2. The Fund's investment objective is to provide a high level of monthly income. The Fund invests primarily in U.S. dollar denominated, floating rate secured senior loans made only to corporations or other business entities organized under U.S. laws or located in the U.S. ("Loans"). Under normal market conditions, the Fund will invest at least 80% its total assets in Loans. The Fund may also invest up to 20% of its total assets in unsecured loans, subordinated loans, corporate debt securities, loans made to, or debt securities issued by, corporations or other business entities organized or located outside the U.S., equity securities incidental to investment in loans, and other investment companies

² The Merger Order permitted AEP to continue CSW's Money Pool program authorized by the Commission by order dated April 5, 1989 (HCAR No. 24855). The Commission by order dated March 28, 1997 (HCAR No. 26697) authorized the Money Pool to continue through March 31, 2002.

³ AEP's external borrowing would be from commercial paper and bank loans.

such as money market funds. Under normal circumstances, the Fund may also invest up to 10% of its total assets in cash and short-term instruments.

3. The Fund continuously offers four classes of share to the public at net asset value. The Fund operates as an "interval fund" pursuant to rule 23c-3 under the Act, and currently makes quarterly tender offers to repurchase its shares. Applicants propose that the Fund offer to repurchase a portion of its shares at one-month intervals, rather than the three, six, or twelve-month intervals specified by rule 23c-3. The Fund's shares are offered without any initial sales charges, but certain classes of shares carry deferred sales charges and asset-based distribution fees.¹ The Fund may in the future offer additional classes of shares with a front-end sales charge, an EWC and/or asset-based service or distribution fees. The Fund's shares are not offered or traded in the secondary market and are not listed on any exchange or quoted on any quotation medium.

4. The Fund will disclose in its prospectus its fundamental policy to make monthly offers to repurchase a portion of its securities at net asset value, less deduction of a repurchase fee, if any, as permitted by rule 23c-3(b)(1) and the imposition of EWCs as permitted pursuant to exemptive relief previously granted by the Commission. The policy will be changeable only by a majority vote of the holders of the Fund's outstanding voting securities. Under the fundamental policy, the repurchase offer amount will be determined by the Fund's board of trustees (the "Board") prior to each repurchase offer. A majority of the Board will consist of persons who are not interested persons of the Fund. Under its fundamental policy, the Fund will make monthly offers to repurchase not less than 5% of its outstanding shares at the time of the repurchase request deadline. The Fund will not repurchase more than 25% in the aggregate of its outstanding shares in any one-quarter period.

5. The Fund's prospectus will state the monthly repurchase request deadline, which will be the tenth business day of every month and the maximum number of days between each repurchase request deadline and the

repurchase pricing date. The Fund's repurchase pricing date will normally be the same date as the repurchase request deadline and pricing will be determined after close of business on that date.

6. The Fund will make payment for the repurchased shares in cash on or before the repurchase payment deadline, which will be no later than five business days or seven calendar days (whichever period is shorter) after the repurchase pricing date. The Fund expects to make payment on the first business day following the repurchase pricing date. The Fund will make payment for shares repurchased in the previous month's repurchase offer at least five business days before sending notification of the next repurchase offer. The Fund does not presently intend to deduct any repurchase fees from the repurchase proceeds payable to tendering shareholders.

7. The Fund will provide shareholders with notification of each repurchase offer no less than seven days and no more than fourteen days prior to the repurchase request deadline. The notification will include all information required by rule 23c-3(b)(4). The Fund will file the notification and the Form N-23c-3 with the Commission within 3 business days after the sending the notification to the Fund's shareholders.

8. The Fund will not suspend or postpone a repurchase offer except pursuant to the vote of a majority of its disinterested trustees, and only under limited circumstances, as provided in rule 23c-3(b)(3)(i). the Fund will not condition a repurchase offer upon tender of any minimum amount of shares. In addition, the Fund will comply with the pro rata and other allocation requirements of rule 23c-3(b)(5) if shareholders tender more than the repurchase offer amount. Further, the Fund will permit tenders to be withdrawn or modified at any time until the repurchase request deadline, but will not permit tenders to be withdrawn or modified thereafter.

9. From the time the Fund sends its notification to shareholders of the repurchase offer until the repurchase pricing date, a percentage of the Fund's asset equal to at least 100% of the repurchase offer amount will consist of: (a) Assets, which may include Loans, that can be sold or disposed of in the ordinary course of business at approximately the price at which the Fund has valued such investment within a period equal to the period between the repurchase request deadline and the repurchase payment deadline; or (b) assets, including Loans, that mature by the next repurchase

payment deadline. In the event the Fund's assets fail to comply with this requirement, the Board will cause the Fund to take such action as it deems appropriate to ensure compliance.

10. In compliance with the asset coverage requirements of section 18 of the Act, any senior security issued by the Fund or other indebtedness of the Fund will either mature by the next repurchase pricing date or provide for the Fund's ability to call or repay such indebtedness by the next repurchase pricing date, either in whole or in part, without penalty or premium, as necessary to permit the Fund to complete the repurchase offer in an amount determined by the Board.

11. The Fund's Board has adopted written procedures to ensure that the fund's portfolio assets are sufficiently liquid so that the Fund can comply with its fundamental policy on repurchases and the liquidity requirements of rule 23c-3(b)(10)(i). the Board will review the overall composition of the portfolio and make and approve such changes to the procedures as it deems necessary.

Applicants' Legal Analysis

1. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction from any provision of the Act or rule thereunder, if and 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.

2. Section 23(c) of the Act provides in relevant part that no registered closed-end investment company shall purchase any securities of any class of which it is the issuer except: (a) On securities exchange or other open market; (b) pursuant to tenders, after reasonable opportunity to submit tenders given to all holders of securities of the class to be purchased; or (c) under other circumstances as the Commission may permit by rules and regulations or orders for the protection of investors.

3. Rule 23c-3 under the Act permits a registered closed-end investment company to make repurchase offers at net asset value to its shareholders at periodic intervals pursuant to a fundamental policy of the investment company. "Periodic interval" is defined in rule 23c-3(a)(1) as an interval of three, six, or twelve months. An interval fund may not suspend or postpone a repurchase offer except by vote of the fund's directors/trustees, and then only under limited circumstances. Rule 23c-3(b)(4) requires that notification of each repurchase offer be sent to shareholders no less than 21 days and no more than

¹ The Fund currently offers Class A, B, C and Q shares. Each class of shares is subject to annual asset-based service fees. Class B and C shares are subject to early withdrawal charges ("EWCs") and an annual distribution fee. The Fund previously obtained exemptive relief from the Commission as it relates to the imposition of EWCs. See In the Matter of ING Pilgrim Investments, LLC, et al., Rel. No. IC-24881 (Feb. 28, 2001) (notice), Rel. No. IC-24916 (Mar. 27, 2001) (order).

42 days before the repurchase request deadline. Rule 23c-3(a)(3) provides that a repurchase offer amount may be between 5% and 25% of the common stock outstanding on the repurchase request deadline.

4. Applicants request an order pursuant to sections 6(c) and 23(c) of the Act exempting them from rule 23c-3(a)(1) to the extent necessary to permit the Fund to make monthly repurchase offers. Applicants also request an exemption from the notice provisions of rule 23c-3(b)(4) to the extent necessary to permit the Fund to send notification of an upcoming repurchase offer to shareholders at least seven days but no more than fourteen days in advance of the repurchase request deadline.

5. Applicants contend that monthly repurchase offers are in the shareholders' best interests and consistent with the policies underlying rule 23c-3. Applicants assert that monthly repurchase offers will provide investors with more liquidity than quarterly repurchase offers. Applicants assert that shareholders will be better able to manage their investments and plan transactions, because if they decide to forego a repurchase offer, they will only need to wait one month for the next offer. Applicants also contend that the Fund's management will be able to better manage the Fund's Loan portfolio, because repurchase offers will become part of a routine that is expected to provide management with more regular and predictable liquidity requirement.

6. Applicants propose to send notification to shareholders at least seven days, but no more than fourteen days, in advance of a repurchase request deadline. Applicants assert that, because the Fund intends to price on the repurchase request deadline and pay on the next business day, the entire procedure can be completed before the next notification is sent out to shareholders; thus avoiding any overlap. Applicants believe that these procedures will eliminate any possibility of investor confusion. Applicants also state that monthly repurchase offers will be accepted as a fundamental feature of the Fund, and the Fund's prospectus will provide a clear explanation of the repurchase program.

7. Applicants believe that both the primary and secondary markets for Loans have experience sufficient growth in recent years that the Fund will have adequate liquidity to support monthly repurchases. Applicants state that over the past decade, the Loan market has expanded significantly, with greater volumes and a significantly larger number of buyers and sellers.

Applicants contend that the depth and efficiency of these markets, together with the portfolio manager's experience and judgment, will enable the Fund to maintain fully liquid assets at levels that will meet or exceed the requirements of rule 23c-3.

8. Applicants submit that for the reasons given above the requested relief is necessary and appropriate in the public interest and is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Applicants' Conditions

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

1. The Fund will not make a repurchase offer pursuant to rule 23c-3(b) for a repurchase offer amount of more than 5% in any one-month period, and not more than 25% in the aggregate in any one-quarter period of its outstanding shares. The Fund may repurchase additional tendered shares pursuant to rule 23c-3(b)(5) only to the extent the aggregate of the percentages of additional shares so repurchased does not exceed 2% in any given one-quarter period.

2. Payment for repurchased shares will occur at least five business days before notification of the next repurchase offer is sent to shareholders of the Fund.

3. The Fund will maintain an investment policy that requires, under normal conditions, that at least 80% of the value of its total assets will be invested in Loans.

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

[Rel. No. IC-25166; File No. 812-12588]

Met Investors Series Trust and Metropolitan Life Insurance Company

September 21, 2001.

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

ACTION: Notice of Application under 176(b) of the Investment Company Act of 1940 (the "Act") for an exemption from section 17(a) of the Act.

SUMMARY: Applicants request an order to allow certain series of a registered open-

end investment company to acquire all of the assets and liabilities of certain other series of the same registered open-end investment company. Because of certain affiliations; applicants may not rely on Rule 17a-8 under the Act.

APPLICANTS: Met Investors Series Trust ("MIT") and Metropolitan Life Insurance Company ("MetLife").

FILING DATES The applicants was filed on August 3, 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 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 October 12, 2001 and should be accompanied by proof 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, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Applicants: Met Investors Series Trust, 22 Corporate Plaza Drive, Newport Beach, California 92660, and Metropolitan Life Insurance Company, One Madison Avenue, New York, New York 10010.

FOR FURTHER INFORMATION CONTACT: Mark Cowan, Senior Counsel, or Keith Carpenter, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 942-0670.

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 (Tel. 202-942-9080).

Applicants' Representations

1. Met Investors Series Trust ("MIT") is a recently organized Delaware business trust registered under the Act as an open-end management investment company and is presently comprised of twenty-three separate series. Shares of each series of MIT are sold only to certain accounts of MetLife and its affiliates to fund benefits under certain individual flexible premium and modified single premium variable life insurance policies and certain individual and group variable annuity contracts ("Contracts") issued by