case may be, of the securities is fair to the Fund and that the Fund's participation or choice not to participate in the sale on a lock-step basis is not the result of overreaching by any other Fund, and Private Fund, and/or the Adviser or its affiliate, as applicable. If such a finding is not made, then the relevant Fund must participate in such sale on the basis of lock-step disposition. Like a Fund, a Private Fund may elect not to participate in a sale of securities held as Co-Investments or not to participate on a lock-step basis. If at any time the result of a proposed disposition of any portfolio security held by a Fund or a Private Fund would alter the proportionate holdings of each class of securities held by the other Funds, Private Funds, and/or the Adviser or its affiliate, as applicable, holding the Co-Investment, then the Non-Interested Trustees of the Fund or Funds involved must determine that such a result is fair to the relevant Fund(s) and is not the result of overreaching by any other Fund, any Private Fund, and/or the Adviser or its affiliate, as applicable. The Non-Interested Trustees will record in the records of the Fund the basis for their decisions as to whether to participate in such sale.

9. If a Fund or a Private Fund determines that it should make a ''follow-on'' investment (*i.e.,* an additional investment in a portfolio company in which a Co-Investment has been made pursuant to the order requested hereby) in a particular portfolio company whose securities are held by it and one or more Funds, or to exercise warrants or other rights to purchase securities of such an issuer, notice of such transaction will be provided to such other Fund(s), including its or their Non-Interested Trustees at the earliest practical time. The Adviser will formulate a recommendation as to the proposed participation by a Fund in a follow-on investment and provide the recommendation to the Non-Interested Trustees of the Fund along with notice of the total amount of the follow-on investment. Each Fund's Non-Interested Trustees will make their own determination with respect to follow-on investments. Follow-on investments will be entered into on the same basis as initial Co-investments and will be subject to the same approval procedure as those required for initial Co-Investments. Assuming that the amount of a follow-on investment available to a Fund is not based on the amount of the fund's initial Co-Investment, the relative amount of investment by each Fund participating in a follow-on investment will be based on a ratio derived by comparing the capital available for investment of each participating Fund, Private Fund and/or the Adviser or its affiliate, as applicable, with the total amount of the available follow-on investment. Each Fund will participate in such investment if a majority of its Non-Interested Trustees determines that such action is in the best interest of the Fund. The Non-Interested Trustees of each Fund will record in their records the recommendation of the Adviser and their decision as to whether to engage in a follow-on transaction with respect to that portfolio company, as well as the basis for such decision.

10. A decision by the Trustees of a Fund (i) not to participate in a Co-Investment, (ii) to take less or more than the Fund's full pro rata allocation, or (iii) not to sell, exchange, or otherwise dispose of a Co-Investment in the same manner and at the same time as another Fund or a Private Fund shall include a finding that such decision is fair and reasonable to the Fund and not the result of overreaching of the Fund or its securityholders by the Private Funds and/or the Adviser or its affiliate, as applicable. The Non-Interested Trustees of each Fund will be provided quarterly for review all information concerning Co-Investments made by the Funds, the Private Funds, and/or the Adviser or its affiliate, as applicable, including Co-Investments in which the Fund declined to participate, so they may determine whether all Co-Investments made during the preceding quarter, including those Co-Investments they declined, complied with the conditions set forth above. In addition, the Non-Interested Trustees of each Fund will consider at least annually the continuing appropriateness of the standards established for Co-Investments by the Fund, including whether use of such standards continues to be in the best interest of the Fund and its securityholders and does not involve overreaching of the Fund or its securityholders on the part of any party concerned.

11. No Non-Interested Trustee of a Fund will be an affiliated person of a Private Fund or have had, at any time since the beginning of the last two completed fiscal years of any Private Fund, a material business or professional relationship with any Private Fund.

12. A Fund, each Private Fund, and/or the Adviser or its affiliate, as applicable, will each bear its own expenses associated with the disposition of portfolio securities. The expenses, if any, of distributing and registering securities under the Securities Act sold by the Fund, one or more Private funds, and/or the Adviser or its affiliate, as applicable, at the same time will be shared by the Fund, the selling Private Fund(s), and/or the Adviser or its affiliate, as applicable, in proportion to the relative amounts they are selling.

13. Other than as provided in condition 5, neither the Adviser nor any of its affiliates (other than the Private Funds pursuant to any order issued on this application) nor any director of the Fund will participate in a Co-Investment with the Fund unless a separate exemptive order with respect to such Co-Investment has been obtained. For this purpose, the term ''participate'' shall not include either the existing interests of the Adviser or its affiliates in, or their management fee and expense reimbursement arrangements with, Private Funds, and the term ''participate'' shall also not include any reimbursement from direct investment issuers described in condition 5 above.

14. The Fund will maintain all records required of it by the Act, and all records referred to or required under these conditions will be available for inspection by the SEC. The Fund will also maintain the records required by section 57(f)(3) of the Act as if the Fund was a business development company and the Co-Investments were approved by the Non-Interested Trustees under section 57(f).

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00–10730 Filed 4–28–00; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

Agency Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94–409, that the Securities and Exchange Commission will hold the following meeting during the week of May 1, 2000.

A closed meeting will be held on Wednesday, May 3, 2000 at 11 a.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5

U.S.C. 552(c)(4), (8), (9)(A) and (10) and 17 CFR 200.402(a)(4), (8), (9)(A) and (10), permit consideration for the scheduled matters at the closed meeting.

The subject matter of the closed meeting scheduled Wednesday, May 3, 2000 will be:

Institution and settlement of injunctive actions; and, Institution and settlement of administrative proceedings of an enforcement nature.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary at (202) 942–7070.

Dated: April 26, 2000.

Jonathan G. Katz,

Secretary.

[FR Doc. 00–10836 Filed 4–26–00; 4:20 pm]

BILLING CODE 8101–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–42711; File No. SR–DTC–99–24]

Self-Regulatory Organizations; The Depository Trust Company; Order Approving a Proposed Rule Change Relating to Collateralization Procedures

April 21, 2000.

On October 27, 1999, The Depository Trust Company (''DTC'') filed with the Securities and Exchange Commission (''Commission'') a proposed rule change pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'').[1] Notice of the proposal was published in the **Federal Register** on January 14, 2000.[2] No comment letters were received. For the reasons discussed below, the Commission is approving the proposed rule change.

I. Description

The rule change revises DTC's collateralization procedures[3] to provide for a systemic monitor to withhold collateral value for collateral associated with the participant (*e.g.*, the participant's own commercial paper).[4] Specifically, DTC will implement an Issuer/Participant Number (''IPN'' control to systemically monitor collateral received in each participant's account.

The IPN will identify securities related to a participant and will withhold from the participant any collateral value associated with the securities. For example, transactions related to an issuing/paying agent (''IPA'') account (*e.g.*, receives versus payment) will continue to be processed in essentially same manner except that no value will be given to the IPA's collateral monitor for the collateral value of securities received that are associated with the IPA.

IPN is based on the legal structure of a participant; therefore, the IPA control will apply to every participant's account. For example, if a participant has an IPA account through which it issues money market instrument securities (''MMI securities'') on its own behalf and also has a custody account and if the participant processes an MMI issuance delivery of its own MMI securities from its IPA account to its custody account, the participant would receive no collateral value in the custody account for the delivery of the MMI securities. IPN will not affect DTC's calculations of a participant's net debit cap or largest provisional net credit.

II. Discussion

Section 17A(b)(3)(F)[5] of the Act requires that the rules of a clearing agency be designed to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which the clearing agency is responsible. The Commission believes that DTC's proposed rule change is consistent with DTC's obligations under the Act because the new procedures will reduce the risk that a participant's collateral will not be sufficient to satisfy its settlement obligations.

DTC uses collateralization as a method to protect itself and its participant from the inability of one or more participants to pay its settlement obligations. Collateralization ensures that at all times each participant maintains collateral in its account equal to or greater than its net cash settlement obligation (*i.e.*, its net debit). If a participant were to fail to pay its settlement obligation, DTC would use the collateral in the failing participant's account to support any borrowings necessary to finance the failing participant's settlement obligation or could liquidate the collateral to cover the participant's settlement obligation. If a participant were to receive value in DTC's collateral monitor for collateral that is associated with the participant, DTC would probably not have sufficient collateral if that participant were to default because the participant's collateral would probably have little or no value in a default situation. Accordingly, the rule change establishes a systemic monitor that will withhold collateral value for collateral associated with a participant. This should help ensure that DTC will have sufficient resources to satisfy outstanding settlement obligations in the event of a participant default.

III. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act and the rules and regulations thereunder.

It Is Therefore Ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (File No. SR–DTC–99–24) be, and hereby is, approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[6]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00–10729 Filed 4–28–00; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–42715; File No. SR–NASD–00–19]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the National Association of Securities Dealers, Inc. Relating to Level I Market Data Fees

April 24, 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 National Association of Securities Dealers, Inc. (''NASD'' or ''Association''), through its wholly-owned subsidiary, Nasdaq Stock Market, Inc. (''Nasdaq''), filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I and II below, which Items have been

[1] 15 U.S.C. 78s(b)(1).

[2] Securities Exchange Act Release No. 42323 (January 7, 2000), 65 FR 2449 (January 14, 2000).

[3] DTC's current procedures relating collateralization and risk management controls are set forth in memorandums dated March 17, 1995, which are attached as Exhibit 3 to DTC's filing.

[4] For a complete description of DTC's collateralization procedures, refer to Exhibit 2 of DTC's rule filing.

[5] 15 U.S.C. 78q–1(b)(3)F).

[6] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.