

separate account at the record date. Shares of each Acquired Portfolio for which properly executed voting instructions are not received will be voted in the same proportion as that of shares of such Acquired Portfolio for which instructions are received.

12. MetLife or an affiliate will be responsible for the expenses incurred in connection with the Fund Reorganizations.

13. The Plans are subject to a number of conditions precedent, including requirements that (a) the Plans shall have been approved by the Boards on behalf of each of the Acquiring Portfolios and the Acquired Portfolios and approved by the requisite votes of the holders of the outstanding shares of each of the Acquired Portfolios in accordance with the provisions of MIT's Agreement and Declaration of Trust and By-laws; (b) the Acquired Portfolio and the Acquiring Portfolio have received opinions of counsel stating, among other things, that (i) each Fund Reorganization will constitute a "fund reorganization" under Section 368 of the Internal Revenue Code of 1986, as amended (the "Code"), (ii) the Acquiring Portfolio and the Acquired Portfolio is a "party to a fund reorganization" within the meaning of Section 368 of the Code, (iii) no gain or loss will be recognized by the Acquiring Portfolio upon the receipt of the assets of the Acquired Portfolio solely in exchange for the Acquiring Portfolio shares and the assumption by the Acquiring Portfolio of the identified liabilities of the Acquired Portfolio and (iv) no gain or loss will be recognized by the Acquired Portfolio upon the transfer of the Acquired Portfolio's assets to the Acquiring Portfolio in exchange for the Acquiring Portfolio shares and the assumption by the Acquiring Portfolio of the identified liabilities of the Acquired Portfolio or upon the distribution of the Acquiring Portfolio shares to Acquired Portfolio shareholders in exchange for their shares of the Acquired Portfolio; and (c) the Acquired Portfolio and the Acquiring Portfolio shall have received from the Commission an order exempting the Fund Reorganizations from the provisions of section 17(a) of the Act.

Applicant's Legal Analysis

1. Section 17(a) of the Act provides, in pertinent part, that it is unlawful for any affiliated person of a registered investment company, or any affiliated person of such a person, "(1) knowingly to sell any security or other property to such registered company * * * [or] (2) knowingly to purchase from such

registered company * * * any security or other property * * *." Section 2(a)(3) of the Act defines the term "affiliated person" of another person to include, in pertinent part, "(A) any person directly or indirectly owning, controlling, or holding with power to vote, 5 per centum or more of the outstanding voting securities of such other person; (B) any person 5 per centum or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by such other person; (C) any person directly or indirectly controlling, controlled by, or under common control with, such other person * * *; and (E) if such other person is an investment company, any investment adviser thereof * * *."

2. Rule 17a-8 may not be available to exempt the proposed transactions described herein. The premise of Rule 17a-8 is that the investment companies involved in mergers or consolidations are under common control by virtue of having a common investment adviser, directors and/or officers and no other affiliation exists. In this case, the Portfolios may be deemed to be affiliated persons or affiliated persons of each other because MetLife beneficially owns 5% or more of the outstanding voting securities of the Acquiring Portfolios through its investment of initial seed capital.

3. Section 17(b) of the Act provides that, notwithstanding Section 17(a), any person may file with the Commission an application for an order exempting a proposed transaction from one or more provisions of that subsection and that the Commission shall grant such application and issue such order of exemption if evidence establishes that "(1) the terms of the proposed transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned; (2) the proposed transaction is consistent with the policy of each registered investment company concerned, as recited in its registration statement and reports filed under [the Act]; and (3) the proposed transaction is consistent with the general purposes of [the Act] * * *."

4. Applicants submit that the terms of the Fund Reorganizations satisfy the standards set forth in section 17(b), in that the terms are fair and reasonable and do not involve overreaching on the part of any person concerned. Applicants note that the MIT Board, including the Disinterested Trustees, found that participation in the Fund Reorganization is in the best interests of each Portfolio based on the following factors: (a) The interests of shareholders

will not be diluted; (b) the Portfolios' investment objectives and policies are similar; (c) the benefits to shareholders, including operating efficiencies and potential economies of scale, to be achieved from participating in the restructuring of the investment portfolios to be offered in connection with MLI USA's insurance products and to employee benefit plans; (d) no sales charges will be imposed in connection with the Fund Reorganizations; (e) the service and distribution resources available to MIT and the anticipated increased array of investment alternatives available to the shareholders of MIT; (f) the transactions will be free from federal income taxes; (g) the conditions and policies of Rule 17a-8 will be followed; (h) the Fund Reorganizations have been submitted to shareholders of the Acquired Series pursuant to registration statements on Form N-14 under the 1933 Act; (i) the transfer of securities in exchange for shares will be at relative net asset value; (j) MetLife or an affiliate will pay the expenses incurred by the Portfolios in connection with the Fund Reorganizations; and (k) no overreaching by any person concerned with the transactions is occurring.

Conclusion

For the reasons and upon the factors set forth above, Applicants state that the requested order meets the standards set forth in section 17(b) of the Act and should, therefore, be granted.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-24183 Filed 9-26-01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 25165/September 21, 2001]

Investment Company Act of 1940; Order Extending Prior Order Under Sections 6(c), 17(b) and 38(a) of the Investment Company Act of 1940 Granting Exemptions from Certain Provisions of the Act and Certain Rules Thereunder

In light of the recent events affecting the financial markets, the Commission finds that an order extending the exemptions granted in its order of September 14, 2001, Investment Company Act Release No. 25156 ("September 14 Order"): Is necessary and appropriate to the exercise of the

powers conferred on it by the Act; is necessary and 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; and permits transactions the terms of which, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned.

The necessity for immediate action of the Commission does not permit prior notice of the Commission's action. Accordingly, IT IS ORDERED:

I. The Ability of Certain Registered Investment Companies To Borrow

The exemptions from sections 12(d)(3), 13(a)(2), 13(a)(3), 17(a) and 18(f)(1) granted in the September 14 Order are extended through September 28, 2001 subject to the terms and conditions set forth in the September 14 Order.

II. Interfund Lending Arrangements

Until September 28, 2001, any registered investment company currently able to rely on a Commission order permitting an interfund lending and borrowing facility ("IFL Order") may make loans through the facility in an aggregate amount that does not exceed 25 per cent of its current net assets at the time of the loan notwithstanding any lower limitation in the IFL Order, as long as the loan otherwise is made in accordance with the terms and conditions of the IFL Order.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-24189 Filed 9-26-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: [To be published Monday, September 24, 2001].

STATUS: Open meeting.

PLACE: 450 Fifth Street, NW., Washington, DC.

TIME AND DATE OF PREVIOUSLY ANNOUNCED MEETING: Tuesday, September 25, 2001 at 1:00 p.m.

CHANGE IN THE MEETING: Additional Item.

The following item has been added to the open meeting scheduled for Tuesday, September 25, 2001:

The Commission will consider whether to extend the compliance date

for certain amendments to Rule 482 under the Securities Act of 1993 and Rule 34b-1 under the Investment Company Act of 1940. These rule amendments require that fund advertisements and sales literature include standardized after-tax returns if the sales material either (i) includes after-tax performance information; or (ii) includes any performance information together with representations that the fund is managed to limit taxes. The compliance date for the rule amendments is October 1, 2001.

For further information contact Katy Mobedshahi, Staff Attorney, Division of Investment Management at (202) 942-0699.

Commissioner Unger, as duty officer, determined that Commission business required the above change and that no earlier notice thereof was possible.

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 (202) 942-7070.

Dated: September 24, 2001.

Jonathan G. Katz,

Secretary.

[FR Doc. 01-24279 Filed 9-24-01; 4:08 pm]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 44828/September 21, 2001]

Securities Exchange Act of 1934; Order Extending Emergency Order Pursuant to Section 12(k)(2) of the Securities Exchange Act of 1934 Taking Temporary Action to Respond to Market Developments Concerning the American Stock Exchange, LLC

The Commission is extending the Emergency Order Pursuant to Section 12(k)(2) of the Securities Exchange Act of 1934 Taking Temporary Action to Respond to Market Developments Concerning the American Stock Exchange LLC, Securities Exchange Act Release No. 44797 (September 16, 2001) ("Emergency Order") for five additional business days. Based on all available information, the Commission has determined that extending the Emergency Order is necessary in the public interest and for the protection of investors to maintain fair and orderly securities markets in the wake of their reopening following the attacks of September 11, 2001.

Therefore, it is Ordered, pursuant to section 12(k)(2) of the Securities

Exchange Act of 1934, that the Emergency Order is extended for another five business days, beginning on September 24, 2001, and ending on September 28, 2001.¹

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-24186 Filed 9-26-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 44827/September 21, 2001]

Securities Exchange Act of 1934; Order Extending Emergency Order Pursuant to Section 12(k)(2) of the Securities Exchange Act of 1934 Taking Temporary Action to Respond to Market Developments

The Commission is extending the Emergency Order Pursuant to Section 12(k)(2) of the Securities Exchange Act of 1934 Taking Temporary Action to Respond to Market Developments, Securities Exchange Act Release No. 44791 (September 14, 2001) ("Emergency Order") for five additional business days. Based on all available information, the Commission has determined that extending the Emergency Order is necessary in the public interest and for the protection of investors to maintain fair and orderly markets in the wake of their reopening following the attacks of September 11, 2001.

Therefore, it is Ordered, pursuant to section 12(k)(2) of the Securities Exchange Act of 1934, that the Emergency Order is extended for another five business days, beginning on September 24, 2001, and ending on September 28, 2001.¹ The Commission also notes that the week of September 10, 2001 should continue to be excluded for purposes of calculating average daily trading volume ("ADTV") under Rule 10b-18.

¹ This Order extends the relief of the Emergency Order for the additional five business days allowed in Section 12(k)(2) of the Exchange Act. If the Commission believes that circumstances warrant further relief of this nature, it will consider whether it should take additional action, such as issuing orders under Section 12(k)(2) of the Exchange Act, Section 36 of the Exchange Act, or other provisions of the securities laws.

¹ This Order extends the relief of the Emergency Order for the additional five business days allowed in Section 12(k)(2) of the Exchange Act. If the Commission believes that circumstances warrant further relief of this nature, it will consider whether it should take additional action, such as issuing orders under Section 12(k)(2) of the Exchange Act, Section 36 of the Exchange Act, or other provisions of the securities laws.