

of SF 3106A, Current/Former Spouse's Notification of Application for Refund of Retirement Deductions, will be processed annually. The SF 3106A takes approximately 5 minutes to complete for a total of 1,133 hours. The total annual burden is 9,633.

For copies of this proposal, contact Mary Beth Smith-Toomey on (202) 606-8358, FAX (202) 418-3251 or E-mail to mbtoomey@opm.gov. Please include a mailing address with your request.

DATES: Comments on this proposal should be received within 30 calendar days from the date of this publication.

ADDRESSES: Send or deliver comments to—

John C. Crawford, Chief, FERS Division, Retirement and Insurance Service, U.S. Office of Personnel Management, 1900 E Street, NW., Room 3313, Washington, DC 20415,

and
Joseph Lackey, OPM Desk Officer, Office of Information & Regulatory Affairs, Office of Management and Budget, New Executive Office Building, NW., Room 10235, Washington, DC 20503.

FOR INFORMATION REGARDING

ADMINISTRATIVE COORDINATION—CONTACT:

Donna G. Lease, Team Leader, Forms Analysis and Design, Budget and Administrative Services Division, (202) 606-0623.

U.S. Office of Personnel Management.

Kay Coles James,

Director.

[FR Doc. 02-4592 Filed 2-26-02; 8:45 am]

BILLING CODE 6325-50-P

OFFICE OF PERSONNEL MANAGEMENT

Sunmission for OMB Review; Comment Request for Reclearance of an Information Collection Standard Form 2800 and 2800A

AGENCY: Office of Personnel Management.

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104-13, May 22, 1995), this notice announces that the Office of Personnel Management (OPM) has submitted to the Office of Management and Budget a request for reclearance of an information collection. SF 2800, Application for Death Benefits Under the Civil Service Retirement System (CSRS), is needed to collect information so that OPM can pay death benefits to the survivors of Federal employees and annuitants. SF 2800A, Documentation and Elections in

Support of Application for Death Benefits When Deceased Was an Employee at the Time of Death, is needed for deaths in service only so that survivors can make the needed elections regarding military service.

Approximately 68,000 SF 2800's are processed annually. The form requires approximately 45 minutes to complete. An annual burden of 51,000 hours is estimated. Approximately 6,800 applicants will use SF 2800A annually. This form also requires approximately 45 minutes to complete. An annual burden of 5,100 hours is estimated. The total burden is 56,100 hours.

For copies of this proposal, contact Mary Beth Smith-Toomey on (202) 606-8358, Fax (202) 418-3251 or e-mail to mbtoomey@opm.gov. Please include your mailing address with your request.

DATES: Comments on this proposal should be received within 30 calendar days from the date of this publication.

ADDRESSES: Send or deliver comments to:

Ronald W. Melton, Chief, Operations Support Division, Retirement and Insurance Service, U.S. Office of Personnel Management, 1900 E Street, NW., Room 3349A, Washington, DC 20415-3540.

and
Joseph Lackey, OPM Desk Officer, Office of Information & Regulatory Affairs, Office of Management and Budget, New Executive Office Building, NW., Room 10235, Washington, DC 20503.

FOR MORE INFORMATION CONTACT: Donna G. Lease, Team Leader, Desktop Publishing and Printing Team, Budget & Administrative Services Division, (202) 606-0623.

U.S. Office of Personnel Management.

Kay Coles James,

Director.

[FR Doc. 02-4593 Filed 2-26-02; 8:45 am]

BILLING CODE 6325-50-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-25424; 812-12452]

Goldman, Sachs & Co., et al.; Notice of Application

February 20, 2002.

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

ACTION: Notice of application for an order under section 12(d)(1)(J) of the Investment Company Act of 1940 (the "Act") for an exemption from section 12(d)(1) of the Act, under sections 6(c)

and 17(b) of the Act for an exemption from section 17(a) of the Act, under section 6(c) for an exemption from section 17(e) of the Act, and under section 17(d) of the Act and rule 17d-1 under the Act to permit certain joint transactions.

Summary of Application: Applicants request an order to permit (a) certain registered investment companies to pay an affiliated lending agent a fee based on a share of the revenue derived from securities lending activities; (b) the registered investment companies to use cash collateral from securities lending transactions ("Cash Collateral") to purchase shares of certain money market funds and private investment companies; (c) the registered investment companies to lend portfolio securities to affiliated broker-dealers; and (d) the affiliated broker-dealers to engage in principal transactions with, and receive brokerage commissions from, certain registered investment companies that are affiliated with the broker-dealers solely as a result of investing Cash Collateral in the money market funds or private investment companies.

Applicants: Goldman, Sachs & Co. ("Goldman Sachs"), Goldman Sachs Funds Management, L.P. ("GSFM"), Goldman Sachs Asset Management International ("GSAMI"), The Goldman Sachs Trust Company, Boston Global Investment Trust ("BGIT"), Goldman Sachs Trust ("GST"), and Goldman Sachs Variable Insurance Trust ("GSVIT").

Filing Dates: The application was filed on February 13, 2001 and amended on February 15, 2002.

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 March 18, 2002, 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 may request notification of a hearing by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. Applicants: c/o Howard B. Surloff, Esq., Goldman Sachs & Co., 32 Old Slip, New York, NY 10005.

FOR FURTHER INFORMATION CONTACT: Marilyn Mann, Senior Counsel, at (202)

942-0582, or Nadya B. Roytblat, Assistant Director, 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 from the Commission's Public Reference Branch, 450 5th Street, NW, Washington DC 20549-0102 (telephone (202) 942-8090).

Applicants' Representations

1. Goldman Sachs is a New York limited partnership registered as a broker-dealer under the Securities Exchange Act of 1934 (the "1934 Act"), and as an investment adviser under the Investment Advisers Act of 1940 (the "Advisers Act"). GSFM is a Delaware limited partnership registered as an investment adviser under the Advisers Act. GSAMI is a United Kingdom corporation registered as an investment adviser under the Advisers Act. Goldman Sachs, acting through Goldman Sachs Asset Management ("GSAM"), a business unit of its Investment Management Division, GSFM, and GSAMI are individually referred to as an "Adviser" and collectively as the "Advisers."¹ Goldman Sachs and any other broker-dealer that is controlled by or under common control with Goldman Sachs are individually referred to as an "Affiliated Broker-Dealer" and collectively as the "Affiliated Broker-Dealers."

2. Goldman Sachs, GSFM and GSAMI are directly or indirectly partnership or corporate subsidiaries of The Goldman Sachs Group, Inc. ("GS Group"), a Delaware corporation. GS Group is the general partner and a limited partner of Goldman Sachs. GSFM is a Delaware limited partnership of which the general partner is a corporation wholly-owned directly by GS Group and the sole limited partner is GS Group. GSAMI is an English company wholly-owned indirectly by GS Group.

3. GST and GSVIT, which are Delaware business trusts, are open-end management investment companies registered under the Act that have 59 and 9 series, respectively. Goldman Sachs serves as the principal underwriter for GST and GSVIT. GSAMI serves as investment adviser to 7 of GST's series and 2 of GSVIT's series. GSFM serves as investment adviser to 4 of GST's series and 2 of GSVIT's series.

¹ The term "Advisers" also includes any other division of, or other person controlled by, controlling or under common control with, Goldman Sachs.

GSAM serves as investment adviser to the remaining series of GST and GSVIT. GST, GSVIT, their series, and any other registered management investment company, or series thereof, that is currently or in the future advised by GSAM, GSAMI, GSFM, or any other entity controlling, controlled by, or under common control with Goldman Sachs, that may participate as a lender in the securities lending program with the Goldman Sachs Trust Company as lending agent (the "Program") are referred to as the "Goldman Funds." Any other registered management investment companies or series thereof that may participate as lenders in the Program are referred to as the "Non-Goldman Funds." The Goldman Funds and Non-Goldman Funds are collectively referred to as the "Registered Lending Funds."²

4. BGIT is a Delaware business trust of which Delaware Trust Capital Management, a Delaware bank and trust company, is the sole trustee (the "Trustee"). The Enhanced Portfolio, a series of BGIT, is an unregistered investment vehicle relying on section 3(c)(7) of the Act, and is advised by GSAM. The Enhanced Portfolio, and any other unregistered investment vehicle relying on sections 3(c)(1) or 3(c)(7) of the Act that is advised by an Adviser, are referred to as the Private Investing Funds. The Enhanced Portfolio invests in a variety of debt securities that have a remaining maturity of 397 days or less.³ Additional Private Investing Funds, which may or may not be a series of BGIT, may be created in the future. Future Private Investing Funds will invest in short-term liquid investments and will be advised by an Adviser. Certain Private Investing Funds will comply with rule 2a-7 under the Act. Units of beneficial interest ("Units") of the Private Investing Funds will not be subject to any sales load, redemption fee, asset-based sales charge or service fee.

5. The Advisers will create one or more registered open-end management investment companies, or series thereof, that are money market funds and

² All existing Goldman Funds that currently intend to rely on the requested relief have been named as applicants. Any existing or future Goldman Fund, Non-Goldman Fund, Adviser, Affiliated Broker-Dealer, Money Market Fund (as defined below) or Private Investing Fund (as defined below) may rely on the requested relief only in accordance with the terms and conditions of the application.

³ For this purpose, the remaining maturity of instruments is determined by reference to paragraph (d) of rule 2a-7 under the Act, except that variable rate corporate debt instruments are deemed to have a maturity equal to the period remaining until the next adjustment of the interest rate.

comply with rule 2a-7 under the Act (the "Money Market Funds"). The Money Market Funds will be created for the purpose of implementing the Program and will be available solely to the Registered Lending Funds. Each Money Market Fund will be advised by an Adviser. Shares of the Money Market Funds ("Shares") will not be subject to any sales load, redemption fee, asset-based sales charge or service fee.

6. The Program will be administered by Boston Global Advisers ("BGA"), a separate operating division of The Goldman Sachs Trust Company, a New York limited purpose trust company and a wholly-owned subsidiary of GS Group. BGA will enter into a Securities Lending Agency Agreement ("Agency Agreement") with each Registered Lending Fund. BGA will enter into securities loan agreements ("SLAs") with certain entities ("Borrowers") designated by the Registered Lending Funds. Under the SLAs, BGA will lend securities to Borrowers in exchange for Cash Collateral or other types of collateral, such as U.S. government securities or irrevocable letters of credit, as permitted under the Agency Agreement. Under the terms of the Agency Agreement, each Registered Lending Fund will instruct BGA to invest any Cash Collateral in Units of a Private Investing Fund or Shares of a Money Market Fund.⁴

7. BGA represents that its personnel providing day-to-day lending agency services to the Goldman Funds will not provide investment advisory services to the Goldman Funds or participate in any way in the selection of portfolio securities for, or other aspects of the management of, the Goldman Funds. The duties to be performed by BGA as lending agent with respect to any Registered Lending Fund will not exceed the parameters described in Norwest Bank, Minnesota, N.A., SEC No-Action Letter (pub. avail. May 25, 1995).

8. With respect to securities loans that are collateralized by cash, the Borrower is entitled to receive a fixed fee based on the amount of cash held as collateral. The Registered Lending Fund in this case is compensated on the spread between the net amount earned on the investment of the Cash Collateral and the Borrower's fee. In the case of collateral other than Cash Collateral, the Registered Lending Fund receives a loan

⁴ Alternatively, a Registered Lending Fund may choose to instruct BGA to invest its Cash Collateral in pre-approved instruments. If a Registered Lending Fund chooses this option, it is anticipated that BGA will charge a fee based on a percentage of Cash Collateral invested by the Registered Lending Fund.

fee paid by the Borrower equal to the agreed upon fee times the percentage of the market value of the loaned securities specified in the SLA.

9. The applicants request relief to permit: (a) The Registered Lending Funds to pay BGA a fee based on a share of the revenue derived from securities lending activities; (b) the Registered Lending Funds to use Cash Collateral to purchase Shares of the Money Market Funds and Units of the Private Investing Funds; (c) the Registered Lending Funds to lend portfolio securities to the Affiliated Broker-Dealers; and (d) the Affiliated Broker-Dealers to engage in principal transactions with, and receive brokerage commissions from, the Non-Goldman Funds.

Applicants' Legal Analysis

A. Investment of Cash Collateral in Money Market Funds and Private Investing Funds

1. Section 12(d)(1)(A) of the Act provides that no registered investment company may acquire securities of another investment company representing more than 3% of the acquired company's outstanding voting stock, more than 5% of the acquiring company's total assets, or, together with the securities of other investment companies, more than 10% of the acquiring company's total assets. Section 12(d)(1)(B) of the Act provides that no registered open-end investment company may sell its securities to another investment company if the sale will cause the acquiring company to own more than 3% of the acquired company's voting stock, or if the sale will cause more than 10% of the acquired company's voting stock to be owned by investment companies. Section 12(d)(1)(J) of the Act provides that the Commission may exempt any person or transaction from any provision of section 12(d)(1) if and to the extent that the exemption is consistent with the public interest and the protection of investors.

2. Applicants request an exemption under section 12(d)(1)(J) to permit each Registered Lending Fund to use Cash Collateral to acquire Shares of a Money Market Fund in excess of the limits imposed by section 12(d)(1)(A), and each Money Market Fund to sell its Shares to the Registered Lending Funds in excess of the percentage limits in section 12(d)(1)(B).

3. Applicants state that none of the abuses meant to be addressed by section 12(d)(1) of the Act is created by the proposed investment of Cash Collateral in the Money Market Funds. Applicants further state that access to the Money

Market Funds will enhance each Registered Lending Fund's ability to manage and invest Cash Collateral. Applicants represent that the proposed arrangement will not result in an inappropriate layering of fees because the Money Market Funds will not charge a sales load, redemption fee, asset-based sales charge or service fee (as defined in rule 2830(b)(9) of the National Association of Securities Dealers, Inc. Conduct Rules ("NASD Conduct Rules")). Applicants represent that no Money Market Fund will acquire securities of any other investment company in excess of the limits contained in section 12(d)(1)(A) of the Act, except that (a) a Money Market Fund may acquire securities of a registered open-end investment company in the same group of investment companies as the Money Market Fund to the extent permitted by section 12(d)(1)(E) of the Act, and (b) a Money Market Fund may purchase shares of an affiliated money market fund for short-term cash management purposes to the extent permitted by an exemptive order.

4. Sections 17(a)(1) and 17(a)(2) of the Act prohibit an affiliated person or principal underwriter of a registered investment company, or any affiliated person of the affiliated person or principal underwriter ("Second Tier Affiliate"), acting as principal, from selling any security to, or purchasing any security from, the registered investment company. Section 2(a)(3) of the Act defines an "affiliated person" of another person to include: any person directly or indirectly owning, controlling, or holding with power to vote 5% or more of the outstanding voting securities of the other person; any person 5% or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by such other person; any person directly or indirectly controlling, controlled by, or under common control with, the other person; and, in the case of an investment company, its investment adviser. Control is defined in section 2(a)(9) of the Act to mean "the power to exercise a controlling influence over the management or policies of a company, unless such power is solely the result of an official position with such company."

5. Applicants state that the Advisers serve as investment advisers to each of the Goldman Funds, Money Market Funds and Private Investing Funds, each such Adviser could be deemed to control the entities it advises, and the Advisers are under common control. Therefore, the Goldman Funds, Money

Market Funds and Private Investing Funds could be deemed to be under common control and each Goldman Fund is an affiliated person of each Money Market Fund and each Private Investing Fund. In addition, applicants indicate that if a Non-Goldman Fund acquires 5% or more of a Money Market Fund's Shares or a Private Investing Fund's Units, the Money Market Fund or Private Investing Fund may be deemed to be an affiliated person of the Non-Goldman Fund. As a result, section 17(a) may prohibit each Money Market Fund and Private Investing Fund from selling its Shares or Units to, and redeeming its Shares or Units from, the Registered Lending Funds.

6. Section 17(b) of the Act authorizes the Commission to exempt a transaction from section 17(a) if 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, and the proposed transaction is consistent with the policy of each registered investment company concerned and with the general purposes of the Act. Section 6(c) of the Act authorizes the Commission to exempt any person or transaction from any provision of the Act if the 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.

7. Applicants request an order under sections 6(c) and 17(b) of the Act to permit the Registered Lending Funds to use Cash Collateral to purchase Shares of the Money Market Funds and Units of the Private Investing Funds and to permit the redemption of the Shares or Units. Applicants maintain that the terms of the proposed transactions are reasonable and fair because the Registered Lending Funds will (a) purchase and sell Shares of the Money Market Funds based on their net asset value determined in accordance with the Act, and (b) be treated like any other investors in the Private Investing Funds, and purchase and sell Units of the Private Investing Funds on the same terms and on the same basis as all other Unitholders of the Private Investing Funds. Applicants assert that the proposed transactions comply with each Goldman Fund's investment restrictions and policies and that an officer of each Non-Goldman Fund will certify that the proposed transactions comply with the Non-Goldman Fund's investment restrictions and policies. Applicants state that Cash Collateral of an Registered Lending Fund that is a money market fund will not be used to

acquire Units of any Private Investing Fund that does not comply with rule 2a-7 under the Act. Applicants further state that the investment of Cash Collateral will comply with all present and future Commission and staff positions concerning securities lending. Applicants also state that the Private Investing Funds will comply with the major substantive provisions of the Act, including the prohibitions against affiliated transactions, leveraging and issuing senior securities, and rights of redemption.

8. Section 17(d) of the Act and rule 17d-1 under the Act prohibit any affiliated person or principal underwriter for a registered investment company, or any Second Tier Affiliate, acting as principal, from effecting any transaction in connection with any joint enterprise or other joint arrangement or profit sharing plan in which the investment company participates, without an order of the Commission.

9. Applicants state that the Registered Lending Funds (by purchasing and redeeming shares of the Money Market Funds and Units of the Private Investing Funds), the Advisers (by acting as investment advisers to the Goldman Funds, Money Market Funds and Private Investing Funds at the same time that the Registered Lending Funds' Cash Collateral is invested in Shares and Units), BGA (by acting as lending agent, investing Cash Collateral in Shares and Units, and receiving a portion of the revenue generated by securities lending transactions), the Money Market Funds (by selling Shares to and redeeming Shares from the Registered Lending Funds) and the Private Investing Funds (by selling Units to and redeeming Units from the Registered Lending Funds) could be deemed to be participants in a joint enterprise or other joint arrangement within the meaning of section 17(d) of the Act and rule 17d-1 under the Act. Applicants request an order in accordance with section 17(d) and rule 17d-1 to permit certain transactions incident to investments in the Money Market Funds and the Private Investing Funds.

10. Under rule 17d-1, in passing on applications for orders under section 17(d), the Commission considers whether the company's participation in the joint enterprise is consistent with the provisions, policies, and purposes of the Act, and the extent to which the participation is on a basis different from or less advantageous than that of other participants. Applicants submit that the proposed transactions meet these standards.

11. Applicants state that the investment by the Registered Lending

Funds in Units of the Private Investing Funds will be on the same basis and will be indistinguishable from any other shareholder account maintained by the Private Investing Funds. In addition, applicants state that the Registered Lending Funds will purchase and sell Shares of the Money Market Funds based on their net asset value determined in accordance with the Act. Applicants also maintain that, to the extent any of the Registered Lending Funds invests in the Money Market Funds and Private Investing Funds as proposed, each Registered Lending Fund will participate on a fair and reasonable basis in the returns and expenses of the Money Market Funds and Private Investing Funds.

B. Payment of Lending Agent Fees to BGA

1. Applicants also believe that a lending agent agreement between the Registered Lending Funds and BGA, under which compensation is based on a share of the revenue generated by the Program, may be a joint enterprise or other joint arrangement within the meaning of section 17(d) and rule 17d-1. Consequently, applicants request an order to permit BGA, as lending agent, to receive a portion of the revenue generated by the Program.

2. Applicants propose that each Goldman Fund adopt the following procedures to ensure that the proposed fee arrangement and the other terms governing the relationship with BGA will meet the standards of rule 17d-1:

(a) In connection with the approval of BGA as lending agent for a Goldman Fund and implementation of the proposed fee arrangement, a majority of the board of directors or trustees (the "Board"), including a majority of the directors or trustees that are not "interested persons" as defined in section 2(a)(19) of the Act ("Independent Trustees"), will determine that (i) the Agency Agreement with BGA is in the best interests of the Goldman Fund and its shareholders, (ii) the services to be performed by BGA are appropriate for the Goldman Fund, (iii) the nature and quality of the services provided by BGA are at least equal to those services offered and provided by others, and (iv) the fees for BGA's services are within the range of, but in any event no higher than, the fees charged by BGA to comparable unaffiliated securities lending clients for services of the same nature and quality.

(b) Each Goldman Fund's Agency Agreement with BGA for lending agent services will be reviewed annually by the Board and will be approved for

continuation only if a majority of the Board, including a majority of Independent Trustees, makes the findings referred to in paragraph (a) above.

(c) In connection with the initial implementation of an arrangement whereby BGA will be compensated as lending agent based on a percentage of the revenue generated by a Goldman Fund's participation in the Program, the Goldman Fund's Board shall secure a certificate from BGA attesting to the factual accuracy of clause (iv) in paragraph (a) above. In addition, the Board will request and evaluate, and BGA shall furnish, such information and materials as the Board, with and upon the advice of agents, consultants or counsel, determines to be appropriate in making the findings referred to in paragraph (a) above. Such information shall include, in any event, information concerning the fees charged by BGA to other institutional investors for providing similar services.

(d) The Board of each Goldman Fund, including a majority of the Independent Trustees, will (i) determine at each regular quarterly meeting, on the basis of the reports submitted by BGA, that the loan transactions during the prior quarter were effected in compliance with the conditions and procedures set forth in the application and (ii) review no less frequently than annually the conditions and procedures set forth in the application for continuing appropriateness.

(e) Each Goldman Fund will (i) maintain and preserve permanently in an easily accessible place a written copy of the procedures and conditions described in the application and (ii) maintain and preserve for a period of not less than six (6) years from the end of the fiscal year in which any loan transaction pursuant to the Program occurred, the first two (2) years in an easily accessible place, a written record of each such loan transaction setting forth a description of the security loaned, the identity of the person on the other side of the loan transaction, the terms of the loan transaction, and the information or materials upon which the determination was made that each loan was made in accordance with the procedures set forth above and the conditions to the application.

C. Lending to Affiliated Broker-Dealers

1. Section 17(a)(3) of the Act makes it unlawful for any affiliated person or principal underwriter for a registered investment company or any Second Tier Affiliate, acting as principal, to borrow money or other property from the registered investment company.

Applicants state that because an Affiliated Broker-Dealer would be under common control with the Goldman Funds, an Affiliated Broker-Dealer may be considered an affiliated person of a Goldman Fund. In addition, the Affiliated Broker-Dealers will be under control with the Private Investing Funds and Money Market Funds. Thus, if a Non-Goldman Fund acquired 5% or more of a Private Investing Fund or Money Market Fund, the Affiliated Broker-Dealers would be Second Tier Affiliates of the Non-Goldman Fund. Accordingly, section 17(a)(3) would prohibit the Affiliated Broker-Dealers from borrowing securities from the Registered Lending Funds.

2. As noted above, section 17(d) and rule 17d-1 generally prohibit joint transactions involving registered investment companies and their affiliates unless the Commission has approved the transaction. Applicants request relief under sections 6(c) and 17(b) of the Act exempting them from section 17(a)(3), and under section 17(d) and rule 17d-1 to permit the Registered Lending Funds to lend portfolio securities to Affiliated Broker-Dealers.

3. Applicants state that each loan to an Affiliated Broker-Dealer by a Goldman Fund will be made with a spread that is no lower than that applied to comparable loans to unaffiliated broker-dealers.⁵ In this regard, applicants state that at least 50% of the loans made by the Goldman Funds, on an aggregate basis, will be made to unaffiliated Borrowers. Moreover, all loans will be made with spreads that are no lower than those set forth in a schedule of spreads established by the Board of each Goldman Fund, including a majority of the Independent Trustees, and all transactions with Affiliated Broker-Dealers will be reviewed periodically by an officer of the Goldman Fund. The Board, including a majority of the Independent Trustees, also will review quarterly reports on all lending activity.

D. Transactions by Non-Goldman Funds with Affiliated Broker-Dealers

1. As noted above, sections 17(a)(1) and 17(a)(2) prohibit certain principal transactions between a registered investment company and its affiliates. To the extent that the Affiliated Broker-

Dealers, the Money Market Funds, and the Private Investing Funds are deemed to be under common control, applicants believe that an Affiliated Broker-Dealer could be considered an affiliated person of a Money Market Fund or Private Investing Fund and a Second Tier Affiliate of a Non-Goldman Fund that owns 5% or more of a Money Market Fund or Private Investing Fund.

2. Applicants request relief under sections 6(c) and 17(b) from section 17(a) to permit principal transactions between Non-Goldman Funds and the Affiliated Broker-Dealers where the affiliation between the parties arises solely as a result of an investment by a Non-Goldman Fund in Shares of a Money Market Fund or Units of a Private Investing Fund. Applicants state that there will be no element of self-dealing because the Affiliated Broker-Dealers have no influence over the decisions made by any Non-Goldman Fund. Applicants assert that each transaction will be the product of arm's length bargaining. Because the interests of the Non-Goldman Funds' investment advisers are solely aligned with those of the Non-Goldman Funds, applicants believe it is reasonable to conclude that the consideration paid to or received by the Non-Goldman Funds in connection with a principal transaction with an Affiliated Broker-Dealer will be reasonable and fair.

3. Section 17(e) of the Act makes it unlawful for any affiliated person of a registered investment company, or any Second Tier Affiliate, acting as broker in connection with the sale of securities to or by that registered investment company, to receive from any source a commission for effecting the transaction that exceeds specified limits. Rule 17e-1 provides that a commission shall be deemed a usual and customary broker's commission if certain procedures are followed by the registered investment company.

4. Applicants request relief under section 6(c) from section 17(e) to the extent necessary to permit the Affiliated Broker-Dealers to receive fees or commissions for acting as broker or agent in connection with the purchase or sale of securities for any Non-Goldman Fund for which an Affiliated Broker-Dealer becomes a Second Tier Affiliate solely because of the investment by the Non-Goldman Fund in Shares of a Money Market Fund or Units of a Private Investing Fund.

5. Applicants submit that brokerage or similar transactions by the Affiliated Broker-Dealers for the Non-Goldman Funds raise no possibility of self-dealing or any concern that the Non-Goldman Funds would be managed in the interest

of the Affiliated Broker-Dealers. Applicants believe that each transaction between a Non-Goldman Fund and Affiliated Broker-Dealer would be the product of arm's length bargaining because each investment adviser to a Non-Goldman Fund would have no interest in benefiting an Affiliated Broker-Dealer at the expense of the Non-Goldman Fund.

Applicants' Conditions

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

General

1. The securities lending program of each Registered Lending Fund will comply with all present and future applicable guidelines of the Commission and/or its Staff regarding securities lending arrangements.

2. a. No Goldman Fund will purchase Units of a Private Investment Fund or Shares of a Money Market Fund unless participation in the Program has been approved by a majority of the Independent Trustees of the Goldman Fund. The Independent Trustees will evaluate the Program no less frequently than annually and determine that investing Cash Collateral in the Private Investing Funds and Money Market Funds is in the best interest of the shareholders of the Goldman Fund.

b. No Non-Goldman Fund will purchase Units of a Private Investing Fund or Shares of a Money Market Fund unless an officer of the Non-Goldman Fund certifies in writing that (i) participation in the Program has been approved by a majority of the Independent Trustees of the Non-Goldman Fund and (ii) the Independent Trustees of the Non-Goldman Fund will evaluate the Program no less frequently than annually to determine that the investment of Cash Collateral in the Private Investing Funds and Money Market Funds is in the best interests of the shareholders of the Non-Goldman Fund.

3. The approval of a majority of a Goldman Fund's Board, including a majority of the Independent Trustees, shall be required for the initial and subsequent approvals of BGA's service as lending agent for such Goldman Fund pursuant to the Program, for the institution of all procedures relating to the Program as it relates to such Goldman Fund, and for any periodic review of loan transactions for which BGA has acted as lending agent pursuant to the Program.

⁵A "spread" is the compensation earned by a Goldman Fund from a securities loan, which compensation is in the form either of a lending fee payable by the Borrower to the Goldman Fund (when non-cash collateral is posted) or of the excess retained by the Goldman Fund over a rebate rate payable by the Goldman Fund to the Borrower (when Cash Collateral is posted and then invested by the Goldman Fund).

*Loans of Portfolio Securities to
Affiliated Broker-Dealers*

4. A Goldman Fund will not make any loan to an Affiliated Broker-Dealer unless the income attributable to such loan fully covers the transaction costs incurred in making the loan.

5. The Goldman Funds will maintain and preserve permanently in an easily accessible place a written copy of the procedures (and any modifications thereto) which are followed in lending securities, and shall maintain and preserve for a period of not less than six years from the end of the fiscal year in which any loan occurs, the first two years in an easily accessible place, a written record of each loan setting forth the number of shares loaned, the face amount of the securities lent, the fee received (or the rebate rate remitted), the identity of the Borrower, the terms of the loan, and any other information or materials upon which the finding was made that each loan made to an Affiliated Broker-Dealer was fair and reasonable, and that the procedures followed in making such loan were in accordance with the other undertakings set forth in the application.

6. The Goldman Funds, on an aggregate basis, will make at least 50% of their portfolio securities loans to unaffiliated Borrowers.

7. a. All loans will be made with spreads no lower than those set forth in a schedule of spreads which will be established and may be modified from time to time by each Goldman Fund's Board and by a majority of the Independent Trustees (the "Schedule of Spreads").

b. The Schedule of Spreads will set forth rates of compensation to the Goldman Funds that are reasonable and fair and that are determined in light of those considerations set forth in the application.

c. The Schedule of Spreads will be uniformly applied to all Borrowers of the Goldman Funds' portfolio securities, and will specify the lowest allowable spread with respect to a loan of securities to any Borrower.

d. If a security is lent to an unaffiliated Borrower with a spread higher than the minimum set forth in the Schedule of Spreads, all comparable loans to Affiliated Broker-Dealers will be made at no less than the higher spread.

e. The securities lending program for each Goldman Fund will be monitored on a daily basis by an officer of each Goldman Fund who is subject to section 36(a) of the Act. This officer will review the terms of each loan to Affiliated Broker-Dealers for comparability with

loans to unaffiliated Borrowers and conformity with the Schedule of Spreads, and will periodically, and at least quarterly, report his or her findings to the Goldman Fund's Board, including a majority of the Independent Trustees.

8. The Boards of the Goldman Funds, including a majority of the Independent Trustees, (a) will determine no less frequently than quarterly that all transactions with Affiliated Broker-Dealers effected during the preceding quarter were effected in compliance with the requirements of the procedures adopted by the Boards and the conditions of any order that may be granted and that such transactions were conducted on terms that were reasonable and fair; and (b) will review no less frequently than annually such requirements and conditions for their continuing appropriateness.

9. The total value of securities loaned to any one broker-dealer on the approved list will be in accordance with a schedule to be approved by the Board of each Goldman Fund, but in no event will the total value of securities lent to any one Affiliated Broker-Dealer exceed 10% of the net assets of the Goldman Fund, computed at market.

*Investment of Cash Collateral in a
Private Investing Fund or Money Market
Fund*

10. a. Investment in Units of a Private Investing Fund or Shares of a Money Market Fund by a particular Goldman Fund will comply with the Goldman Fund's investment objectives and policies. A Goldman Fund that complies with the requirements of rule 2a-7 under the Act will not invest its Cash Collateral in any Private Investing Fund that does not comply with rule 2a-7 under the Act.

b. No Non-Goldman Fund will be permitted to invest its Cash Collateral in Units of a Private Investing Fund or Shares of a Money Market Fund unless an officer of the Non-Goldman Fund certifies that such investment complies with the Non-Goldman Fund's investment objectives and policies. A Non-Goldman Fund that complies with the requirements of rule 2a-7 under the Act will not invest its Cash Collateral in any Private Investing Fund that does not comply with rule 2a-7 under the Act.

11. Investment in Shares of a Money Market Fund or Units of a Private Investing Fund by a particular Registered Lending Fund will be in accordance with the guidelines regarding the investment of Cash Collateral specified by the Registered Lending Fund in the Agency Agreement. A Goldman Fund's Cash Collateral will be invested in a

particular Money Market Fund or Private Investing Fund only if that Money Market Fund or Private Investing Fund has been approved for investment by the Goldman Fund and if that Money Market Fund or Private Investing Fund invests in the types of instruments that the Goldman Fund has authorized for the investment of its Cash Collateral. A Non-Goldman Fund's Cash Collateral will be invested in a particular Money Market Fund or Private Investing Fund only if (a) an officer of the Non-Goldman Fund certifies that the Money Market Fund or Private Investing Fund has been approved for investment by the Non-Goldman Fund and (b) the Money Market Fund or Private Investing Fund invests in the types of instruments that the Non-Goldman Fund has authorized for the investment of its Cash Collateral.

12. Units of a Private Investing Fund or Shares of a Money Market Fund sold to and redeemed by a Registered Lending Fund will not be subject to a sales load, redemption fee, any asset-based sales charge or service fee (as defined in rule 2830(b)(9) of the NASD Conduct Rules).

13. A Private Investing Fund or Money Market Fund will not acquire securities of any other investment company in excess of the limits in section 12(d)(1)(A) of the Act, except that (a) a Money Market Fund may acquire securities of a registered open-end investment company in the same group of investment companies as the Money Market Fund to the extent permitted by section 12(d)(1)(E) of the Act, and (b) a Private Investing Fund or Money Market Fund may purchase shares of an affiliated money market fund for short-term cash management purposes to the extent permitted by an exemptive order.

Operation of the Private Investing Funds

14. A Private Investing Fund will comply with the requirements of sections 17(a), (d), and (e), and 18 of the Act as if the Private Investing Fund were a registered open-end investment company. With respect to all redemption requests made by a Registered Lending Fund, a Private Investing Fund will comply with section 22(e) of the Act. The Adviser to the Private Investing Fund will adopt procedures designed to ensure that the Private Investing Fund complies with sections 17(a), (d), and (e), 18, and 22(e) of the Act. The Adviser will also periodically review and periodically update as appropriate the procedures and will maintain books and records describing the procedures, and maintain the records required by rules 31a-1(b)(1), 31a-1(b)(2)(ii), and 31a-1(b)(9)

under the Act. All books and records required to be made pursuant to this condition will be maintained and preserved for a period of not less than six years from the end of the fiscal year in which any transaction occurred, the first two years in an easily accessible place, and will be subject to examination by the Commission and/or its Staff.

15. The net asset value per Unit with respect to Units of the Private Investing Funds will be determined separately for each Private Investing Fund by dividing the value of the assets belonging to that Private Investing Fund, less the liabilities of that Private Investing Fund, by the number of Units outstanding with respect to that Private Investing Fund.

16. Each Registered Lending Fund will purchase and redeem Units of a Private Investing Fund as of the same time and at the same price, and will receive dividends and bear its proportionate share of expenses on the same basis, as other shareholders of a Private Investing Fund. A separate account will be established in the shareholder records of a Private Investing Fund for the account of each Registered Lending Fund.

17. Each Private Investing Fund that operates as a money market fund and uses the amortized cost method of valuation, as defined in rule 2a-7 under the Act, will comply with rule 2a-7. Each such Private Investing Fund will value its Units, as of the close of business on each business day, using the amortized cost method to determine its net asset value per Unit. Each such Private Investing Fund will adopt the monitoring procedures described in rule 2a-7(c)(7) and the Adviser to the Private Investing Fund will comply with these procedures and take any other actions as are required to be taken pursuant to these procedures. A Registered Lending Fund may only purchase Units of such a Private Investing Fund if the Adviser to the Private Investing Fund determines on an ongoing basis that the Private Investing Fund is operating as a money market fund using the amortized cost method of valuation as defined in rule 2a-7. The Adviser will preserve for a period not less than six years from the date of determination, the first two years in an easily accessible place, a record of such determination and the basis on which the determination was made. This record will be subject to examination by the Commission and the Staff.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02-4559 Filed 2-26-02; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF STATE

Human Resources, Recruitment, Examination and Evaluation, Office of Recruitment

[Public Notice 3922]

Notice of Information Collection Under Emergency Review: Attitude Survey Regarding Employment Choices

ACTION: Notice.

SUMMARY: The Department of State has submitted the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the emergency review procedures of the Paperwork Reduction Act of 1995.

Type of Request: Emergency Review.

Originating Office: Bureau of Human Resources, HR/REE/REC.

Title of Information Collection: Attitude Survey Regarding Employment Choices.

Frequency: Occasionally.

Form Number: There is no form number, this is an outsourced survey of questions to be answered orally by respondents.

Respondents: The respondents will be U.S. citizens between the ages of 18 and 40, living in all regions of the United States as well as the Washington D.C. Metropolitan area, from an ethnically diverse sample achieved by purchasing ethnically targeted lists. Respondents will be asked to self classify their ethnicity/race using a series of questions similar to those used on the U.S. Census.

Estimated Number of Respondents: 1200.

Average Hours Per Response: 20 minutes each.

Total Estimated Burden: 400 hours.

The proposed information collection is published to obtain comments from the public and affected agencies. Emergency review and approval of this collection has been requested from OMB by March, 2002. If granted, the emergency approval is only valid for 180 days. Comments should be directed to the State Department Desk Officer, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Washington, DC 20530, who may be reached on 202-395-3897.

During the first 60 days of this same period a regular review of this information collection is also being undertaken. Comments are encouraged and will be accepted until 60 days from the date that this notice is published in the **Federal Register**. The agency requests written comments and suggestions from the public and affected agencies concerning the proposed collection of information. Your comments are being solicited to permit the agency to:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility.
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection, including the validity of the methodology and assumptions used.
- Enhance the quality, utility, and clarity of the information to be collected.
- Minimize the reporting burden on those who are to respond, including through the use of automated collection techniques or other forms of technology.

FOR FURTHER INFORMATION CONTACT:

Public comments, or requests for additional information, regarding the collection listed in this notice should be directed to Bureau of Human Resources Bureau, Recruitment, Examination and Evaluation, U.S. Department of State, Washington, DC 20520, who may be reached on (202) 261-8888.

Dated: February 14, 2002.

Kaara N. Ettesvold,

Deputy Executive Director, Human Resources, U.S. Department of State.

[FR Doc. 02-4654 Filed 2-26-02; 8:45 am]

BILLING CODE 4710-15-P

DEPARTMENT OF STATE

Bureau of Diplomatic Security, Office Foreign Missions, Diplomatic Motor Vehicles

[Public Notice 3923]

30-Day Notice of Proposed Information Collection: Form DS-1972, Driver License and Tax Exemption Card Application; OMB Collection Number 1405-0105

ACTION: Notice.

SUMMARY: The Department of State has submitted the following information collection request to the Office of Management and Budget (OMB) for approval in accordance with the