

stated that the reason for deregistration was the merger of the registrant into a successor investment company and identified that successor as Group of Funds (file number 811-3752). Eleven applications were filed, and, upon filing, each was assigned one of the eleven file numbers that had been assigned to the original eleven registrants in the Management of Managers complex.² The application for the Capital Appreciation Fund was assigned the file number 811-3752, which was the file number under which its filings were recorded prior to the Reorganization. Because this file number was ultimately assigned to the filings of Group of Funds, and is the file number under which the Managers Funds' filings are currently being recorded, the Prior Order, when issued by the Commission, effectively deregistered Managers Funds.

5. Applicants request an order to rescind the Prior Order to ensure that Managers Funds is reflected on the Commission's records as a continuously reporting, active registered investment company.

Applicants' Legal Analysis

1. Section 8(f) of the Act provides, in relevant part, that whenever the Commission finds that a registered investment company has ceased to be an investment company, it shall so declare by order. On the effective date of the order, the registration of the company shall cease to be in effect.

2. Section 38(a) of the Act states, in relevant part, that the Commission shall have the authority to rescind an order if necessary or appropriate to the exercise of the powers conferred upon the Commission by the Act.

3. The Commission issued the prior Order in response to an application filed under section 8(f), which sought deregistration for the Capital Appreciation Fund, one of the former stand-alone funds that merged into, and now operates as a series of, the Managers Funds. Applicants submit that the Prior Order was issued in error because Managers Funds has not ceased to be an investment company. Applicants state that since its organization, its acquisition of the former stand-alone Management of Managers funds, and its succession to the registration statements of each of those funds, Managers Funds has at all times been and remained an active investment company, operating pursuant to the Act and the rules

thereunder and complying with the reporting and filing requirements for registered investment companies.

4. Applicants submit that the requested relief is necessary to conform the records of the Commission to the fact that Managers Funds is an active investment company complying with the Act and the rules thereunder and the reporting and filing requirements for registered investment companies.

5. Applicants request that the Commission rescind the Prior Order pursuant to section 38(a) of the Act, effective as of the date of the Prior Order. Applicants submit that the requested relief is necessary and appropriate to the exercise of the Commission's powers under the Act.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-15944 Filed 6-22-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-27420]

Filings Under the Public Utility Holding Company Act of 1935, as Amended ("Act")

June 19, 2001.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated under the Act. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendment(s) is/are available for public inspection through the Commission's Branch of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by July 13, 2001, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549-0609, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After July 13, 2001, the

application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Cinergy Services, Inc., et al. (70-9879)

Cinergy Services, Inc. ("Services"), a wholly owned service company subsidiary of Cinergy Corporation ("Cinergy"), a registered public utility holding company; The Cincinnati Gas & Electric Company ("CG&E"), an electric and gas utility subsidiary company of Cinergy; CG&E's utility subsidiaries, The Union Light, Heat and Power Company ("ULH&P"), and electric and gas utility company, Lawrenceburg Gas Company ("Lawrenceburg"), a gas utility company, and Miami Power Corporation ("Miami"), an electric utility company; CG&E's nonutility subsidiaries, KO Transmission Company ("KO"), and Tri-State Improvement Company ("Tri-State"), all located at 130 East Fourth Street, Cincinnati, Ohio 45202; and PSI Energy, Inc. ("PSA"), 1000 East Main Street, Plainfield, Indiana 46168, an electric utility subsidiary company of Cinergy ("Applicants"), have filed an application-declaration under sections 6(a), 7, 9(a) and 10 of the Act and rule 54 under the Act.

By order dated May 30, 1997 (HCAR No. 26723) ("1997 Order"), the Commission authorized Applicants, through December 31, 2002, to undertake a short-term debt financing program. Among other things, Applicants were authorized to continue to operate a system money pool ("Money Pool") to provide short-term cash and working capital requirements for associate companies, other than Cinergy.¹ The 1997 Order authorized the utility subsidiaries, ULH&P, Lawrenceburg, Miami and PSI ("Utility Subsidiaries"),² to make loans to and incur borrowings from each other under the terms of the Money Pool. The 1997 Order also authorized Cinergy, CG&E, Services, KO and Tri-State to make loans to ULH&P, Lawrenceburg, Miami and PSI through the Money Pool. Additionally, ULH&P, Lawrenceburg, Miami and PSI were authorized to incur short-term bank borrowings from third

¹ By Commission order dated August 25, 1995 (HCAR No. 26362) ("Money Pool Order"), Cinergy was authorized to organize and operate the Money Pool. The Applicants do not propose to change any of the terms and conditions governing its operation from those approved in the Money Pool Order.

² While CG&E is a utility subsidiary and will be treated like the other utilities for all purposes under the Money Pool, it is exempt from the filing requirements of sections 6(a) and 7 under the Act, under rule 52(a), as discussed below.

² To ensure the continued registration of a surviving multi-series fund, ten applications for deregistration should have been filed, not eleven.

parties and PSI was also authorized to issue and sell commercial paper.³

Under the 1997 Order, the maximum allowable outstanding principal amount of short-term borrowing from all available sources was \$50 million for ULH&P; \$3 million for Lawrenceburg; \$100,000 for Miami; and \$400 million for PSI. Applicants state that these debt limitations established under the 1997 Order are no longer appropriate in light of current capital requirements. Therefore, Applicants propose to supersede the 1997 Order by replacing the short-term debt finance program and extending the authorization period through June 30, 2006.

Specifically, the Nonexempt Subsidiaries propose to make loans to and incur borrowings from each other the Money Pool; Services, CG&E, KO and Tri-State and KO proposes to make loans to the Nonexempt Subsidiaries; the Nonexempt Subsidiaries propose to incur short-term borrowings from banks or other financial institutions; and PSI proposes to issue and sell commercial paper. As proposed, the maximum allowable outstanding principal amount of short-term borrowings from all available sources will not exceed \$65 million for ULH&P; \$5.5 million for Lawrenceburg; \$100,000 for Miami; and \$600 million for PSI.

The Nonexempt Subsidiaries propose to borrow short-term funds from banks and other financial institutions through formal or informal credit facilities. Bank borrowings would be evidenced by promissory notes, each of which would be issued on or before June 30, 2006 and would mature no later than one year from the date of issuance, except in the case of borrowings by ULH&P, which would mature no later than two years from the date of issuance. The notes will bear interest at a rate no higher than the greater of: (1) 400 basis points over the comparable London interbank offered rate or (2) a rate that is consistent with similar securities of comparable credit quality and maturities issued by other companies. The Nonexempt Subsidiaries may be required to pay fees to the lender not to exceed 100 basis points per annum on the total commitment; and, except for borrowings on uncommitted credit lines, may be

prepayable in whole or in part, with or without a premium.

PSI proposes to issue and sell commercial paper at market rates (either on an interest bearing or discount basis) with varying maturities not to exceed 270 days. The commercial paper will be in the form of book-entry unsecured promissory notes with varying denominations of not less than \$25,000 each. In commercial paper sales effected on a discount basis, the purchasing dealer may re-offer the commercial paper at a rate less than the rate to PSI. The discount rate to dealers will not exceed the maximum discount rate per annum prevailing at the date of issuance for commercial paper of comparable quality and the same maturity. The purchasing dealer will re-offer the commercial paper in such a manner as not to constitute a public offering within the meaning of the Securities Act of 1933.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-15848 Filed 6-22-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 25005; 811-5982]

Hawthorne Investment Trust; Notice of Application

June 19, 2001.

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

ACTION: Notice of Application for Deregistration under section 8(f) of the Investment Company Act of 1940 (the "Act").

SUMMARY OF APPLICATION: Applicant requests an order declaring that it has ceased to be an investment company.

FILING DATE: The application was filed on December 11, 2000.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on July 13, 2001, and should be accompanied by proof of service on the applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's

interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW, Washington, DC 20549. Applicant, c/o A. John Pappalardo, Esq., and K. Robert Bertram, Esq., Eckert Seamans Cherin & Mellott, LLC, 213 Market Street, 8th Floor, Harrisburg, PA 17101.

FOR FURTHER INFORMATION CONTACT: Diane L. Titus, Paralegal Specialist, at (202) 942-0584, or Mary Kay Frech, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the Commission's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549 (telephone (202) 942-8090).

Applicant's Representations

1. Applicant is an open-end, non-diversified management investment company organized as a trust under the laws of the State of Delaware. On December 19, 1989, applicant filed a notification of registration under section 8(a) of the Act on Form N-8A. SEC records indicate that on December 19, 1989, applicant filed a registration statement on Form N-1A that became effective on June 4, 1990.

2. As of the date of the application, beneficial interests in applicant were held by one natural person, Mr. Charles G. Dyer.

3. As of December 7, 2000, the assets of applicant totaled approximately \$3,000. Applicant's liabilities totaled approximately \$36,000, consisting primarily of investment advisory fees, custodian and administrator charges, and legal and accounting expenses.

4. Applicant currently is not a party to any litigation or administrative proceeding, except the administrative proceeding instituted by the SEC's Division of Enforcement and captioned: In the Matter of Hawthorne Investment Trust, Hawthorne Associates, Inc., Mustang Capital, LLC and Charles G. Dyer. The application is submitted in connection with that proceeding.

Applicant's Legal Analysis

1. Section 8(f) of the Act provides that whenever the SEC, upon application or its own motion, finds that a registered investment company has ceased to be an investment company, the SEC shall so declare by order and upon the taking

³ It is stated that the short-term borrowing authority requested in the application-declaration for ULH&P, Lawrenceburg, Miami and PSI ("Nonexempt Subsidiaries") is not subject to state jurisdiction. Therefore, the filing exemption provided by rule 52(a) under the Act is not available to these companies. However, the Public Utilities Commission of Ohio does have authority over short-term borrowings by CG&E, which, therefore, may issue short-term debt under the exemption provided by rule 52(a).