

be deserving of the Committee's attention. Additional information on this meeting may be obtained by contacting the Committee's Secretary, Office of Personnel Management, Federal Prevailing Rate Advisory Committee, Room 5538, 1900 E Street, NW, Washington, DC 20415 (202) 606-1500.

Dated: December 30, 2002.

Mary M. Rose,

Chairperson, Federal Prevailing Rate Advisory Committee.

[FR Doc. 03-298 Filed 1-7-03; 8:45 am]

BILLING CODE 6325-49-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-25880; 812-12676]

Neuberger Berman Equity Funds, et al.; Notice of Application

January 2, 2003.

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

ACTION: Notice of application for an order under sections 6(c) and 17(b) of the Investment Company Act of 1940 ("Act") for an exemption from section 17(a) of the Act, and under section 17(d) of the Act and rule 17d-1 thereunder 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; and (b) the registered investment companies to lend portfolio securities to affiliated broker-dealers. The requested order would supersede certain prior orders.¹

Applicants: Neuberger Berman Equity Funds, Neuberger Berman Income Funds, Neuberger Berman Advisers Management Trust, Neuberger Berman Intermediate Municipal Fund Inc., Neuberger Berman California Intermediate Municipal Fund Inc., Neuberger Berman New York Intermediate Municipal Fund Inc., Neuberger Berman Real Estate Income Fund Inc. (the "Funds"), Neuberger Berman, LLC ("Neuberger Berman"), and Neuberger Berman Management Inc. ("NBMI").

Filing Dates: The application was filed on October 26, 2001 and amended on December 23, 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 January 27, 2003, and should be accompanied by proof of service on the 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 who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 5th Street, NW, Washington, DC 20549-0609. Applicants: c/o Ellen Metzger, Esq., Neuberger Berman, LLC, 605 3rd Avenue, 21st Floor, New York, NY 10158-3698.

FOR FURTHER INFORMATION CONTACT: Marilyn Mann, Senior Counsel, at (202) 942-0582, 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 at the Commission's Public Reference Branch, 450 5th Street, NW, Washington, DC 20549-0102 (tel. 202-942-8090).

Applicants' Representations

1. Each of the Funds is either an open-end or closed-end management investment company registered under the Act. Several of the Funds are comprised of multiple series (the Funds and any existing or future series thereof, collectively, the "Lending Funds"). NBMI is the investment manager and administrator to the Funds and their series and the principal underwriter of those Funds that are open-end management investment companies. Neuberger Berman serves as the sub-adviser to the Funds. Pursuant to the sub-advisory agreement with NBMI, Neuberger Berman is compensated for providing investment research; however, all investment decisions for the Funds are made by NBMI. Both NBMI and Neuberger Berman are registered as investment advisers under the Investment Advisers Act of 1940 and broker-dealers under the Securities Exchange Act of 1934. NBMI and Neuberger Berman are wholly owned subsidiaries of Neuberger Berman Inc., a publicly owned holding company.

2. Applicants request that any relief granted pursuant to the application also apply to any other registered investment company or series thereof for which NBMI or any entity controlling, controlled by or under common control with NBMI serves as investment adviser. All existing entities that currently intend to rely on the order have been named as applicants. Any other existing or future entity that wishes to rely on the order will do so only in accordance with the terms and conditions of the application.

3. The Lending Funds propose to enter into an agency securities lending program (the "Securities Lending Program"). The agent for the Securities Lending Program will be an operating unit of Neuberger Berman (the "NB Securities Lending Group").² The NB Securities Lending Group's activities as lending agent for the Lending Funds will be conducted under the supervision of investment management personnel of NBMI. Subject to the parameters set forth in procedures approved by the board of trustees or directors ("Board") of each Lending Fund, NBMI will pre-approve eligible borrowers. In addition, NBMI will be responsible for determining what portion, if any, of assets of the Lending Funds will be allocated to securities lending activities, subject to each Lending Fund's fundamental or operating policies. NBMI will be responsible for investing all cash collateral received in respect of the securities loans.

4. As securities lending agent for the Lending Funds, the NB Securities Lending Group will be responsible for, among other things, selecting borrowers from the pre-approved list, entering into loans of pre-approved securities with pre-approved borrowers on pre-approved terms, and performing administrative or ministerial functions in connection with each Lending Fund's securities lending program. The NB Securities Lending Group will deliver loaned securities received from the Lending Funds to borrowers; arrange for the return of loaned securities to the Lending Funds at the termination of the loans; monitor daily the value of the loaned securities and collateral; request that borrowers add to the collateral when required by the loan agreement; and provide recordkeeping and accounting services necessary for the

¹ Energy Fund Incorporated, Investment Company Act Release Nos. 11175 (May 19, 1980) (notice) and 11249 (July 3, 1980) (order); Energy Fund Inc., Investment Company Act Release Nos. 14452 (April 4, 1985) (notice) and 14498 (May 2, 1985) (order).

² In addition, the applicants may utilize the employees of entities controlling, controlled by or under common control with Neuberger Berman in performing the securities lending activities to be performed by NB Securities Lending Group.