

[FR Doc. 06-2427 Filed 3-13-06; 8:45 am]

BILLING CODE 3110-01-P

## POSTAL SERVICE BOARD OF GOVERNORS

### Sunshine Act Meeting

**TIMES AND DATES:** 4 p.m., Wednesday, March 22, 2006; and 8:30 a.m., Thursday, March 23, 2006.

**PLACE:** Washington, DC, at U.S. Postal Service Headquarters, 475 L'Enfant Plaza, SW.

**STATUS:** March 22—4 p.m. (Closed); March 23—8:30 a.m. (Closed).

#### MATTERS TO BE CONSIDERED:

1. Strategic Planning.
2. Rate Case Planning.
3. Financial Update.
4. Labor Negotiations Planning.
5. Personnel Matters and Compensation Issues.
6. Postal Rate Commission Opinion and Recommended Decision in Docket No. MC2006-1, Parcel Return Service.
7. Postal Rate Commission Opinion and Recommended Decision in Docket No. MC2006-2, Extension of Market Test for Repositionable Notes.

### Thursday, March 23 at 8:30 a.m. (Closed)

1. Continuation of Wednesday's agenda.

#### FOR FURTHER INFORMATION CONTACT:

Wendy A. Hocking, Secretary of the Board, U.S. Postal Service, 475 L'Enfant Plaza, SW., Washington, DC 20260-1000. Telephone (202) 268-4800.

**Wendy A. Hocking,**  
Secretary.

[FR Doc. 06-2531 Filed 3-10-06; 3:10 pm]

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## SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 27258; 812-13233]

### MCG Capital Corporation; Notice of Application

March 8, 2006.

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

**ACTION:** Notice of an application for an order under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from sections 23(a), 23(b) and 63 of the Act, and under sections 57(a)(4) and 57(i) of the Act and rule 17d-1 under the Act permitting certain joint transactions otherwise prohibited by section 57(a)(4) of the Act.

**Summary of the Application:** MCG Capital Corporation ("Applicant") requests an order to permit Applicant to issue restricted shares of its common stock under the terms of its employee and director compensation plans.

**Filing Dates:** The application was filed on September 2, 2005, and amended on January 31, 2006.

**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 applicant with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on April 3, 2006, and should be accompanied by proof of service on 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 who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

**ADDRESSES:** Secretary, U.S. Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090. Applicant, c/o Bryan J. Mitchell, Chief Executive Officer, MCG Capital Corporation, 1100 Wilson Blvd., Suite 3000, Arlington, VA 22209.

**FOR FURTHER INFORMATION CONTACT:** Marilyn Mann, Senior Counsel, at (202) 551-6813, or Mary Kay Frech, Branch Chief, at (202) 551-6821, (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 Desk, 100 F Street, NE., Washington, DC 20549-0102 (tel. 202-551-5850).

### Applicant's Representations

1. Applicant, a Delaware corporation, is an internally managed, non-diversified, closed-end investment company that has elected to be regulated as a business development company ("BDC") under the Act.<sup>1</sup> Applicant provides financing and advisory services to a variety of small-

<sup>1</sup> Applicant was organized on March 18, 1998. On December 4, 2001, Applicant completed its initial public offering ("IPO") and immediately thereafter elected to be regulated as a BDC. Section 2(a)(48) defines a BDC to be any closed-end investment company that operates for the purpose of making investments in securities described in sections 55(a)(1) through 55(a)(3) of the Act and makes available significant managerial assistance with respect to the issuers of such securities.

and medium-sized companies throughout the United States with a focus on growth-oriented companies. Applicant's investments are primarily senior secured commercial loans, subordinated debt and equity-based investments. Shares of Applicant's common stock are traded on The NASDAQ Stock Market, Inc. National Market under the symbol "MCGC." As of December 31, 2005, there were 53,371,893 shares of Applicant's common stock outstanding. As of that date, Applicant had 128 employees, including the employees of its wholly-owned consolidated subsidiaries.

2. Applicant currently has an eight-member board of directors (the "Board") of whom three are "interested persons" of Applicant within the meaning of section 2(a)(19) of the Act and five are not interested persons (the "non-interested directors"). The five non-interested directors are neither employees nor officers of Applicant (the "non-employee directors"). Applicant states that its non-employee directors actively participate in service on committees of the Board and other aspects of corporate governance, as well as make a significant contribution to Applicant's business.

3. On November 28, 2001, prior to Applicant's election to be regulated as a BDC, Applicant terminated its stock option plan, and in exchange therefore issued to its employees and directors, in the aggregate, 1,539,851 shares of its common stock. These shares are subject to forfeiture restrictions but otherwise carry the rights of common stock, including the right to vote and the right to receive dividends. These shares represented 10.8% of Applicant's outstanding shares prior to its IPO, and 5.4% of Applicant's outstanding shares immediately following the IPO.

4. Applicant believes that its successful operation depends on its ability to offer compensation packages to its professionals that are competitive with those offered by its competitors. Applicant believes its ability to adopt compensation plans providing for the periodic issuance of shares of restricted stock (*i.e.*, stock that, at the time of issuance, is subject to certain forfeiture restrictions, and thus is restricted as to its transferability until such forfeiture restrictions have lapsed) (the "Restricted Stock") is vital to its future growth and success. Applicant wishes to adopt equity-based compensation plans for its non-employee directors (the "Director Plan") and employees (the "Employee Plan", and together the "Plans"), as well as employees of its wholly owned consolidated subsidiaries (the "Participants").