

a determination made by the Director of the Office of Personnel Management under the provisions of section 10(d) of the Federal Advisory Committee Act (Pub. L. 92-463) and 5 U.S.C. 552b(c)(9)(B). These caucuses may, depending on the issues involved, constitute a substantial portion of a meeting.

Annually, the Chair compiles a report of pay issues discussed and concluded recommendations. These reports are available to the public, upon written request to the Committee's Secretary.

The public is invited to submit material in writing to the Chair on Federal Wage System pay matters felt to 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 5559, 1900 E Street, NW., Washington, DC 20415 (202) 606-1500.

Dated: May 13, 1998.

Phyllis G. Heuerman,

Acting Chair, Federal Prevailing Rate Advisory Committee.

[FR Doc. 98-13921 Filed 5-26-98; 8:45 am]

BILLING CODE 6325-01-P

RAILROAD RETIREMENT BOARD

Agency Forms Submitted for OMB Review

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Railroad Retirement Board (RRB) has submitted the following proposal(s) for the collection of information to the Office of Management and Budget for review and approval.

Summary of Proposal(s).

- (1) *Collection title:* Application for Search of Census Records.
- (2) *Form(s) submitted:* G-256.
- (3) *OMB Number:* 3220-0106.
- (4) *Expiration date of current OMB clearance:* 7/31/1998.
- (5) *Type of request:* Revision of a currently approved collection.
- (6) *Respondents:* Individuals or households.
- (7) *Estimated annual number of respondents:* 75.
- (8) *Total annual responses:* 75.
- (9) *Total annual reporting hours:* 13.
- (10) *Collection description:* Under the Railroad Retirement Act, an applicant for benefits based on age must be supported by proof of age claimed. The application obtains proof of an applicant's age from the Bureau of the

Census when other evidence is unavailable.

Additional Information or Comments

Copies of the form and supporting documents can be obtained from Chuck Mierzwa, the agency clearance officer (312-751-3363). Comments regarding the information collection should be addressed to Ronald J. Hodapp, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois 60611-2092 and the OMB reviewer, Laura Oliven (202-395-7316), Office of Management and Budget, Room 10230, New Executive Office Building, Washington, D.C. 20503.

Chuck Mierzwa,

Clearance Officer.

[FR Doc. 98-13937 Filed 5-26-98; 8:45 am]

BILLING CODE 7905-01-M

RAILROAD RETIREMENT BOARD

Agency Forms Submitted for OMB Review

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Railroad Retirement Board (RRB) has submitted the following proposal(s) for the collection of information to the Office of Management and Budget for review and approval.

Summary of Proposal(s)

- (1) *Collection title:* Representative Payee Monitoring.
- (2) *Form(s) submitted:* G-99a, G-99c.
- (3) *OMB Number:* 3220-0151.
- (4) *Expiration date of current OMB clearance:* 7/31/1998.
- (5) *Type of request:* Extension of a currently approved collection.
- (6) *Respondents:* Individuals or households.
- (7) *Estimated annual number of respondents:* 6,000.
- (8) *Total annual responses:* 6,535.
- (9) *Total annual reporting hours:* 2,032.
- (10) *Collection description.* Under Section 12(a) of the Railroad Retirement Act, the RRB is authorized to select, make payments to, and conduct transactions with an annuitant's relative or some other person willing to act on behalf of the annuitant as a representative payee. The collection obtains information needed to determine if a representative payee is handling benefit payments in the best interest of the annuitant.

Additional Information or Comments

Copies of the form and supporting documents can be obtained from Chuck

Mierzwa, the agency clearance officer (312-751-3363). Comments regarding the information collection should be addressed to Ronald J. Hodapp, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois 60611-2092 and the OMB reviewer, Laura Oliven (202-395-7316), Office of Management and Budget, Room 10230, New Executive Office Building, Washington, D.C. 20503.

Chuck Mierzwa,

Clearance Officer.

[FR Doc. 98-13938 Filed 5-26-98; 8:45 am]

BILLING CODE 7905-01-M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23193; 812-11088]

Cowen & Co., et al.; Notice of Application

May 19, 1998.

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

ACTION: Notice of application under section 6(c) of the Investment Company Act of 1940 ("Act") for an exemption from section 15(a) of the Act.

SUMMARY OF THE APPLICATION:

Applicants seek an order to permit the implementation, without prior shareholder approval, of new investment advisory agreements ("New Advisory Agreements") following the acquisition by Societe Generale ("SG") of certain assets, including current investment advisory agreements ("Existing Advisory Agreements"), from Cowen & Co. ("Current Adviser") and Cowen Incorporated (together with the Current Adviser, "Cowen"). The order would cover a period beginning at the later of the date the acquisition is completed ("Closing Date") or the date on which the requested order is issued, and continue for a period of up to 150 days (but in no event later than December 31, 1998) ("Interim Period"). If shareholders approve the New Advisory Agreements, the order also would permit the payment of fees earned under the New Advisory Agreements during the Interim Period.

APPLICANTS: The Current Adviser and Societe Generale Securities Corporation ("SGSC").

FILING DATES: The application was filed on March 24, 1998, and amended on May 8, 1998.

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 June 15, 1998, 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 who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Current Adviser, Financial Square, New York, New York 10005; SGSC, 1221 Avenue of The Americas, New York, New York 10020.

FOR FURTHER INFORMATION CONTACT: Michael W. Mundt, Staff Attorney, at (202) 942-0578, or George J. Zornada, Branch Chief, at (202) 942-0564 (Office of Investment Company Regulation, Division of Investment Management).

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 Fifth St., N.W., Washington, DC 20549, (202) 942-8090.

Applicants' Representations

1. The Current Adviser is a New York limited partnership registered under the Investment Advisers Act of 1940 ("Advisers Act") whose general partner is Cowen Incorporated. Pursuant to separate investment advisory agreements, the Current Adviser serves as investment adviser to Cowen Income + Growth Fund, Inc., Cowen Standby Reserve Fund, Inc., Cowen Standby Tax-Exempt Reserve Fund, Inc., Cowen Large Cap Value Fund (a series of Cowen Series Funds, Inc.), Cowen Intermediate Fixed Income Fund, Cowen Government Securities Fund and Cowen Opportunity Fund (the latter three funds, each a series of Cowen Funds, Inc.) (each a "Fund," and collectively, the "Funds").

2. On February 22, 1998, Cowen entered into an agreement with SG, a banking corporation organized under the laws of France, under which SG will acquire certain assets and assume certain liabilities of Cowen (the "Acquisition"). In the Acquisition, the Current Adviser's advisory business will be transferred to SGSC, a subsidiary of SG. SGSC will be renamed SG Cowen Securities Corporation ("SG Cowen") after the Acquisition, and a division or

affiliate of SG Cowen will serve as the new investment adviser to each of the Funds (the "New Adviser"). Applicants represent that the New Adviser either will have filed a form ADV with the Commission that becomes effective on or before the Closing Date or, as successor to the business of the Current Adviser, will have filed a form ADV with the Commission in reliance on section 203(g) of the Advisers Act. Applicants anticipate that the Closing Date will occur within the next three months and could occur as early as June 1, 1998.¹

3. Applicants state that the Acquisition will result in an assignment and thus automatic termination of the Existing Advisory Agreements between the Funds and the Current Adviser under the Act and the Existing Advisory Agreements. Applicants request an exemption (i) to permit the implementation of New Advisory Agreements during the Interim Period without prior shareholder approval, and (ii) to permit the New Adviser to receive all fees earned under the New Advisory Agreements during the Interim Period upon approval of the New Advisory Agreements by shareholders of the Funds. Applicants assert that the New Advisory Agreements will contain substantially the same terms and conditions as the Existing Advisory Agreements, except for the identification of the New Adviser and the effective and termination dates.

4. Prior to the Closing Date, the board of directors of each Fund (each a "Board," and collectively, the "Boards"), including a majority of directors who are not interested persons of the Funds under section 2(a)(19) of the Act ("Disinterested Directors"), will meet in person, in accordance with section 15(c) of the Act, to evaluate whether the terms of the New Advisory Agreements are in the best interests of the Funds and their respective shareholders.² The Boards currently

¹ Applicants state that if the Closing Date precedes the issuance of an order, the New Adviser will serve as investment adviser after the Closing Date and prior to the issuance of the order in a manner consistent with its fiduciary duty to provide investment advisory services to the Funds, even though approval of the New Advisory Agreements has not yet been secured from the Funds' respective shareholders. Applicants also submit that in such event, the New Adviser will be entitled to receive from the Funds, with respect to the period from the Closing Date until the receipt of the order, no more than the actual out-of-pocket cost to the New Adviser for providing investment advisory services to the Funds.

² To the extent that the Boards cannot meet prior to the Closing Date, applicants acknowledge that the Funds may not rely on the exemptive relief requested in the application.

intend to meet on or around May 21, 1998.

5. The New Adviser and the Funds propose to enter into an escrow arrangement with an unaffiliated financial institution ("Escrow Agent"). The portion of the investment advisory fees earned by the New Adviser during the Interim Period under the New Advisory Agreements would be paid into an interest-bearing escrow account maintained by the Escrow Agent. The amounts in the escrow account (including interest earned on such paid fees) would be paid to the New Adviser only upon approval of each New Advisory Agreement by the applicable Fund's shareholders. In the absence of such approval, the amounts will be paid to the applicable Fund. The Board of the applicable Fund will be notified before any amounts are released from the escrow account.

Applicant's Legal Analysis

1. Section 15(a) of the Act provides, in pertinent part, that it shall be unlawful for any person to serve or act as an investment adviser of a registered investment company, except pursuant to a written contract that has been approved by the vote of a majority of the outstanding voting securities of such registered investment company. Section 15(a) of the Act further requires that such written contract provide for automatic termination in the event of its "assignment." Section 2(a)(4) of the Act defines "assignment" to include any direct or indirect transfer of a contract by the assignor.

2. Applicants state that the acquisition by SG of certain assets including the Existing Advisory Agreements from Cowen will result in an "assignment" of the Existing Advisory Agreements, terminating such agreements according to the Act and their respective terms.

3. Rule 15a-4 under the Act provides, in pertinent part, that if an investment advisory contract with a registered investment company is terminated by assignment, the adviser may continue to serve for 120 days under a written contract that has not been approved by the company's shareholders, provided that: (i) the new contract is approved by that company's board of directors (including a majority of non-interested directors); (ii) the compensation to be paid under the new contract does not exceed the compensation that would have been paid under the contract most recently approved by the company's shareholders; and (iii) neither the adviser nor any controlling person of the adviser "directly or indirectly receives money or other benefit" in

connection with the assignment. Applicants state that they may not be entitled to rely on rule 15a-4 because of the benefits that Cowen will receive as a result of the Acquisition.

4. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction from any provision of the Act, if and to the extent that such 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. Applicants believe that the requested relief meets this standard.

5. Applicants submit that the terms and timing of the Acquisition were determined in response to a number of factors substantially unrelated to the Funds and that the Existing Advisory Agreements constitute a relatively small part of the Acquisition. Applicants state that the Closing Data does not allow a sufficient time to secure prior shareholder approval of the New Advisory Agreements. Applicants state that the requested relief will permit continuity of investment management of the Funds during the period following the Acquisition so that advisory services will not be disrupted. Applicants represent that the Funds will receive the same scope and quality of investment advisory services provided by essentially the same investment management personnel under the New Advisory Agreements as they receive under the Existing Advisory Agreements. If the investment management personnel changes materially, the New Adviser will apprise and consult with the Boards to ensure that the Boards, including a majority of the Disinterested Directors, are satisfied that the services provided by the New Adviser will not be diminished in scope and quality.

6. Applicants contend that to deprive the New Adviser of investment advisory fees during the Interim Period would be an unduly harsh and unreasonable penalty to attach to the Acquisition and would serve no useful purpose. Applicants note that the fees will not be released to the New Adviser by the Escrow Agent without an appropriate certification that the New Advisory Agreements have been approved by the Funds' respective shareholders.

Applicants' Conditions

Applicants agree as conditions to the issuance of the exemptive order requested by the application that:

1. The New Advisory Agreements will contain substantially the same terms and conditions as the Existing Advisory Agreements, except for the

identification of the New Adviser and the dates of execution and termination.

2. The portion of the investment advisory fee earned by the New Adviser during the Interim Period will be maintained in an interest-bearing escrow account, and amounts in the account (including interest earned on such amounts) will be paid to the New Adviser only upon approval of each New Advisory Agreement by the applicable Fund's shareholders or in the absence of such approval, to the Fund.

3. Each Fund will promptly schedule a meeting of shareholders to vote on the approval of the New Agreements to be held within 150 days following the commencement of the Interim Period (but in no event later than December 31, 1998).

4. The Current Adviser will pay the costs of preparing and filing the application and the costs relating to the solicitation and approval of Fund shareholders of the New Advisory Agreements necessitated by the Acquisition.

5. Cowen and SG will take all appropriate actions to ensure that the scope and quality of investment advisory and other services to be provided to the Funds by the New Adviser during the Interim Period will be at least equivalent, in the judgment of the Boards, including a majority of the Disinterested Directors, to the scope and quality of services provided by the Current Adviser. In the event of any material change in investment management personnel providing advisory services pursuant to the New Advisory Agreements, the New Adviser will apprise and consult with the Boards to ensure that the Boards, including a majority of the Disinterested Directors, are satisfied that the services provided will not be diminished in scope or quality.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-13958 Filed 5-26-98; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23197; File No. 812-10974]

Mitchell Hutchins Portfolios, et al.; Notice of Application

May 20, 1998.

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

ACTION: Notice of application for an order under section 17(d) of the Investment Company Act of 1940 (the "Act") and rule 17d-1 under the Act.

SUMMARY OF APPLICATION: Applicants request an order that would permit certain registered open-end management investment companies relying on section 12(d)(1)(G) of the Act to enter into a special servicing agreement.

APPLICANTS: Mitchell Hutchins Portfolios (the "Trust"); PaineWebber America Fund, PaineWebber Cashfund, Inc. ("Cashfund"), PaineWebber Investment Series, PaineWebber Investment Trust, PaineWebber Managed Investments Trust, PaineWebber Olympus Fund, PaineWebber Securities Trust, (the "PaineWebber Investment Companies," and together with the Trust, the "PaineWebber Mutual Funds"), Mitchell Hutchins Asset Management Inc. ("Mitchell Hutchins"), and PaineWebber Incorporated ("PaineWebber"). Applicant also request relief for each existing or future registered open-end management investment company and series thereof that is part of the same group of investment companies as the PaineWebber Mutual Funds under section 12(d)(1)(G)(ii) of the Act, and which is, or will be, advised by Mitchell Hutchins or PaineWebber or any entity controlling, controlled by, or under common control with Mitchell Hutchins or PaineWebber, or for which Mitchell Hutchins or PaineWebber or any entity controlling, controlled by, or under common control with Mitchell Hutchins or PaineWebber serves, or will serve as principal underwriter (collectively, the "PaineWebber Family of Funds").

FILING DATES: The application was filed on January 26, 1998. Applicants have agreed to file an amendment during the notice period, the substance of which is reflected in this notice.

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 June 15, 1998, 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 who wish to be notified of a hearing may request