

Additional information or comments: To request more information or to obtain a copy of the information collection justification, forms, and/or supporting material, please call the RRB Clearance Officer at (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. Written comments should be received within 60 days of this notice.

Chuck Mierzwa,

Clearance Officer.

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SECURITIES AND EXCHANGE COMMISSION

[Extension: Rule 7d-1; SEC File No. 270-176; OMB Control No. 3235-0311]

Existing Collection; Comment Request

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), the Securities and Exchange Commission ("Commission") is soliciting comments on the collections of information summarized below. The Commission plans to submit these existing collections of information to the Office of Management and Budget ("OMB") for extension and approval.

Section 7(d) of the Investment Company Act of 1940 [15 U.S.C. 80a-7(d)] (the "Act" or "Investment Company Act") requires an investment company ("fund") organized outside the United States ("foreign fund") to obtain an order from the Commission allowing the fund to register under the Act before making a public offering of its securities through the United States mail or any means of interstate commerce. The Commission may issue an order only if it finds both that is legally and practically feasible effectively to enforce the provisions of the Act against the foreign fund, and that the registration of the fund is consistent with the public interest and protection of investors.

Rule 7d-1 [17 CFR 270.7d-1] under the Act, which was adopted in 1954, specifies the conditions under which a Canadian management investment company ("Canadian fund") may request an order from the Commission permitting it to register under the Act. Although rule 7d-1 by its terms applies only to Canadian funds, funds in other jurisdictions generally have agreed to comply with the requirements of rule 7d-1 as a prerequisite to receiving an

order permitting the fund's registration under the Act.

The rule requires Canadian funds that wish to register to file an application with the Commission that contains various undertakings and agreements by the fund. Certain of these undertakings and agreements, in turn, impose the following additional information collection requirements:

(1) The fund must file agreements between the fund and its directors, officers, and service providers requiring them to comply with the fund's charter and bylaws, the Act, and certain other obligations relating to the undertakings and agreements in the application;

(2) The fund and each of its directors, officers, and investment advisers that is not a U.S. resident, must file an irrevocable designation of the fund's custodian in the United States as agent for service of process;

(3) The fund's charter and bylaws must provide that (a) the fund will comply with certain provisions of the Act applicable to all funds, (b) the fund will maintain originals or copies of its books and records in the United States, and (c) the fund's contracts with the custodian, investment adviser and principal underwriter, will contain certain terms, including a requirement that the adviser maintain originals or copies of pertinent records in the United States;

(4) The fund's contracts with service providers will require that the provider perform the contract in accordance with the Act, the Securities Act of 1933 [15 U.S.C. 77a-77z-3], and the Securities Exchange Act of 1934 [15 U.S.C. 78a-78mm], as applicable; and

(5) The fund must file, and periodically revise, a list of persons affiliated with the fund or its adviser or underwriter.

Under section 7(d) of the Act the Commission may issue an order permitting a foreign fund's registration only if the Commission finds that "by reason of special circumstances or arrangements, it is both legally and practically feasible effectively to enforce the provisions of the [Act]." The information collection requirements are necessary to assure that the substantive provisions of the Act may be enforced as a matter of contract right in the United States or Canada by the fund's shareholders or by the Commission.

Certain information collection requirements in rule 7d-1 are associated with complying with the Act's provisions. These requirements are reflected in the information collection requirements applicable to those provisions for all registered funds.

The Commission believes that three Canadian funds and one other foreign fund are registered under rule 7d-1. Only one of the registered funds, a Canadian entity, currently is active. Apart from requirements under the Act applicable to all registered funds, rule 7d-1 imposes ongoing burdens to maintain records in the United States, and to update, as necessary, the fund's list of affiliated persons. The Commission staff estimates that the rule requires a total of three responses each year. The staff estimates that a fund makes two responses each year under the rule, one response to maintain records in the United States and one response to update its list of affiliated persons. The Commission staff further estimates that a fund's investment adviser makes one response each year under the rule to maintain records in the United States. Commission staff estimate that each recordkeeping response requires 12.5 hours of support staff time at a cost of \$15 per hour, and the response to update the list requires 0.25 hours of support staff time, for a total annual burden of 25.25 hours at a cost of \$379. The estimated burden hours are a decrease from the current allocation of 101 burden hours. The decrease of 75.75 hours reflects the current inactive status of two Canadian registrants and one other foreign registrant, as well as the staff's administrative experience with the rule.

If a fund were to file an application under the rule, the Commission estimates that the rule would impose initial information collection burdens (for filing an application, preparing the specified charter, bylaw, and contract provisions, designations of agents for service of process, and an initial list of affiliated persons, and establishing a means of keeping records in the United States) of approximately 90 hours for the fund and its associated persons. The Commission is not including these hours in its calculation of the annual burden because no fund has applied under rule 7d-1 to register under the Act in the last three years.

After registration, a foreign fund may file a supplemental application seeking special relief designed for the fund's particular circumstances. Because rule 7d-1 does not mandate these applications and the fund determines whether to submit an application, the Commission has not allocated any burden hours for the applications.

The estimates of burden hours are made solely for the purposes of the Paperwork Reduction Act. The estimates are not derived from a comprehensive or even a representative

survey or study of Commission rules and forms.

The Commission believes that the one active Canadian registrant and its associated persons may spend (excluding the cost of burden hours) approximately \$500 each year in maintaining records in the United States. These estimated costs include fees for a custodian or other agent to retain records, storage costs, and the costs of transmitting records by computer mail or otherwise.

If a Canadian or other foreign fund in the future applied to register under the Act under rule 7d-1, the fund initially might have capital and start-up costs (not including hourly burdens) of an estimated \$16,000 to comply with the rule's initial information collection requirements. These costs include legal and processing-related fees for preparing the required documentation (such as the application, charter, bylaw, and contract provisions), designations for service of process, and the list of affiliated persons. Other related costs would include fees for establishing arrangements with a custodian or other agent for maintaining records in the United States, copying and transportation costs for records typically maintained in paper form (such as minutes of directors' meetings), and the costs of purchasing or leasing computer equipment, software, or other record storage equipment for records maintained in electronic or photographic form.

The Commission expects that the fund and its sponsors would incur these costs immediately, and that the annualized cost of the expenditures would be \$16,000 in the first year. Some expenditures might involve capital improvements, such as computer equipment, having expected useful lives for which annualized figures beyond the first year would be meaningful. These annualized figures are not provided, however, because, in most cases, the expenses would be incurred immediately rather than on an annual basis. The Commission is not including these costs in its calculation of the annualized capital/start-up costs because no fund has applied under rule 7d-1 to register under the Act pursuant to rule 7d-1 in the last three years.

Written comments are requested on:

(a) Whether the collections of information are necessary for the proper performance of the functions of the Commission, including whether the information has practical utility; (b) the accuracy of the Commission's estimate of the burdens of the collection of information; (c) ways to enhance the quality, utility, and clarity of the

information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, 450 5th Street, NW, Washington, DC 20549.

Direct your written comments to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, Mail Stop 0-4, 450 5th Street, NW, Washington, DC 20549.

Dated: January 7, 1999.

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-23635; 812-10426]

Frank Russell Investment Company, et al.; Notice of Application

January 7, 1999.

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

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

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

APPLICANTS: Frank Russell Investment Company ("FRIC"), on behalf of its series, Diversified Equity Fund, Special Growth Fund, Equity Income Fund, Quantitative Equity Fund, International Securities Fund, Real Estate Securities Fund, Diversified Bond Fund, Volatility Constrained Bond Fund, Multistrategy Bond Fund, Limited Volatility Tax Free Fund, U.S. Government Money Market Fund, Tax Free Money Market Fund, Equity I Fund, Equity II Fund, Equity III Fund, Equity Q Fund, Equity T Fund, International Fund, Emerging Markets Fund, Fixed Income I Fund, Fixed Income II Fund, Fixed Income III Fund, Equity Balanced Strategy Fund, Aggressive Strategy Fund, Balanced Strategy Fund, Moderate Strategy Fund, Conservative Strategy Fund, and Money Market Fund; Frank Russell Investment

Management Company ("FRIMCo"); Russell Fund Distributors, Inc. ("RFD"); and each existing or future open-end management investment company or series thereof that is part of the same group of investment companies as FRIC under section 12(d)(1)(G)(ii) of the Act and which is, or will be, advised by FRIMCo or any entity controlling, controlled by, or under common control with FRIMCo, or for which RFD or any entity controlling, controlled by, or under common control with RFD, serves as principal underwriter (these investment companies or series thereof, together with FRIC and its series, are referred to in this notice as the "Frank Russell Funds").

FILING DATES: The application was filed on November 8, 1996, and amended on October 10, 1997, June 12, 1998, and December 3, 1998.

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 applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on February 1, 1999, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW, Washington, DC 20549. Applicants, 909 A Street, Tacoma, WA 98402. Attention: Gregory Lyons, Esq.

FOR FURTHER INFORMATION CONTACT: Christine Y. Greenlees, 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 SEC's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549 (tel. (202) 942-8090).

Applicants' Representations

1. FRIMCo is an investment adviser registered under the Investment Advisers Act of 1940. FRIMCo serves as adviser to, and transfer agent for, FRIC. RFD is registered as a broker-dealer under the Securities Exchange Act of 1934. RFD serves as the principal underwriter of the Frank Russell Funds.