

in order that he or she may communicate with the worker about legislation which affects the railroad retirement or railroad unemployment and sickness insurance program.

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SECURITIES AND EXCHANGE COMMISSION

Proposed Collection; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, D.C. 20549.

Extension: Form BD/Rule 15b1-1, SEC File No. 270-0019, OMB Control No. 3235-0012.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission ("Commission") is soliciting comments on the collection of information described below. The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

- Form BD/Rule 15b1-1, Application for Registration as Broker or Dealer

Sections 15(b) (1) and (2) of the Securities Exchange Act of 1934 authorizes the Commission to prescribe by rule an application form for registration that contains such information about broker-dealers that is necessary or appropriate in the public interest or for the protection of investors. Similarly, Section 15B(a)(2) of the Exchange Act authorizes the Commission to prescribe an application form for registration of municipal securities dealers, and Section 15C(a)(2) of the Exchange Act authorizes the Commission to prescribe an application form for registration of government securities broker-dealers. Section 15C(a)(1)(B) further provides that registered broker-dealers engaging in government securities activities use provide the Commission with notice of such activities, in such form as the Commission may prescribe. To implement the foregoing statutory provisions of the Exchange Act, the Commission has promulgated, pursuant to Rule 15b1-1, 17 CFR 240.15b1-1, Form BD (17 CFR 249.501), the uniform application for broker-dealer registration. Form BD requires the applicant or registrant filing the form to provide the Commission with certain information concerning the nature of its

business and the background of its principals, controlling persons, and employees. Form BD is designed to permit the Commission to determine whether the applicant meets the statutory requirements to engage in the securities business. Form BD also is used to register as broker-dealers with certain self-regulatory organizations ("SROs") and all of the states.

For fiscal year 1996, the Commission received approximately 840 full form BDs for an initial or successor applications for registration as a broker-dealer, non-bank municipal securities dealer, or non-bank government securities broker-dealer (pursuant to Rule 15b1-1, 15b1-3, 15b1-4, 15Ba2-2(a), 15Ba2-4, 15Ba2-5, 15Ca2-1, 15Ca2-3, and 15Ca2-4). Although the time necessary to complete Form BD will vary depending on the nature and complexity of the applicant's securities business, Commission staff estimates that the average time necessary to complete the full form is approximately 2.75 hours. Thus, the total burden hours for the filing of a full form BD is 2,310 hours (2.75×840).

In addition to full form BDs, applicants are required to file amendments to Form BD when information originally reported changes or becomes inaccurate. For fiscal year 1996, the Commission received approximately 15,000 amendments. The staff estimates that the average time necessary to complete an amendment is approximately 0.33 hours. Thus, the total burden hours for the filing of a form BD amendments is 4,950 hours ($0.33 \times 15,000$). In sum, the total annual burden for Form BD and Form BD amendments is 7,260 hours ($2,310 + 4,950$).

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimates of the burden of the proposed collection of information; (c) ways to enhance the equality, utility, and clarity of the information on respondents; 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. Considerations will be given to comments and suggestions submitted in writing on or before February 3, 1998.

Please direct your comments to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange

Commission, 450 Fifth Street, N.W., Washington, DC 20549.

Dated: November 25, 1997.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 97-31845 Filed 12-4-97; 8:45 am]
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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 22919; 812-10880]

Federated Index Trust, et al.; Notice of Application

December 1, 1997.

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

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

SUMMARY OF APPLICATION: The requested order would permit the implementation, without shareholder approval, of a new sub-advisory agreement ("New Agreement") for a period of up to 120 days following the date of a change in control of ANB Investment Management and Trust Company (the "Subadviser") (but in no event later than May 30, 1998) (the "Interim Period"). The order also would permit the Subadviser to receive all fees earned under the New Agreement following shareholder approval.

Applicants: Subadviser and Federated Index Trust (the "Trust").

Filing Date: The application was filed on November 25, 1997.

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 December 24, 1997, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Trust, c/o John W. McGonigle, Esq., Federated Investors Funds, 5800 Corporate Drive, Pittsburgh, Pennsylvania 15237-7000. Subadviser,

One North LaSalle St., Chicago, Illinois 60690.

FOR FURTHER INFORMATION CONTACT: John K. Forst, Attorney Advisor, at (202) 942-0569, or Mary Kay Frech, 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 SEC's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549 (tel. 202-942-8090).

Applicants' Representations

1. The Trust is a Massachusetts business trust registered under the Act as an open-end management investment company. The Trust currently offers three series: Federated Max-Cap Fund, Federated Mid-Cap Fund and Federated Mini-Cap Fund (each a "Portfolio"). The assets of the Trust are managed by Federated Management (the "Adviser") pursuant to an investment management agreement between the Adviser and the Trust on behalf of each Portfolio. The Subadviser provides sub-advisory services to each Portfolio under an existing sub-advisory agreement ("Existing Agreement") between the Adviser and the Subadviser. The Subadviser is an investment adviser registered under the Investment Advisers Act of 1940.

2. Under an agreement dated October 3, 1997, between Northern Trust Corporation ("Northern Trust") and First Chicago Investment Management Company ("First Chicago"), Northern Trust has agreed to purchase the Subadviser for cash (the "Transaction"). As a result of the Transaction, the Subadviser will become a wholly-owned subsidiary of Northern Trust. Applicants expect consummation of the Transaction on December 31, 1997.

3. Applicants believe that the Transaction will result in an assignment of the Existing Agreement. Applicants request an exemption to permit: (i) The implementation, during the Interim Period, prior to obtaining shareholder approval, of the New Agreement, and (ii) the Subadviser to receive from each Portfolio all fees earned under the New Agreement if, and to the extent, the New Agreement is approved by the shareholders of each Portfolio. The requested exemption will cover the Interim Period beginning on the date the Transaction is consummated and continuing through the date on which the New Agreement is approved or disapproved by the shareholders of each Portfolio, but in no event later than May

30, 1998. Applicants state that the New Agreement will be identical in substance to the Existing Agreement.

4. On November 20, 1997, the Trust's board of trustees (the "Board") held in-person meetings for the purpose of considering and approving the New Agreement to evaluate whether the terms of the New Agreement are in the best interests of the Portfolios and their shareholders. At the meeting, the Board, including a majority of members who are not "interested persons" of the Trust, as that term is defined in section 2(a)(19) of the Act (the "Independent Trustees"), voted unanimously in accordance with section 15(c) of the Act to approve the New Agreement and to submit the New Agreement to shareholders of each of the Portfolios at meetings expected to be held on or about February 13, 1998 (the "Meetings"). Applicants expect that proxy materials for the Meetings will be mailed on or about December 30, 1997.

5. The Subadviser believes that the requested relief is necessary to permit continuity of investment management for each Portfolio during the Interim Period so that services to the Portfolios would not be disrupted.

6. Applicants propose to enter into an escrow arrangement with an unaffiliated financial institution. The fees payable to the Subadviser during the Interim Period under the New Agreement will be paid into an interest-bearing escrow account maintained by the escrow agent. The escrow agent will release the amounts held in the escrow account (including any interest earned): (a) to the Subadviser only upon approval of the New Agreement by the shareholders of the Portfolios; or (b) to the relevant Portfolio if the Interim Period has ended and its New Agreement has not received the requisite shareholder approval. Before any such release is made, the Independent Trustees of the Trust will be notified.

Applicants' Legal Analysis

1. Section 15(a) of the Act provides, in pertinent part, that it is unlawful for any person to serve as an investment adviser to 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 the investment company. Section 15(a) further requires the written contract to provide for its 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, or of a controlling block of the assignor's outstanding voting

securities by a security holder of the assignor.

2. Applicants state that, following the completion of the Transaction, control of the Subadviser will transfer to Northern Trust. Applicants believe, therefore, that the Transaction will result in an "assignment" of the Existing Agreement and that the Existing Agreement will terminate according to its terms.

3. Rule 15a-4 provides, in pertinent part, that if an investment advisory contract with a registered investment company is terminated by an 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: (a) the new contract is approved by that company's board of directors (including a majority of the non-interested directors); (b) 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 (c) 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 because of the benefits to First Chicago, the Subadviser's parent, arising from the Transaction, applicants may not rely on rule 15a-4.

4. Section 6(c) provides that the SEC 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 note that the timing of the Transaction was determined by First Chicago and Northern Trust and arose primarily out of business considerations unrelated to the Trust, including the time needed to obtain federal banking approvals for the Transaction. Applicants believe that allowing the Subadviser to continue to provide investment advisory services to the Portfolios during the Interim Period is in the best interests of the Portfolios and their shareholders to avoid any interruption in services to the Portfolios and is in keeping with the spirit of the provisions of rule 15a-4 and with the purpose of section 15 of the Act.

6. Applicants submit that the scope and quality of services provided to each Portfolio during the Interim Period will not be diminished. During the Interim

Period, each Portfolio would operate under the New Agreement, which is anticipated to be identical in substance to the Existing Agreement, except for its effective date. Applicants submit that they are not aware of any material changes in the personnel who will provide investment management services during the Interim Period. Accordingly, each Portfolio should receive, during the Interim Period, the same investment advisory services, provided in the same manner at the same fee levels, and by substantially the same personnel as before the closing of the Transaction.

7. Applicants contend that the best interests of shareholders of the Portfolios would be served if the Subadviser receives fees for its services during the Interim Period. Applicants state that the fees are a substantial part of the Subadviser's total revenues and, thus, are essential to maintaining its ability to provide services to the Portfolios. In addition, the fees to be paid during the Interim Period are at the same rate as the fees paid under the Existing Agreement, which has been approved by the shareholders of each respective Portfolio.

Applicants' Conditions

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

1. The New Agreement will have substantially the same terms and conditions as the Existing Agreement, except for its effective date.
2. Fees earned by the Subadviser in respect of the New Agreement during the Interim Period will be maintained in an interest-bearing escrow account, and amounts in the account (including interest earned on such paid fees) will be paid (a) to the Subadviser in accordance with the New Agreement, after the shareholder approvals are obtained, or (b) to the respective Portfolio, in the absence of such approval with respect to such Portfolio.
3. The Trust will hold meetings of shareholders to vote on approval of the New Agreement on or before the 120th day following the termination of the Existing Agreement (but in no event later than May 30, 1998).
4. Either the Subadviser or the Adviser will bear the costs of preparing and filing the application, and costs relating to the solicitation of shareholder approval of the Portfolios necessitated by the Transaction.
5. The Subadviser will take all appropriate steps so that the scope and quality of advisory and other services provided to the Portfolios during the Interim Period will be at least

equivalent, in the judgment of the Board, including a majority of the Independent Trustees, to the scope and quality of services previously provided. If personnel providing material services during the Interim Period change materially, the Subadviser will apprise and consult with the Board to assure that the Trustees, including a majority of the Independent Trustees of the Trust, are satisfied that the services provided will not be diminished in scope or quality.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 97-31875 Filed 12-4-97; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 22918; 812-10688]

Strong Advantage Fund, Inc., et al.; Notice of Application

November 28, 1997.

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

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

Summary of the Application:

Applicants request an order to permit certain investment companies to deposit their uninvested cash balances in joint accounts to be used to enter into short-term investments.

Applicants: Strong Advantage Fund, Inc., Strong Asia Pacific Fund, Inc., Strong Asset Allocation Fund, Inc., Strong Common Stock Fund, Inc., Strong Conservative Equity Funds, Inc., Strong Corporate Bond Fund, Inc., Strong Discovery Fund, Inc., Strong Equity Funds, Inc., Strong Government Securities Fund, Inc., Strong Heritage Reserve Series, Inc., Strong High-Yield Municipal Bond Funds, Inc., Strong Income Funds, Inc., Strong Institutional Funds, Inc., Strong International Bond Fund, Inc., Strong International Stock Fund, Inc., Strong Money Market Fund, Inc., Strong Municipal Funds, Inc., Strong Municipal Bond Fund, Inc., Strong Short-Term Bond Fund, Inc., Strong Short-Term Global Bond Fund, Inc., Strong Short-Term Municipal Bond Fund, Inc., Strong Special Fund II, Inc., Strong Total Return Fund, Inc., Strong Variable Insurance Funds, Inc. ("Funds"), Strong Capital Management,

Inc. (the "Adviser") and Strong Funds Distributors, Inc. (the "Distributor").

Filing Dates: The application was filed on June 2, 1997 and amended on October 6, 1997. Applicants have agreed to file an amendment to the application during the notice period, the substance of which is included in this notice.

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 December 23, 1997, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, One Hundred Heritage Reserve, Menomonee Falls, Wisconsin 53051.

FOR FURTHER INFORMATION CONTACT:

Joseph B. McDonald, Jr., Senior Counsel, at (202) 942-0533, or Mary Kay Frech, 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 SEC's Public Reference Branch, 450 Fifth St., N.W., Washington, D.C. 20549 (tel. 202-942-8090).

Applicants' Representations

1. Each Fund is incorporated under the laws of the State of Wisconsin and registered under the Act as an open-end management investment company. All of the Funds are series companies that may issue one or more classes of shares.

2. The Adviser, incorporated under the laws of the State of Wisconsin, is an investment adviser registered under the Investment Advisers Act of 1940. The Adviser acts as each Fund's investment manager, provides the Funds with various administrative services, and acts as transfer and dividend disbursing agent for the Funds. The Distributor, incorporated under the laws of the State of Wisconsin, is a broker-dealer registered under the Securities Exchange Act of 1934. The Distributor is an indirect subsidiary of the Adviser