and require FPL to obtain appraisals and third-party oversight in order to determine whether its work environment encourages employees to freely raise nuclear safety concerns; (4) inform all employees of their rights under the Energy Reorganization Act and NRC's regulations to raise such concerns; and (5) establish a website on the Internet to allow employees to raise concerns to the NRC. As grounds for these requests, Petitioners assert that there is a widespread hostile work environment at FPL's facilities and that certain employees have been subjected to discrimination for raising nuclear safety concerns, and that the NRC's process for handling allegations and responding to concerns of discrimination has been ineffective. In addition, the Petition requests that the NRC immediately investigate concerns that contamination occurred and remains uncorrected because of the flow of water from a radioactive contaminated area at St. Lucie into an unlined pond, that FPL is improperly grouping work orders, thereby reducing the number of work open orders, that an excessive amount of contract labor remains onsite, and that, because NRC inspectors are only assigned to the day shift, many employees do not have access to the NRC onsite and inspectors cannot monitor safety-related work functions outside the day shift. As grounds for these requests, Petitioners assert that the storm drains from FPL's radioactive contaminated area flow into the pond and that FPL is aware of the problem but has failed to identify or correct this and directs its Health Physics personnel to survey the pond by sampling only surface water.

The requests are being treated pursuant to 10 CFR 2.206 of the Commission's regulations. The requests have been referred to the Director of the Office of Nuclear Reactor Regulation. The Petitioners' requests for immediate action were denied by letter dated May 4, 1998. Copies of the Petitions are available for inspection at the Commission's Public Document Room at 2120 L Street, NW, Washington, DC 20555.

Dated at Rockville, Maryland, this 4th day of May 1998.

For the Nuclear Regulatory Commission.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission.

[FR Doc. 98–12394 Filed 5–8–98; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

Requests Under Review by Office of Management and Budget

Upon written request, copies available from: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension: Rule 15a–6
SEC File No. 270–329
OMB Control No. 3235–0371

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'') has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

Rule 15a–6 [17 C.F.R. 240.15a–6] under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) (''Exchange Act''), which provides, among other things, an exemption from broker-dealer registration for foreign broker-dealers that effect trades with or for U.S. institutional investors through a U.S. registered broker-dealer, provided that the U.S. broker-dealer obtains certain information about, and consents to service of process from, the personnel of the foreign broker-dealer involved in such transactions, and maintains certain records in connection therewith.

These requirements are intended to ensure (a) that the U.S. broker-dealer will receive notice of the identity of, and has reviewed the background of, foreign personnel who will contact U.S. institutional investors, (b) that the foreign broker-dealer and its personnel effectively may be served with process in the event enforcement action is necessary, and (c) that the Securities and Exchange Commission has ready access to information concerning these persons and their U.S. securities activities.

In general, the records to be maintained under Rule 15a–6 must be kept for the applicable time periods as set forth in Rule 17a–4 [17 C.F.R. 240.17a–4] under the Exchange Act or, with respect to the consents to service of process, for a period of not less than six years after the applicable person ceases engaging in U.S. securities activities. Reliance on the exemption set forth in Rule 15a–6 is voluntary, but if a foreign broker-dealer elects to rely such exemption, the collection of information described therein is mandatory. The collection does not involve confidential information. Please note that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

It is estimated that approximately 2,000 respondents will incur an average burden of three hours per year to comply with this rule, for a total burden of 6,000 hours. The average cost per hour is approximately $100. Therefore, the total cost of compliance for the respondents is $600,000.

General comments regarding the estimated burden hours should be directed to the Desk Officer for the Securities and Exchange Commission at the address below. Any comments concerning the accuracy of the estimated average burden hours for compliance with Commission rules and forms should be directed to: (i) Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549; and (ii) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, D.C. 20503. Comments must be submitted within 30 days of this notice.

Dated: April 30, 1998.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–12348 Filed 5–8–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–23169; 812–10746]

CypressTree Asset Management Corporation, Inc. and North American Funds; Notice of Application

May 4, 1998.

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 and rule 18f–2 under the Act as well as certain disclosure requirements.

SUMMARY OF APPLICATION: Applicants, CypressTree Asset Management Corporation, Inc. (''CAM'') and North American Funds (the ''Fund''), request an order that would (a) permit applicants to hire subadvisers (''Managers'') and materially amend sub-advisory agreements (''Portfolio Management Agreements'') without shareholder approval and (b) grant relief from certain disclosure requirements.

FILING DATES: The application was filed on August 1, 1997 and amended on April 7, 1998. Applicants have agreed to file an additional amendment, the substance of which is incorporated in this notice, during the notice period.

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 applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on May 29, 1998 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 SEC's Secretary.

ADDRESSES: Secretary, 450 Fifth Street NE., Washington, DC 20549. Applicants, 116 Huntingdon Avenue, Boston, Massachusetts 02116.

FOR FURTHER INFORMATION CONTACT: Deepak T. Pai, Staff Attorney, at (202) 942–0574, or Edward P. Macdonald, 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. The Fund is an open-end management investment company organized as a Massachusetts business trust and registered under the Act. The Fund is currently comprised of fifteen separate series (''Portfolios''), each of which has its own investment objectives and policies. CAM, registered under the Investment Advisers Act of 1940 (the ''Advisers Act''), serves as investment adviser to the Fund. Each Portfolio currently has one Manager, each of which is registered under the Advisers Act.

2. The Fund and its former investment adviser, NASL Financial Services (''NASL''), are parties to an existing order that granted similar relief to that requested in the application (the ''Existing Order'').[1] On October 1, 1997, CAM acquired a portion of the assets of NASL and of its parent, North American Security Life Insurance Company (the ''Transaction''). Upon completion of the Transaction, CAM began serving as investment adviser to the Fund and its Portfolios pursuant to an investment advisory agreement (the ''Investment Advisory Agreement''). Since CAM was not a party to the Existing Order, CAM and the Fund request an order substantially similar to the Existing Order so that the Fund may continue to operate in the manner in which it currently operates.[2] The requested order would supersede the Existing Order as it applies to the Fund.

3. Cam oversees the administration of all aspects of the business and affairs of the Fund, including providing administrative, financial, accounting, bookkeeping, and recordkeeping services. CAM selects, contracts with and compensates Managers that manage the assets of the Portfolios. CAM selects Managers based on a quantitative and qualitative evaluation of their skills and their proven ability to manage assets. Each Manager recommended by CAM is ultimately selected and approved by the Fund's board of trustees (''Board''), including a majority of the Fund's trustees who are not ''interested persons'' of the Fund as defined in section 2(a)(19) of the Act (''Independent Trustees''). CAM monitors each Manager's compliance with each Portfolio's investment objectives and policies, reviews the performance of each Manager, and periodically reports each Manager's performance to the Board.

4. Pursuant to the Portfolio Management Agreements, the specific investment decisions for each Portfolio are, and will continue to be, made by one or Managers, each of whom has discretionary authority to invest all or a portion of the assets of a particular Portfolio subject to general supervision by CAM and the Board. None of the Managers, except Standish, Ayer & Wood, manager of the Tax-sensitive Equity Portfolio, is an affiliate of CAM.

5. As compensated for its services, CAM receives a fee from the Fund computed as an annual percentage of the current value of the net assets of each Portfolio. Managers' fees are paid by CAM out of its fee from the Portfolios at negotiated rates. Fees paid to a Manager of a Portfolio with multiple Managers would depend both on the fee rate negotiated with CAM and on the percentage of the Portfolio's assets allocated to that Manager by CAM.

6. Applicants request an exemption from section 15(a) of the Act and rule 18f-2 under the Act to permit Managers approved by the Board to serve as portfolio managers for the Portfolios without shareholder approval. Shareholder approval will continue to be required for any Manager that is an ''affiliated person'' (as defined in section 2(a)(3) of the Act), other than by reason of serving as a Manager of the Portfolio (an ''Affiliated Manager'').

7. Applicants also request an exemption from the various disclosure provisions described below that may require the Fund to disclose the fees paid by CAM to the Managers. The Fund will disclose for each Portfolio (both as a dollar amount and as a percentage of a Portfolio's net assets): (i) Aggregate fees paid to CAM and Affiliated Managers; and (ii) aggregate fees paid to Managers other than Affiliated Managers (''Limited Fee Disclosure''). For any Portfolio that employs an Affiliated Manager, the Portfolio will provide separate disclosure of any fees paid to the Affiliated Manger.

Applicants' Legal Analysis

1. Section 15(a) of the Act provides, in relevant part, that it is unlawful for any person to act as an investment adviser to a registered investment company except pursuant to a written contract which has been approved by the vote of a majority of the outstanding voting securities of such registered investment company. Rule 18f–2 under the Act provides that any investment advisory contract that is submitted to the shareholders of a series investment company under section 15(a) shall be deemed to be effectively acted upon with respect to any class or series of such company if a majority of the outstanding voting securities of such class or series vote for the approval of such matter.

2. Form N–1A is the registration statement used by open-end investment companies. Items 2, 5(b)(iii), and 16(a)(iii) of Form N–1A (and after the effective date of the amendments to Form N–1A, items 3, 6(a)(1)(ii), and 15(a)(3), respectively) require disclosure of the method and amount of the investment adviser's compensation.

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[1] *NASL Financial Services, Inc.*, Investment Company Act Release Nos. 22382 (December 9, 1996) (notice) and 22429 (December 31, 1996) (order).

[2] In addition, applicants request that the relief apply to any registered open-end investment companies that in the future are advised by CAM or any entity controlling, controlled by, or under common control (within the meaning of section 2(a)(9) of the Act) with CAM. Applicants also request that the relief apply to any series of the Fund that may be created in the future. All existing investment companies that currently intend to rely on the order have been named as applicants, and any other existing or future investment companies that subsequently rely on the order will comply with the terms and conditions in the application.

3. Form N–14 is the registration form for business combinations involving open-end investment companies. Item 3 of Form N–14 requires the inclusion of a ''table showing the current fees for the registrant and the company being acquired and pro forma fees, if different, for the registrant after giving effect to the transaction.''

4. Rule 20a–1 under the Act requires proxies solicited with respect to an investment company to comply with Schedule 14A under the Securities Exchange Act of 1934 (the ''Exchange Act''). Item 22(a)(3)(iv) of Schedule 14A requires a proxy statement for a shareholder meeting at which a new fee will be established or an existing fee increased to include a table of the current and pro forma fees. Items 22(c)(1)(ii), 22(c)(1)(iii), 22(c)(8), and 22(c)(9), taken together, require a proxy statement for a shareholder meeting at which the advisory contract will be voted upon to include the ''rate of compensation of the investment adviser,'' the ''aggregate amount of the investment adviser's fees,'' a description of ''the terms of the contract to be acted upon'' and, if a change in the advisory fee is proposed, the existing and proposed fees and the difference between the two fees.

5. Form N–SAR is the semi-annual report filed with the SEC by registered investment companies. Item 48 of Form N–SAR requires investment companies to disclose the rate schedule for fees paid to their investment advisers, including the Managers.

6. Regulation S–X sets forth the requirements for financial statements required to be included as part of investment company registration statements and shareholder reports filed with the SEC. Sections 6–07(2)(a), (b), and (c) of Regulation S–X require that investment companies include in their financial statements information about investment advisory fees.

7. Section 6(c) authorizes the SEC to exempt persons or transactions from the provisions of the Act to the extent that an exemption is appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policies and provisions of the Act. Applicants believe that their requested relief meets this standard for the reasons discussed below.

8. Applicants assert that the Fund's investors rely on CAM to select one or more Managers best suited to achieve a Portfolio's investment objectives. Therefore, applicants assert that, from the perspective of the investor, the role of the Managers is comparable to that of individual portfolio managers employed by other investment company advisory firms. Applicants note that the Investment Advisory Agreement will remain subject to shareholder approval.

9. Applicants further assert some Managers use a ''posted'' rate schedule to set their fees, particularly at lower asset levels. Based upon CAM's discussions with prospective Managers and NASL, applicants believe that some organizations may be unwilling to serve as Managers at any fee rate other than their ''posted'' fee rates, unless the rates negotiated for the Portfolios are not publicly disclosed. Applicants believe that requiring disclosure of Managers' fees may deprive CAM of its bargaining power while producing no benefit to shareholders, since the total advisory fee they pay would not be affected.

Applicants' Conditions

Applicants agree that the following conditions may be imposed in any order of the Commission granting the requested relief:

1. The Fund will disclose in its registration statement the Limited Fee Disclosure.

2. CAM will not enter into a Portfolio Management Agreement with any Affiliated Manager without that agreement, including the compensation to be paid thereunder, being approved by the shareholders of the applicable Portfolio.

3. At all times, a majority of the Board will be Independent Trustees, and the nomination of new or additional Independent Trustees will be at the discretion of the then existing Independent Trustees.

4. Independent counsel knowledgeable about the Act and the duties of Independent Trustees will be engaged to represent the Independent Trustees of the Fund. The selection of such counsel will remain within the discretion of the Independent Trustees.

5. CAM will provide the Board, no less frequently than quarterly, with information about CAM's profitability for each Portfolio relying on the requested relief. The information will reflect the impact on profitability of the hiring or termination of any Manager during the applicable quarter.

6. Whenever a Manager is hired or terminated, CAM will provide the Board information showing the expected impact on CAM's profitability.

7. When a Manager change is proposed for a Portfolio with an Affiliated Manager, the Board, including a majority of the Independent Trustees, will make a separate finding, reflected in the Board minutes, that the change is in the best interests of the Portfolio and its shareholders and does not involve a conflict of interest from which CAM or the Affiliated Manager derives an inappropriate advantage.

8. Before a Portfolio may rely on the order requested in the application, the operation of the Portfolio in the manner described in the application will be approved by a majority of its outstanding voting securities, as defined in the Act, or, in the case of a new Portfolio whose public shareholders purchased shares on the basis of a prospectus containing the disclosure contemplated by condition 11 below, by the sole initial shareholder(s) before offering shares of that Portfolio to the public.

9. CAM will provide general management services to the Fund and its Portfolios, including overall supervisory responsibility for the general management and investment of the Portfolios' securities portfolio, and, subject to review and approval by the Board, will (i) set the Portfolio's overall investment strategies; (ii) select Managers; (iii) when appropriate, allocate and reallocate the Fund's assets among multiple Managers; (iv) monitor and evaluate the performance of Managers; and (v) ensure that the Managers comply with the Portfolio's investment objectives, policies and restrictions.

10. Within 60 days of the hiring of any new Manager, shareholders will be furnished all information about the new Manager or Portfolio Management Agreement that would be included in a proxy statement, except as modified by the order to permit Limited Fee Disclosure. Such information will include Limited Fee Disclosure and any change in such disclosure caused by the addition of a new Manager. CAM will meet this condition by providing shareholders, within 60 days of the hiring of a Manager, with an information statement meeting the requirements of Regulation 14C and Schedule 14C under the Exchange Act. The information statement also will meet the requirements of Schedule 14A under the Exchange Act, except as modified by the order to permit Limited Fee Disclosure.

11. The Fund will disclose in its prospectus the existence, substance, and effect of any order granted pursuant to the application. In addition, each Portfolio will hold itself out to the public as employing the ''Manager of Managers'' structure described in the application. The prospectus will prominently disclose that CAM has ultimate responsibility (subject to oversight by the Board) to oversee the Managers and recommend their hiring, termination, and replacement.

12. No trustee or officer of the Fund or director or officer of CAM will own directly or indirectly (other than through a pooled investment vehicle over which such person does not have control) any interest in a Manager except for (i) ownership of interests in CAM or any entity that controls, is controlled by, or is under common control with CAM; or (ii) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicly-traded company that is either a Manager or an entity that controls, is controlled by, or is under common control with a Manager.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–12403 Filed 5–8–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–39953; File No. SR–DTC–98–06]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Regarding Fees and Charges

May 4, 1998.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (''Act''), notice is hereby given that on April 16, 1998, The Depository Trust Company (''DTC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items, I, II, and III below, which items have been prepared primarily by DTC. The Commission is publishing this notice to solicit comments from interested persons on the proposed rule change.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change establishes fees for the matching feature of DTC's Institutional Delivery (ID) system.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, DTC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Items IV below. DTC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.[2]

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The matching feature is an enhancement to the current confirmation and affirmation processing in the ID system.[3] The proposed fees are designed to recover DTC's estimated service costs and will be effective for services provided after April 30, 1998. Under the proposed rule change, DTC will charge $0.08 for each matched or unmatched confirmation in addition to the regular confirmation fees. DTC will charge this fee to the following parties: (1) To a clearing broker for each matched or unmatched confirmation to a broker, clearing broker, or interested party; (2) to the clearing agent for each matched or unmatched confirmation to the ID agent or clearing agent; and (3) to the clearing agent or clearing broker for each matched or unmatched confirmation to an institution that either agrees to pay for it or $0.04 when the parties agree to split the fee.

DTC believes that the proposed rule change is consistent with the requirements of Section 17A of the Act[4] and the rules and regulations thereunder because it provides for the equitable allocation of dues, fees, and other charges among DTC's participants and other parties that use DTC's ID service.

(B) Self-Regulatory Organization's Statement on Burden on Competition

DTC does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

No comments on the proposed rule change were solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii)[5] of the Act and Rule 19b–4(e)(2)[6] promulgated thereunder because the proposal establishes or changes a due, fee, or other charge imposed by DTC. At any time within sixty days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested person are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing also will be available for inspection and copying at the principal office of DTC. All submissions should refer to File No. SR–DTC–98–06 and should be submitted by June 1, 1998.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[7]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–12350 Filed 5–8–98; 8:45 am]

BILLING CODE 8010–01–M

[1] 15 U.S.C. 78s(b)(1).

[2] The Commission has modified the text of the summaries prepared by DTC.

[3] For a description of the matching feature of the ID System, refer to Securities Exchange Act Release No. 39832 (April 6, 1998), 63 FR 18062 [File No. SR–DTC–95–23] (order approving proposed rule change).

[4] 15 U.S.C. 78q–1.

[5] 15 U.S.C. 78s(b)(3)(A)(ii).

[6] 17 CFR 240.19b–4(e)(2).

[7] 17 CFR 200.30–3(a)(12).