

Investment Company Act of 1940 (the "Act").

SUMMARY OF APPLICATION: Applicant requests an order declaring that it has ceased to be an investment company.

FILING DATES: The application was filed on January 22, 1999. Applicant has 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 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 March 24, 1999, and should be accompanied by proof of service on the 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 may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicant, 500 Church Street, Suite 200, Nashville, Tennessee 37219.

FOR FURTHER INFORMATION CONTACT: Diane L. Titus, Paralegal Specialist, at (202) 942-0584, or Mary Kay Frech, 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 from the Commission's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549 (telephone (202) 942-8090).

Applicant's Representations

1. Applicant is a non-diversified closed-end management investment company incorporated in Delaware. On December 31, 1996, applicant filed a Notification of Registration under section 8(a) of the Act on Form N-8A, which was declared effective on the same date. As of December 31, 1998, applicants assets totaled \$225.2 million.

2. Applicant is a wholly-owned subsidiary of Sirrom Capital Corporation ("Sirrom Capital"). Sirrom Capital is a closed-end, internally managed investment company that has elected to be treated as a business development company ("BDC") pursuant to section 54 of the Act.

3. On January 6, 1999 Sirrom Capital entered into a merger agreement under which it will be acquired by The FINOVA Group Inc. ("FINOVA") pursuant to a merger with a newly formed subsidiary of FINOVA (the "parent Merger"). FINOVA is a financial services holding company that is exempt from regulation under the Act in reliance on section 3(c)(5) of the Act. Following the Parent Merger, Sirrom Capital will withdraw its election to be treated as a BDC.

4. The Parent Merger has been approved by the boards of directors, including all of the disinterested directors, of Sirrom Capital and applicant. The Parent Merger also is subject to approval by the shareholders of Sirrom Capital. The shareholders meeting to approve the Parent Merger is expected to take place on March 22, 1999. The proxy materials sent to the shareholders informed them, among other things, that applicant is seeking to deregister under the Act upon consummation of the Parent Merger. The Parent Merger is expected to be consummated on March 22, 1999.

Applicant's Legal Analysis

1. Section 8(f) of the Act provides that whenever the SEC, upon application or its own motion, finds that a registered investment company has ceased to be an investment company, the SEC shall so declare by order and upon the taking effect of such order, the registration of such company shall cease to be in effect.

2. Section 3(c)(1) of the Act provides that an issuer is not an investment company within the meaning of the Act if (a) its outstanding securities (other than short-term paper) are beneficially owned by not more than 100 persons, and (b) it is not making and does not presently propose to make a public offering of its securities.

3. Applicant states that, upon consummation of the Parent Merger, applicant will be an indirect wholly-owned subsidiary of FINOVA. Thus, applicant states that its outstanding securities will be beneficially owned by 1 person, FINOVA. FINOVA is not an investment company or a company relying on section 3(c)(1) or section 3(c)(7) of the Act. For purposes of determining the number of beneficial owners of applicant's securities under section 3(c)(1), applicant states that it will not be required to "look through" FINOVA to its shareholders. Applicant further states that it is not making and does not presently propose to make a public offering of its securities. Thus, applicant seeks to deregister under the Act and rely on section 3(c)(1) of the Act. Applicant requests that the order of

deregistration be issued only after the Parent Merger is consummated as described in the application.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99-6003 Filed 3-10-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23724; 811-7779]

Sirrom Investments, Inc.; Notice of Application

March 3, 1999.

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

ACTION: Notice of application for Deregistration under section 8(f) of the Investment Company Act of 1940 (the "Act").

SUMMARY OF APPLICATION: Applicant requests an order declaring that it has ceased to be an investment company.

FILING DATES: The application was filed on January 22, 1999. Applicant has 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 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 March 24, 1999, and should be accompanied by proof of service on the 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 may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicant, 500 Church Street, Suite 200, Nashville, Tennessee 37219.

FOR FURTHER INFORMATION CONTACT: Diane L. Titus, Paralegal Specialist, at (202) 942-0584, or Mary Kay Frech, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulations).

SUPPLEMENTARY INFORMATION: The following is a summary of the

application. The complete application may be obtained for a fee from the Commission's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549 (telephone (202) 942-8090).

Applicant's Representations

1. Applicant is a closed-end management investment company incorporated in Tennessee. On August 19, 1996, applicant filed a Notification of Registration under section 8(a) of the Act on Form N-8A, which was declared effective on the same date. As of December 31, 1998, applicant's assets totaled \$254 million.

2. Applicant is a wholly-owned subsidiary of Sirrom Capital Corporation ("Sirrom Capital"). Sirrom Capital is a closed-end, internally managed investment company that has elected to be treated as a business development company ("BDC") pursuant to section 54 of the Act.

3. On January 6, 1999 Sirrom Capital entered into a merger agreement under which it will be acquired by the FINOVA Group Inc. ("FINOVA") pursuant to a merger with a newly formed subsidiary of FINOVA (the "Parent Merger"). FINOVA is a financial services holding company that is exempt from regulation under the Act in reliance on section 3(c)(5) of the Act. Following the Parent Merger, Sirrom Capital will withdraw its election to be treated as a BDC.

4. The Parent Merger has been approved by the boards of directors, including all of the disinterested directors, of Sirrom Capital and applicant. The Parent Merger also is subject to approval by the shareholders of Sirrom Capital. The shareholders meeting to approve the Parent Merger is expected to take place on March 22, 1999. The proxy materials sent to the shareholders informed them, among other things, that applicant is seeking to deregister under the Act upon consummation of the Parent Merger. The Parent Merger is expected to be consummated on March 22, 1999.

Applicant's Legal Analysis

1. Section 8(f) of the Act provides that whenever the SEC, upon application or its own motion, finds that a registered investment company has ceased to be an investment company, the SEC shall so declare by order and upon the taking effect of such order, the registration of such company shall cease to be in effect.

2. Section 3(c)(1) of the Act provides that an issuer is not an investment company within the meaning of the Act if (a) its outstanding securities (other than short-term paper) are beneficially owned by not more than 100 persons,

and (b) it is not making and does not presently propose to make a public offering of its securities.

3. Applicant states that, upon consummation of the Parent Merger, applicant will be an indirect wholly-owned subsidiary of FINOVA. Thus, applicant states that its outstanding securities will be beneficially owned by 1 person, FINOVA. FINOVA is not an investment company or a company relying on section 3(c)(1) or section 3(c)(7) of the Act. For purposes of determining the number of beneficial owners of applicant's securities under section 3(c)(1), applicant states that it will not be required to "look through" FINOVA to its shareholders. Applicant further states that it is not making and does not presently propose to make a public offering of its securities. Thus, applicant seeks to deregister under the Act and rely on section 3(c)(1) of the Act. Applicant requests that the order of deregistration be issued only after the Parent Merger is consummated as described in the application.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99-6004 Filed 3-10-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41135; File No. SR-AMEX-99-03]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 by the American Stock Exchange LLC Relating to Bond Indexed Securities

March 3, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on January 12, 1999, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Amex. On February 16, 1999, the Exchange filed Amendment No. 1.³ The Commission is

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Amendment No. 1 provided additional details regarding the securities, including the principal factors that will affect the rate of return on the securities and the formula for determining the value of the securities at settlement. See Letter from Scott G. Van Hatten, Legal Counsel, Amex, to Richard

publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

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

Amex proposes to approve for listing and trading under Section 107 of the Amex *Company Guide* seven bond indexed preferred or debt securities.

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

In its filing with the Commission, the Amex 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 Item IV below. The Amex has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

I. Purpose

Under Section 107A of the Amex *Company Guide*, the Exchange may approve for listing and trading securities that cannot be readily categorized under the listing criteria for common and preferred stocks, bonds, debentures and warrants. The Amex now proposes to list for trading under Section 107A of the *Company Guide* seven different bond index linked term notes, each linked to a different bond index. Each issue of the proposed securities will meet the size and distribution requirements of Section 107A. The issuers of such securities also will be qualified under Section 107A.

Holders of the securities generally will receive interest on the face value of their securities in an amount to be determined at the time of issuance of the securities and disclosed to investors. The frequency and rate of the interest payment will vary from issue to issue based upon prevailing interest rates and other factors, such as a discount factor and interest payments made on the underlying bonds and credit spreads.⁴

In addition, investors will receive at maturity an amount based on the value

Strasser, Assistant Director, Division of Market Regulation, Commission, dated February 16, 1999.

⁴ See Amendment No. 1. The discount factor may reflect prevailing interest rates, commissions and such other amounts as will be disclosed in the prospectus provided to investors.