

records will be subject to examination by the SEC and its staff.¹¹

5. The General Partner of each Partnership will send to each Partner of such Partnership who had an interest in any capital account of such Partnership, at any time during the fiscal year then ended, Partnership financial statements audited by such partnership's independent accountants. At the end of each fiscal year, the General Partner of such Partnership will make a valuation or have a valuation made of all of the assets of such partnership as of such fiscal year end in a manner consistent with customary practice with respect to the valuation of assets of the kind held by the Partnership. In addition, within 90 days after the end of each fiscal year of each Partnership or as soon as practicable thereafter, the General Partner of such Partnership will send a report to each person who was a partner at any time during the fiscal year then ended, setting forth such tax information as shall be necessary for the preparation by the partner of his or its federal and state income tax returns and a report of the investment activities of such Partnership during such year.

6. In any case where purchases or sales are made by a Partnership from or to an entity affiliated with such Partnership by reason of a 5% or more investment in such entity by an FMR Group director, officer, or employee, such individual will not participate in such Partnership's determination of whether or not to effect such purchase or sale.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-18050 Filed 7-15-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 22060; 812-10082]

Sherry Lane Growth Fund, Inc., et al.; Notice of Application

July 10, 1996.

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

ACTION: Notice of application for exemption under the Investment Company Act of 1940 ("Act").

APPLICANTS: Sherry Lane Growth Fund, Inc. ("Fund") and Sherry Lane Capital Advisors, Inc. ("Adviser").

RELEVANT ACT SECTIONS: Order requested under sections 6(c) and 57(i) and rule 17d-1 thereunder permitting certain joint transactions otherwise prohibited by section 57(a)(4).

SUMMARY OF APPLICATION: Applicants request an order to permit the Fund and Davis Venture Partners II, L.P. ("DVP II") to co-invest in the same portfolio securities.

FILING DATES: The application was filed on April 10, 1996, and amended on June 27, 1996.

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 August 5, 1996, 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 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. Applicants: Fund and Adviser, 320 South Boston, Suite 1000, Tulsa, Oklahoma 74103-3703.

FOR FURTHER INFORMATION CONTACT: Mercer E. Bullard, Staff Attorney, (202) 942-0565, or Elizabeth G. Osterman, Assistant Director, (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.

Applicants' Representations

1. The Fund, a Delaware corporation, is a non-diversified closed-end investment company that has elected to be regulated as a business development company ("BDC") under the Act. The Fund filed a registration statement on Form N-2 that became effective May 29, 1996.

2. The Adviser is a registered investment adviser under the Investment Advisers Act of 1940 and is the investment adviser to the Fund. The Adviser is also responsible, subject to the oversight of the Fund's board of directors, for administering the Fund's business affairs. The chief executive officer and president of the Adviser also

serve as directors and chief executive officer and president of the Fund, and as general partners of the general partner of DVP II, a venture capital partnership. Applicants state that DVP II is not registered as an investment company in reliance on the exclusion from the definition of investment company in section 3(c)(1) of the Act.

3. The Fund's investment objective will be to achieve long-term capital appreciation. The Fund also will structure its investments to provide an element of current income through interest, dividends, and fees whenever feasible in light of market conditions and the cash flow characteristics of the portfolio companies. The Fund intends to invest in between 10 and 20 private investment opportunities that typically will require a substantial financial commitment.

4. The principals of the Adviser intend to select investments for the Fund and DVP II separately considering in each case only the investment objectives, investment position, available funds, and other pertinent factors of the particular fund, including applicable investment restrictions and regulatory requirements. Applicants state that the Fund and DVP II have similar investment objectives and expect that they frequently may invest in the same portfolio securities.

Applicants' Legal Analysis

1. Section 57(a)(4) of the Act prohibits certain affiliated persons from participating in a joint transaction with a BDC in contravention of rules as prescribed by the SEC. Under section 57(b)(1) of the Act, persons who are affiliated persons of the directors or officers of a BDC within the meaning of section 2(a)(3)(C) of the Act are subject to section 57(a)(4). Under section 2(a)(3)(C), an affiliated person of another person includes any person directly or indirectly controlled by such other person. DVP II may be deemed to be controlled by certain directors and officers of the Fund because they are also general partners of the general partner of DVP II. DVP II therefore may be deemed to be subject to section 57(a)(4) with respect to co-investments with the Fund.

2. Section 57(i) of the Act provides that, until the SEC prescribes rules under section 57(a)(4), the SEC's rules under sections 17(a) and 17(d) of the Act applicable to closed-end investment companies shall be deemed to apply to sections 57(a) and 57(d). Because the SEC has not adopted any rules under section 57(a)(4), rule 17d-1 applies.

3. Rule 17d-1, promulgated under section 17(d) of the Act, prohibits

¹¹ Each Partnership will preserve the accounts, books, and other documents required to be maintained in an easily accessible place for the first two years.

affiliated persons of an investment company from participating in joint transactions with the company unless the SEC has granted an order permitting such transactions. In passing on applications under rule 17d-1, the SEC considers whether the company's participation in the joint transactions is consistent with the provisions, policies, and purposes of the Act and the extent to which such participation is on a basis different from or less advantageous than that of other participants.

4. Section 6(c) of the Act 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.

5. Because DVP II may be deemed to be subject to section 57(a)(4), investments in a portfolio company by the Fund in which DVP II also invests may be subject to section 57(a)(4).

6. Applicants believe that co-investing will enable the Fund to compete more effectively with entities and individuals who have greater resources, and that co-investing will increase the Fund's ability to achieve greater diversification and accordingly qualify for treatment as a regulated investment company for federal income tax purposes.

7. Applicants contend that the obligations imposed on the Fund's directors who are not "interested persons" as defined under section 2(a)(19) of the Act ("Independent Directors") provide significant protection to investors against possible conflicts of interest in co-investments by the Fund and DVP II. Applicants also believe that the conditions relating to the terms on which co-investments may be made as set forth in the application are consistent with the policies underlying the Act. Applicants therefore believe that requested relief is consistent with the standards enumerated in section 6(c).

Applicants' Conditions

Applicants agree that the order shall be subject to the following conditions:

1. (a) To the extent that the Fund is considering new investments, the Adviser will review investment opportunities on behalf of the Fund, including investments being considered on behalf of DVP II. The Adviser will determine whether an investment being considered on behalf of DVP II ("DVP II Investment") is eligible for investment by the Fund.

(b) If the Adviser deems a DVP II Investment eligible for the Fund ("co-investment opportunity"), the Adviser will determine what it considers to be an appropriate amount that the Fund should invest. When the aggregate amount recommended for the Fund and that sought by DVP II exceeds the amount of the co-investment opportunity, the amount invested by the Fund shall be based on the ratio of the net assets of the Fund to the aggregate net assets of the Fund and DVP II.

(c) Following the making of the determinations referred to in (a) and (b), the Adviser will distribute written information concerning all co-investment opportunities to the Fund's Independent Directors. Such information will include the amount DVP II proposes to invest.

(d) Information regarding the Adviser's preliminary determinations will be reviewed by the Fund's Independent Directors. The Fund will co-invest with DVP II only if a required majority (as defined in section 57(o) of the Act) ("Required Majority") of the Fund's Independent Directors conclude, prior to the acquisition of the investment, that:

(i) The terms of the transaction, including the consideration to be paid, are reasonable and fair to the shareholders of the Fund and do not involve overreaching of the Fund or such shareholders on the part of any person concerned;

(ii) The transaction is consistent with the interests of the shareholders of the Fund and is consistent with the Fund's investment objectives and policies as recited in filings made by the Fund under the Securities Act of 1933, as amended, its registration statement and reports filed under the Securities Exchange Act of 1934, as amended, and its reports to shareholders;

(iii) The investment by DVP II would not disadvantage the Fund, and that participation by the Fund would not be on a basis different from or less advantageous than that of DVP II; and

(iv) The proposed investment by the Fund will not benefit the Adviser or any affiliated entity thereof, other than DVP II, except to the extent permitted pursuant to sections 17(e) and 57(k) of the Act.

(e) The Fund has the right to decline to participate in the co-investment opportunity or purchase less than its full allocation.

2. The Fund will not make an investment for its portfolio if DVP II, the Adviser, or a person controlling, controlled by, or under common control with the Adviser is an existing investor in such issuer, with the exception of a

follow-on investment that complies with condition number 5.

3. For any purchase of securities by the Fund in which DVP II is a joint participant, the terms, conditions, price, class of securities, settlement date, and registration rights shall be the same for the Fund and DVP II.

4. If DVP II elects to sell, exchange, or otherwise dispose of an interest in a security that is also held by the Fund, the Adviser will notify the Fund of the proposed disposition at the earliest practical time and the Fund will be given the opportunity to participate in such disposition on a proportionate basis, at the same price and on the same terms and conditions as those applicable to DVP II. The Adviser will formulate a recommendation as to participation by the Fund in such a disposition, and provide a written recommendation to the Fund's Independent Directors. The Fund will participate in such disposition to the extent that a Required Majority of its Independent Directors determines that it is in the Fund's best interest. Each of the Fund and DVP II will bear its own expenses associated with any disposition of a portfolio security.

5. If DVP II desires to make a "follow-on" investment (*i.e.*, an additional investment in the same entity) in a portfolio company whose securities are held by the Fund or to exercise warrants or other rights to purchase securities of such an issuer, the Adviser will notify the Fund of the proposed transaction at the earliest practical time. The Adviser will formulate a recommendation as to the proposed participation by the Fund in a follow-on investment and provide the recommendation to the Fund's Independent Directors along with notice of the total amount of the follow-on investment. The Fund's Independent Directors will make their own determination with respect to follow-on investments. To the extent that the amount of a follow-on investment opportunity is not based on the amount of the Fund's and DVP II's initial investments, the relative amount of investment by DVP II and the Fund will be based on the ratio of the Fund's remaining funds available for investment to the aggregate of the Fund's and DVP II's remaining funds available for investment. The Fund will participate in such investment to the extent that a Required Majority of its Independent Directors determine that it is in the Fund's best interest. The acquisition of follow-on investments as permitted by this condition will be subject to the other conditions set forth in the application.

6. The Fund's Independent Directors will review quarterly all information concerning co-investment opportunities during the preceding quarter to determine whether the conditions set forth in the application were compiled with.

7. The Fund will maintain the records required by section 57(f)(3) of the Act as if each of the investments permitted under these conditions were approved by the Fund's Independent Directors under section 57(f).

8. No Independent Director of the Fund will be a director or general partner of DVP II.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 96-18052 Filed 7-15-96; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[License No. 07/77-0097]

Gateway Partners, L.P.; Notice of Request for Exemption

On June 11, 1996, Gateway Partners, L.P. ("Gateway"), a limited partnership SBIC located in St. Louis, Missouri, filed a request for an exemption to Section 107.730(d) of the Regulations governing small business investment companies (13 CFR (1996)) to allow Gateway to invest in TALX Corporation (TALX) of St. Louis, Missouri. The request for a conflict of interest exemption arises because: (1) Gateway and Gateway Venture Associates II (Gateway II) have common Managing General Partners, and (2) Gateway II owns an 18% equity interest in TALX, a small concern Gateway wishes to finance. Mr. Richard Ford, one of the managing general partners, is also a director of TALX.

TALX is currently in need of additional working capital, and Gateway proposes to participate in a \$4 million financing negotiated by an unaffiliated lead investor.

Notice is hereby given that any person may, not later than 15 days from the date of publication of this Notice, submit written comments on this exemption request to the Associate Administrator for Investment, Small Business Administration, 409 Third Street SW, Washington D.C. 20416.

A copy of this Notice will be published in a newspaper of general circulation in St. Louis, Missouri.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies)

Dated: July 9, 1996

Don A. Christensen,

Associate Administrator for Investment.

[FR Doc. 96-17981 Filed 7-15-96; 8:45 am]

BILLING CODE 8025-01-P

[License # 09/14-0037]

San Joaquin Capital Corporation; Notice of License Surrender

Notice is hereby given that San Joaquin Capital Corporation ("SJCC") surrendered its license to operate as a small business investment company under the Small Business Investment Act of 1958, as amended ("the Act"). SJCC was licensed by the Small Business Administration on January 20, 1978.

Under the authority vested by the Act and pursuant to the regulations promulgated thereunder, the surrender of the license was accepted on April 30, 1996, and accordingly, all rights, privileges, and franchises derived therefrom have been terminated.

Dated: July 3, 1996.

Donald A. Christensen,

Associate Administrator for Investment.

[FR Doc. 96-17980 Filed 7-15-96; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF TRANSPORTATION

Bureau of Transportation Statistics; Agency Information Collection; Activity Under OMB Review; Reporting Required for International Civil Aviation Organization (ICAO)

ACTION: Notice requesting comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995, Public Law 104-13, the Bureau of Transportation Statistics (BTS) invites the general public, industry and other Federal Agencies to comment on the continuing need and usefulness of BTS collecting supplemental data for the International Civil Aviation Organization (ICAO). Comments are requested concerning whether (a) the supplemental reports are needed by BTS to fulfill the U.S. treaty obligation of furnishing financial and traffic reports to ICAO; (b) BTS accurately estimated the reporting burden; (c) there are other ways to enhance the quality, utility and clarity of the information collected; and (d) there are ways to minimize reporting burden, including the use of automated collection techniques or other forms of information technology.

DATES: Written comments should be submitted by September 16, 1996.

ADDRESSES: Comments should be directed to the Docket Clerk, Docket OST-96-1509, room PL 401, Office of the Secretary, Department of Transportation, 400 Seventh Street, SW., Washington DC 20590-0001 from 10 a.m. to 5 p.m. ET, Monday through Friday, except Federal Holidays.

Comments: Comments should identify the regulatory docket number and be submitted in duplicate to the address listed above. Commenters wishing the Department to acknowledge receipt of their comments must submit with those comments a self-addressed stamped postcard on which the following statement is made: Comments on Docket OST-96-1509. The postcard will be dated/time stamped and returned to the commenter. All comments submitted will be available for examination in the Rules Docket both before and after the closing date for comments.

FOR FURTHER INFORMATION CONTACT:

Bernie Stankus, Office of Airline Information, K-25, Bureau of Transportation Statistics, 400 Seventh Street, SW., Washington, DC. 20590, (202) 366-4387.

SUPPLEMENTARY INFORMATION:

OMB Approval No. 2138-0039.

Title: Reporting Required for International Civil Aviation Organization (ICAO) .

Form No.: BTS Form EF.

Type of Review: Extension of a currently approved collection.

Respondents: Large certificated air carriers.

Number of Respondents: 40.

Estimated Time Per Response: 20 minutes

Total Annual Burden: 26 hours.

Needs and Uses: As a party to the Convention on International Civil Aviation (Treaty), the United States is obligated to provide ICAO with financial and statistical data on operations of U.S. air carriers. Over 99 percent of the data filed with ICAO is extracted from the air carriers' Form 41 submissions to DOT. BTS Form EF is the means by which BTS supplies the remaining one percent of the air carrier data to ICAO.

Timothy E. Carmody,

Acting Director, Office of Airline Information, Bureau of Transportation Statistics.

[FR Doc. 96-17823 Filed 7-15-96; 8:45 am]

BILLING CODE 4910-62-P