

2. Fees earned by the Adviser 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 Adviser in accordance with the New Agreement, after the requisite shareholder approval is obtained; or (b) to the Fund, in the absence of shareholder approval with respect to the Fund.

3. The Fund will hold a meeting 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 July 31, 1998).

4. Either First Union or the Adviser will bear the costs of preparing and filing the application and the costs relating to the solicitation of shareholder approval of the New Agreement necessitated by the Transaction.

5. The Adviser will take all appropriate steps so that the quality and scope of advisory and other services provided to the Fund during the Interim Period will be at least equivalent, in the judgment of the Board, including a majority of the Independent Directors, to the scope and quality of services previously provided. In the event of any material change in the personnel providing services pursuant to the New Agreement, the Adviser will apprise and consult with the Board to assure that the Directors, including a majority of the Independent Directors of the Fund, 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.

Jonathan G. Katz,
Secretary.

[FR Doc. 98-6180 Filed 3-10-98; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

Agency Meetings

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following meetings during the week of March 16, 1998.

An open meeting will be held on Monday, March 16, 1998, at 10:00 a.m. A closed meeting will be held on Monday, March 16, 1998, following the 10:00 a.m. open meeting.

Commissioners, Counsel to the Commissioners, the Secretary to the

Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(4), (8), (9)(A) and (10) and 17 CFR 200.402(a)(4), (8), (9)(i) and (10), permit consideration of the scheduled matters at the closed meeting.

Commissioner Unger, as duty officer, voted to consider the items listed for the closed meeting in a closed session.

The subject matter of the open meeting scheduled for Monday, March 16, 1998, at 10:00 a.m., will be: The Commission will hear oral argument on an appeal by Victor Teicher & Co., L.P., an unregistered investment adviser exempt from registration, and Victor Teicher, its sole general partner. Based on respondents' criminal convictions, the law judge barred respondents from all aspects of the securities industry, including association with any investment adviser, registered or unregistered. For further information, contact William S. Stern at (202) 942-0949.

The subject matter of the closed meeting scheduled for Monday, March 16, 1998, following the 10:00 a.m. open meeting, will be: Post argument discussion.

At times, changes in Commission priorities require alternations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942-7070.

Dated: March 9, 1998.

Jonathan G. Katz,
Secretary

[FR Doc. 98-6432 Filed 3-9-98; 3:58 pm]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release Nos. PA-24; File No. S7-6-98]

Privacy Act of 1974: Major Alterations to the Pay and Leave System (SEC-15) and the Office of Inspector General Investigative Files (SEC-43)

AGENCY: Securities and Exchange Commission.

ACTION: Notice of major alterations.

SUMMARY: In accordance with the requirements of the Privacy Act of 1974, as amended, 5 U.S.C. 552a, the Securities and Exchange Commission

gives notice of major alterations to the Pay and Leave System (SEC-15) by adding, among other things, three new routine uses; and the Office of Inspector General Investigative Files (SEC-43) by adding nine new routine uses. Amendments to these systems were last published at 62 FR 47884 and 47885, September 11, 1997.

DATES: Comments must be received no later than April 10, 1998. The changes to these systems of records will take effect April 20, 1998, unless the Commission receives comments which would result in a contrary determination.

ADDRESSES: Persons wishing to submit comments should file three (3) copies thereof with Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549. Reference should be made to File No. S7-6-98. Copies of the comments will be available for public inspection and copying at the Commission's Public Reference Branch, 450 Fifth Street, NW, Washington, DC 20549.

FOR FURTHER INFORMATION CONTACT: Hannah R. Hall, Privacy Act Officer, (202) 942-4320, Office of Filings and Information Services, Freedom of Information Act and Privacy Act Operations, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop O-5, Alexandria, VA 22312-2413.

SUPPLEMENTARY INFORMATION: The Securities and Exchange Commission (SEC) is republishing the Pay and Leave System (SEC-15) with major alterations, including three new routine uses for the system, numbered 10, 11, and 12. This system of records is subject to the Privacy Act of 1974, 5 U.S.C. 552a.

Pursuant to the provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Pub. L. 104-193) ("Reconciliation Act"), the SEC will disclose data from SEC-15 to the Office of Child Support Enforcement, Administration for Children and Families, Department of Health and Human Services for use in the Federal Parent Locator System (FPLS) and the Federal Tax Offset System.

FPLS is a computerized network through which States may request location information from Federal and State agencies to find non-custodial parents and/or their employers for purposes of establishing paternity and securing support. Effective October 1, 1997, the FPLS was expanded to include the National Directory of New Hires (NDNH), a database containing information on employees commencing employment, quarterly wage data on

private and public sector employees, and information on unemployment compensation benefits. The Reconciliation Act requires that all federal agencies transmit the applicable quarterly wage data to the NDNH by January 31, 1998. Effective October 1, 1998, the FPLS will be expanded to include a Federal Case Registry that will contain abstracts on all participants involved in child support enforcement cases. When the Federal Case Registry is instituted, its files will be matched on an ongoing basis against the files in the NDNH to determine if an employee is a participant in a child support case anywhere in the United States. If the FPLS identifies a person as being a participant in a State child support case, that State will be notified of the participant's current employer.

The data from SEC-15 to be disclosed by the SEC to the FPLS include: the employer's name and address, and the employee's name, addresses, social security number, date of birth, date of hire, and quarterly wages.¹ In turn, this data will be disclosed by the Office of Child Support Enforcement to the Secretary of the Treasury to verify claims for the advance payment of the earned income tax credit or to verify a claim of employment on a tax return. In addition, names and social security numbers submitted by the SEC to the FPLS will be disclosed by the Office of Child Support Enforcement to the Social Security Administration for verification to ensure that the social security number provided is correct.

Additional changes proposed for SEC-15 include setting forth the purpose for the system and designating the existing routine uses by adding numbers 1 through 9 to the currently unnumbered paragraphs.

Further, the SEC is revising the Office of Inspector General Investigative Files (SEC-43) to add nine new routine uses, numbered 10 through 18. These new routine uses will assist the Office of Inspector General in carrying out its statutory mission of preventing, detecting, and reporting instances of fraud, waste, abuse, and mismanagement in SEC programs and operations.

The altered system of records reports, as required by 5 U.S.C. 552a(r) of the Privacy Act, have been submitted to the Committee on Government Operations of the House of Representatives, the

Committee on Government Affairs of the Senate, and the Office of Management and Budget, pursuant to Appendix I to OMB Circular A-130, "Federal Agency Responsibilities for Maintaining Records About Individuals," as amended on February 8, 1996.

SEC-15 is revised as follows:

SEC-15

SYSTEM NAME:

Pay and Leave System-SEC.

SYSTEM LOCATION:

Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop O-3, Alexandria, VA 22312-2413.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records are maintained on all individuals employed by the SEC in the prior and current calendar year.

CATEGORIES OF RECORDS IN THE SYSTEM:

Payroll, leave, attendance, and historical records on magnetic tape or disc, card, microfiche, printout and other miscellaneous forms (*i.e.*, W-4, retirement card).

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. app. 21-89.

PURPOSE(S):

These records are used to administer the pay and leave requirements of the Commission. These records may also be used to locate individuals for personnel research.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

These records and the information contained in these records may be used as follows:

1. To transmit any lawful compensation to an employee for time employed and/or special awards and allowances earned in the performance of official duties.
2. To compile tax withholding, retirement contributions and other types of deductions for transmission to designated authorized recipients (*e.g.*, charity, unions, etc.), other Federal agencies (*i.e.*, IRS, OPM, Treasury, etc.), State, or local taxing authorities.
3. To provide certain agencies (*i.e.*, OMB, GAO) documents in substantiation of agency expenditures for salaries and personnel benefits by an individual and/or by an Office within the Commission.
4. As a data source for management information for production of summary descriptive statistics and analytical studies in support of the function for

which the records are collected and maintained or for related financial or personnel management functions or manpower studies; may also be utilized to respond to general requests for statistical information (without personal identification of individuals) under the Freedom of Information Act or to locate specific individuals for financial or personnel research or related management functions.

5. Disclosure may be made to a congressional office from the record of an individual in response to an inquiry from the congressional office made at the request of that individual.

6. The information contained in this system of records will be disclosed to the Office of Management and Budget in connection with the review of private relief legislation as set forth in OMB Circular A-19 at any stage of the legislative coordination and clearance process as set forth in that circular.

7. To the Defense Manpower Data Center, Department of Defense, and to the U.S. Postal Service to conduct manual or computer matching programs for the purpose of identifying and locating payments and those debtors delinquent in their repayment of debts owed to the U.S. Government under certain programs administered by the Commission in order to collect the debts under the provisions of the Debt Collection Act of 1982 (Pub. L. 97-365) and the Cash Management Improvement Act Amendment (31 U.S.C. 3711, 3718) by voluntary repayment, or by administrative salary offset procedures.

8. To any other Federal agency for the purpose of effecting administrative or salary offset procedures against a person employed by that agency or receiving or eligible to receive some benefit payments from the agency when the Commission as creditor has a claim against that person.

9. To collection reporting agencies and credit bureaus for the purpose of disclosing or collecting payments from debtors. Disclosure of information about persons who are receiving Federal salaries or benefit payments and are delinquent in their repayment of debts owed to the U.S. Government under certain programs administered by the Commission may be made to other Federal agencies, but only to the extent of determining whether the person is employed by that agency and, if so, effecting administrative or salary offset procedures against the person.

10. To the Office of Child Support Enforcement, Administration for Children and Families, Department of Health and Human Services, Federal Parent Locator System (FPLS) and the Federal Tax Offset System for use in

¹ To the extent that any of the data elements, such as the employee's addresses, date of birth, and date of hire, is needed from the Central Personnel Data File, which comprises the Commission's personnel files, the routine uses for this system of records are published in a government-wide system of records notice (OPM/GOVT-1).

locating individuals and identifying their income sources to establish paternity, to establish and modify orders of support, and for enforcement action.

11. To the Office of Child Support Enforcement, Administration for Children and Families, Department of Health and Human Services, for release to the Social Security Administration for verifying social security numbers in connection with the operation of the FPLS by the Office of Child Support Enforcement.

12. To the Office of Child Support Enforcement, Administration for Children and Families, Department of Health and Human Services, for release to the Department of Treasury for purposes of administering the Earned Income Tax Credit Program (Section 32, Internal Revenue Code of 1986) and verifying a claim with respect to employment in a tax return.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Appropriate data is stored on electronic and paper records.

RETRIEVABILITY:

These records are indexed for individuals in alphabetical sequence by name or in numerical order by their social security numbers.

SAFEGUARDS:

Only authorized SEC personnel and certain governmental agencies, approved by law, are granted access to any of these records.

RETENTION AND DISPOSAL:

These records are maintained and disposed of pursuant to the regulations imposed by General Services Administration, *General Records Schedule 2* and 20.

SYSTEM MANAGER(S) AND ADDRESS:

Associate Executive Director (Finance), Office of the Comptroller, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, VA 22312-2413.

NOTIFICATION PROCEDURE:

All requests to determine whether this system of records contains a record pertaining to the requesting individual may be directed to the Privacy Act Officer, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-5, Alexandria, VA 22312-2413.

RECORD ACCESS PROCEDURES:

Persons wishing to obtain information on the procedures for gaining access to

or contesting the contents of these records may contact or address their inquiries to the Privacy Act Officer, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-5, Alexandria, VA 22312-2413.

CONTESTING RECORD PROCEDURES:

See Record access procedures above.

RECORD SOURCE CATEGORIES:

The sources for the records are personnel action forms, electronic time and attendance records, withholding certificates, and other related documents submitted by employees or the Office of Personnel and Administrative Management.

SEC-43 is amended as follows:

Paragraphs 10 through 18 are added to this section to read as follows:

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

* * * * *

10. To inform complainants, victims, and witnesses of the results of an investigation.

11. To qualified individuals or organizations in connection with the performance of a peer review or other study of the Office of Inspector General's audit or investigative functions.

12. To private firms of individuals with which the Office of Inspector General has contracted to provide support for investigations or other inquiries. These private firms and individuals will be required to maintain Privacy Act safeguards with respect to such records.

13. To a Federal agency responsible for considering debarment or suspension action if the record would be relevant to such action.

14. To the Department of Justice for the purpose of obtaining its advice on Freedom of Information Act matters.

15. To the Office of Management and Budget for the purpose of obtaining its advice on Privacy Act matters.

16. To a public or professional licensing organization if the record indicates, either by itself or in combination with other information, a violation or potential violation of professional standards, or reflects on the moral, educational, or professional qualifications of an individual who is licensed or who is seeking to become licensed.

17. To the Office of Government Ethics (OGE) to comply with agency reporting requirements established by OGE in 5 CFR part 2638, subpart F.

18. To the news media and the public when there exists a legitimate public

interest (e.g., to provide information on events in the criminal process, such as an indictment).

By the Commission.

Dated: March 5, 1998.

Jonathan G. Katz,
Secretary.

[FR Doc. 98-6171 Filed 3-10-98; 8:45 am]

BILLING CODE 8410-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. PA-23]

Privacy Act of 1974: Modification of a Privacy Act System of Records

AGENCY: Securities and Exchange Commission.

ACTION: Notice of minor modifications.

SUMMARY: In accordance with the requirements of the Privacy Act of 1974, as amended, 5 U.S.C. 552a, the Securities and Exchange Commission is amending the Administrative Audit System (SEC-14) to reflect updates to the authority for maintenance, storage, retrievability, and record source categories, and clarification of the retention and disposal. In addition, the agency is modifying the retention and disposal of records maintained in the Agency Correspondence Tracking System (ACTS) (SEC-29).

EFFECTIVE DATE: March 11, 1998.

FOR FURTHER INFORMATION CONTACT: Hannah R. Hall, Privacy Act Officer, (202) 942-4320, Office of Filings and Information Services, Freedom of Information Act and Privacy Act Operations, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-5, Alexandria, VA 22312-2413.

SUPPLEMENTARY INFORMATION: In the course of reviewing its Privacy Act systems of records notices, the Commission identified needed changes to the Administrative Audit System (SEC-14) and the Agency Correspondence Tracking System (ACTS) (SEC-29). Amendments to these systems were last published at 62 FR 47885 and 47887, September 11, 1997. For the purpose of complying with the Privacy Act and OMB Circular A-130, these modifications are minor changes and do not require an advance report to, and review by, the Congress and the Office of Management and Budget.

SEC-14 is amended as follows:

SEC-14

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

This section is revised to read as follows: 31 U.S.C. 35.