in the open market. Shares of Common covered by awards which are not earned, or which are forfeited for any reason, and Options which expire unexercised, will again be available for subsequent awards under the Equity Plan. To the extent that shares of Common previously held in a participant's name are surrendered upon the exercise of an Option or shares relating to an award are used to pay withholding taxes, the shares will become available for subsequent awards under the Equity Plan.

The Equity Plan will be administered by the Board's Personnel Committee, or any other committee designated by the Board (''Committee''), to the extent required to comply with rule 16b–3 under the Securities Exchange Act of 1934, as amended. The Committee will have the exclusive authority to interpret the Equity Plan. The Committee also will have the authority to select, from among Key Employees and outside directors of Entergy and its subsidiaries, those individuals to whom awards will be granted, to grant any combination of awards to any participants and to determine the specific terms and conditions of each award.

Entergy was authorized to solicit proxies from its stockholders for use at the 1998 annual shareholders meeting (''Meeting'') with respect to the approval of the Equity Plan, effective, as provided in rule 62(d) of the Act, on March 27, 1998 (HCAR No. 26852). The Equity Plan was approved by Entergy's shareholders at the Meeting, held on May 15, 1998.

Entergy represents that, except for rule 53(a)(1), the requirements of rule 53 are satisfied regarding Entergy's investments in exempt wholesale generators (''EWGs'') and foreign utility companies (''FUCOs''), as defined in sections 32 and 33 of the Act. Entergy states that its aggregate investment in EWGs and FUCOs was equal to approximately 54% of its consolidated retained earnings, as defined in rule 53(a)(1), for the four quarters ended March 31, 1998 and, therefore, exceeds the 50% limitation contained in the rule. Entergy states that this is due to a decline in consolidated retained earnings, resulting primarily from a one-time windfall profits tax of $234 million imposed in 1997 by the government of Great Britain on London Electricity, a FUCO partially owned by Entergy.

Entergy states that, as of September 30, 1992, before Entergy commenced its investments in EWGs or FUCOs, Entergy's consolidated equity (including mandatorily redeemable preferred securities) to total capital ratio was 45.4%. Entergy states that, as of March 31, 1998, Entergy's consolidated capitalization consisted of 42.9% equity. On a *pro forma* basis, taking into consideration the transactions contemplated in this filing, this ratio would be 42.2%. In addition, Entergy further states that, with one exception, the credit ratings of debt issued by its subsidiaries remain at investment grade.[1] Entergy further notes that earnings from its investments in FUCOs and EWGs would have been positive in 1997 but for the one time windfall profits tax described above.

The Commission has considered the effect of the capitalization and earnings of Entergy's EWGs and FUCOs on the Entergy system, together with the impact of the proposed transactions. The facts and representations described above are sufficient, for purposes of granting the authority requested in this filing, to support a finding that the proposed transactions satisfy the standards of section 6(a) and 7

Fees and expenses in the estimated amount of $175,000 are expected to be incurred in connection with these transactions. It is stated that no state or federal commission, other than this Commission, has jurisdiction over the proposed transactions.

Due notice of the filing of the declaration has been given in the manner prescribed in rule 23 under the Act, and no hearing has been requested of or ordered by the Commission. On the basis of the facts in the record, it is found that the applicable standards of the Act and rules are satisfied and that no adverse findings are necessary.

It is ordered, under the applicable provisions of the Act and rules under the Act, that the amended declaration be permitted to become effective immediately, subject to the terms and conditions prescribed in rule 24 under the Act.

[1] Entergy notes that the credit rating assigned to debt issued by one of its utility subsidiaries, Entergy Gulf States Utilities, Inc. (''GSU''), other than its senior secured debt, is below investment grade. In March of 1995, Standard & Poors (''S&P'') lowered the ratings of GSU as follows: senior secured debt to triple 'B' minus from triple 'B'; senior unsecured debt and preferred stock to double 'B' from triple 'B' minus; and, preference stock to double 'B' from double 'B' plus. Thereafter, Moody's Investors Service (''Moody's'') downgraded GSU's First Mortgage Bonds to Baa3 from Baa2; debentures and senior unsecured pollution control bonds to Ba1 from Baa3; and preferred stock to Ba1 from Baa3. Both S&P and Moody's cited the River Bend Nuclear facility and the decision of the Texas Public Utilities Commission to reduce rates by $52.9 million along with the then pending legal uncertainties surrounding the Cajun bankruptcy, potential Riverbend writedowns, merger costs, and, regulatory proceeding costs.''

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–19050 Filed 7–16–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–23313; 812–10664]

WRL Series Fund, Inc. and WRL Investment Management, Inc. Notice of Application

July 10, 1998.

AGENCY: Securities and Exchange Commission (''Commission'' or ''SEC'').

ACTION: Notice of application for an order under section 6(c) of the Investment Company Act of 1940 (the ''Act'') for an exemption from section 15(a) of the Act and rule 18f–2 under the Act.

SUMMARY OF APPLICATION: The order would permit applicants to enter into and materially amend subadvisory agreements without obtaining shareholder approval.

shareholdersapproval

APPLICANTS: WRL Series Fund, Inc. (the ''Fund'') and WRL Investment Management, Inc. (the ''Adviser'').

FILING DATES: The application was filed on May 13, 1997, and amended on April 2, 1998. Applicants have agreed to file an amendment, the substance of which is included 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 be 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 August 4, 1998, 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, 201 Highland Avenue, Largo, Florida 33770–2597.

FOR FURTHER INFORMATION CONTACT: Brian T. Hourihan, Senior Counsel, at (202) 942–0526, or Christine Y. Greenless, 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 SEC's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549 (tel. (202) 942–8090).

Applicants' Representations

1. The Fund, a Maryland corporation, is an open-end management investment company registered under the Act. The Fund currently consists of seventeen separate series (each a ''Portfolio''), each of which has its own investment objective and policies.[1] Shares of the Fund currently are sold only to separate accounts of Western Reserve Life Assurance Co. of Ohio (''Western Reserve''), PFL Life Insurance Company, and First AUSA Life Insurance Company, Inc. (''First AUSA'') to fund benefits under certain variable life insurance policies and variable annuity contracts.

2. The Adviser, registered under the Investment Advisers Act of 1940 (the ''Advisers Act''), serves as investment adviser to the Fund pursuant to an investment advisory agreement (''Advisory Agreement'').[2] Under the Advisory Agreement, the Adviser, subject to the supervision of the board of directors of the Fund (the ''Board''), selects and contracts with sub-advisers (''Sub-Advisers'') to provide each Portfolio with portfolio management. The Adviser also monitors and evaluates each Sub-Adviser's performance, and may recommend its termination. Each Sub-Adviser recommended by the Adviser is approved by the Board, including a majority of the directors who are not ''interested persons'' of the Fund, as defined in section 2(a)(19) of the Act (''Independent Directors''). The Adviser also provides the Fund and the Portfolios with overall administrative services. The Fund pays the Adviser a fee for its services with respect to each Portfolio.

3. The Adviser has entered into contracts (''Sub-Advisory Agreements'') with fourteen Sub-Advisers, each of which is registered as an investment adviser under the Advisers Act. Currently, sixteen Portfolios are advised by one Sub-Adviser and one Portfolio is advised by two Sub-Advisers. Subject to the general supervision of the Adviser and the Board, each Sub-Adviser makes the specific investment decisions for the Portfolio it advises and places orders to purchase or sell securities on behalf of that Portfolio. None of the Sub-Advisers has broader supervisory, management or administrative responsibilities with respect to a Portfolio or the Fund. The Adviser pays each Sub-Adviser out of the advisory fees it receives from each Portfolio.

4. Applicants request an order to permit the Adviser to enter into and materially amend Sub-Advisory Agreements without obtaining shareholder approval. The requested relief will not extend to a Sub-Adviser that is an ''affiliated person'' of either the Fund or the Adviser, as defined in section 2(a)(3) of the Act, other than by reason of serving as a Sub-Adviser to one or more of the Portfolios (''Affiliated Sub-Adviser'').

Applicants' Legal Analysis

1. Section 15(a) of the Act makes it unlawful for any person to act as an investment adviser to a registered investment company except pursuant to a written contract that has been approved by a majority of the investment company's outstanding voting securities. Rule 18f–2 under the Act provides that each series or class of stock in a series company affected by a matter must approve the matter if the Act requires shareholder approval.

2. Section 6(c) of the Act authorizes the Commission to exempt person or transactions from the provisions of the Act to the extent that the exemption is necessary or 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 request relief under section 6(c) from section 15(a) of the Act and rule 18f–2 under the Act. For the reasons discussed below, applicants believe the requested relief meets the standard of section 6(c).

3. Applicants assert that the Fund's investors rely on the Adviser for investment management, and except the Adviser to select and monitor one or more Sub-Advisers best suited to achieve a Portfolio's investment objective. Applicants represent that the Adviser has substantial experience in performing these functions for the Fund. Applicants submit that, consequently, from the perspective of an investor, the role of the Sub-Advisers is comparable to that of individual portfolio managers employed by other investment company advisory firms. Applicants thus contend that, without the requested relief, the Fund may be precluded from promptly and effectively employing Sub-Advisers best suited to the needs of the Portfolios. Applicants also that the Advisory Agreement will remain fully subject to the requirements of section 15 of the Act and rule 18f–2 under the Act, including the requirements for shareholder approval.

Applicants' Conditions

Applicants agree that any order granting the requested relief will be subject to the following conditions:

1. The Adviser will not enter into a Sub-Advisory Agreement with any Affiliated Sub-Adviser without the Sub-Adviser Agreement with any Affiliated Sub-Adviser without the Sub-Advisory Agreement, including the compensation to be paid under the Agreement, being approved by the variable contract owners with assets allocated to any sub-account of a registered separate account for which the Portfolio serves as a funding medium.

2. At all times, a majority of the Board will be Independent Directors, and the nomination of new or additional Independent Directors will be within the discretion of the then-existing Independent Directors.

3. When a Sub-Adviser change is proposed for a Portfolio with an Affiliated Sub-Adviser, the Board, including a majority of the Independent Directors, will make a separate finding, reelected in the Board's minutes, that the change is in the best interests of the Portfolio and the variable contract owners with assets allocated to any sub-account of a registered separate account for which the Portfolio serves as a funding medium, and does not involve a conflict of interest from which the Adviser or the Affiliated Sub-Adviser derives an inappropriate advantage.

4. The Adviser will provide general management and administrative services to the Fund and the Portfolios, including overall supervisory responsibility for the general management and investment of the Fund's securities portfolios, and, subject to review and approval by the Board, will: (i) Set each Portfolio's overall investment strategies, (ii) select Sub-Advisers, (iii) monitor and evaluate the performance of Sub-Advisers, (iv) allocate and, when appropriate,

[1] Applicants request that the relief also apply to future Portfolios, and to any registered open-end management investment company that in the future is advised by the Adviser, or any person controlling, controlled by, or under common control with the Adviser (''Future Fund''). All existing investment companies that currently intend to rely on the order have been named as applicants, and any Future Fund that relies on the order will comply with the terms and conditions in the application.

[2] The Adviser is a direct, wholly-owned subsidiary of Western Reserve, which, in turn, is wholly-owned by First AUSA. First AUSA is wholly-owned by AEGON USA, Inc., a financial services holding company, which, in turn, is a wholly-owned indirect subsidiary of AEGON nv, a Netherlands corporation.

reallocate a Portfolio's assets among its Sub-Advisers in those cases where a Portfolio has more than one Sub-Adviser, and (v) implement procedures reasonably designed to ensure that the Sub-Advisers comply with the Portfolio's investment objectives, policies, and restrictions.

5. Within 90 days of the hiring of any new Sub-Adviser, the Adviser will furnish the variable contract owners with assets allocated to any sub-account of a registered separate account for which the Portfolio serves as a funding medium with all information about the new Sub-Adviser that would be included in a proxy statement. The information will include any change in the disclosure caused by the addition of a new Sub-Adviser. The Adviser will meet this condition by providing the variable contract owners with an information statement meeting the requirement of Regulation 14C, Schedule 14C, and item 22 of Schedule 14A under the Securities Exchange Act of 1934.

6. The Fund will disclose in its prospectus the existence, substance, and effect of any order granted pursuant to the application. In addition, the Fund will hold itself out to the public as employing the management structure described in the application. The Fund's prospectus will prominently disclose that the Adviser has ultimate responsibility for the investment performance of the Portfolios due to its responsibility to oversee Sub-Advisers and recommend their hiring, termination, and replacement.

7. Before the Fund may rely on the requested order, the operations of each Portfolio as described in the application will be approved by a majority of the Portfolio's outstanding voting securities, as defined in the Act, pursuant to voting instructions provided by the variable contract owners with assets allocated to any sub-account of a registered separate account for which the Portfolio serves as a funding medium, or, in the case of a Future Fund whose shareholders purchased shares on the basis of a prospectus containing the disclosure contemplated by condition 6 above, by the sole shareholder before offering shares of the Future Fund to the variable contract owners through a separate account.

8. No director or officer of the Fund or of the Adviser will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by the director or officer) any interest in a Sub-Adviser, except for: (i) Ownership of interests in the Adviser or any entity that controls, is controlled by, or is under common control with the Adviser, or (ii) ownership of less than 1% of the outstanding securities of any class of equity or debt securities of a publicly traded company that is either a Sub-Adviser or an entity that controls, is controlled by, or is under common control with a Sub-Adviser.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–19052 Filed 7–16–98; 8:45 am]

BILLING CODE 8010–01–M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3103]

State of Iowa

As a result of the President's major disaster declaration on July 2, 1998, and amendments thereto, I find that the following counties in the State of Iowa constitute a disaster area due to damages caused by severe storms, tornadoes, and flooding beginning on June 13, 1998, and continuing: Audubon, Boone, Carroll, Cass, Chickasaw, Dallas, Fremont, Grundy, Guthrie, Hamilton, Hardin, Howard, Iowa, Jasper, Johnson, Keokuk, Louisa, Marion, Marshall, Mills, Montgomery, Muscatine, Page, Polk, Pottawattamie, Poweshiek, Shelby, Taylor, Wapello, and Washington. Applications for loans for physical damages as a result of this disaster may be filed until the close of business on August 31, 1998, and for loans for economic injury until the close of business on April 2, 1999 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 3 Office, 4400 Amon Carter Blvd., Suite 102, Fort Worth, TX 76155.

In addition, applications for economic injury loans from small businesses located in the following contiguous counties may be filed until the specified date at the above location: Adair, Adams, Appanoose, Benton, Black Hawk, Bremer, Butler, Calhoun, Cedar, Crawford, Davis, Des Moines, Fayette, Floyd, Franklin, Greene, Harrison, Henry, Jefferson, Linn, Lucas, Madison, Mahaska, Mitchell, Monroe, Ringgold, Sac, Scott, Story, Tama, Union, Van Buren, Warren, Webster, Winneshiek, and Wright Counties in Iowa; Cass, Douglas, Otoe, Sarpy, and Washington Counties in Nebraska; Atchison, Nodaway, and Worth Counties in Missouri; Fillmore and Mower Counties in Minnesota; and Henderson, Mercer, and Rock Island Counties in Illinois.

The interest rates are:

	Percent
Physical Damage:	
Homeowners with credit available elsewhere	7.000
Homeowners without credit available elsewhere	3.500
Businesses with credit available elsewhere	8.000
Businesses and non-profit organizations without credit available elsewhere	4.000
Others (including non-profit organizations) with credit available elsewhere	7.125
For Economic Injury:	
Businesses and small agricultural cooperatives without credit available elsewhere	4.000

The number assigned to this disaster for physical damage is 310311. For economic injury the numbers are 992800 for Iowa; 992900 for Nebraska; 993000 for Missouri; 993400 for Minnesota; and 993500 for Illinois.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: July 9, 1998.

Bernard Kulik,

Associate Administrator for Disaster Assistance.

[FR Doc. 98–19095 Filed 7–16–98; 8:45 am]

BILLING CODE 8025–01–P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3100]

State of Ohio

As a result of the President's major disaster declaration on June 30, 1998, and amendments thereto, I find that the following counties in the State of Ohio constitute a disaster area due to damages caused by severe storms, flooding, and tornadoes beginning on June 24, 1998 and continuing: Athens, Belmont, Coshocton, Franklin, Guernsey, Harrison, Jackson, Jefferson, Knox, Meigs, Monroe, Morgan, Muskingum, Noble, Ottawa, Perry, Pickaway, Richland, Sandusky, Tuscarawas, and Washington. Applications for loans for physical damages as a result of this disaster may be filed until the close of business on August 29, 1998, and for loans for economic injury until the close of business on March 30, 1999 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308.

In addition, applications for economic injury loans from small businesses located in the following contiguous counties may be filed until the specified