Envirocare license. Accordingly, the Petitioner's request for action is denied.

Dated at Rockville, Maryland this 14th day of September 1998.

For the Nuclear Regulatory Commission.

Carl J. Paperiello,

Director, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 98–25177 Filed 9–18–98; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 070–00133 (terminated)]

Notice of Removal from the Site Decommissioning Management Plan for the former Clevite Corporation site (Clevite)

This notice is to inform the public that the Nuclear Regulatory Commission (NRC) is removing the former Clevite Corporation (Clevite) site in Cleveland, Ohio from the Site Decommissioning Management Plan (SDMP). Clevite manufactured nuclear fuel for the Atomic Energy Commission (AEC), including high-enriched uranium fuel for the U.S. Navy and AEC research reactors, as well as thorium products. The AEC issued several licenses to Clevite in the late 1950s. Licensed activities at the site ceased in 1962.

NRC surveys conducted in 1993 showed uranium contamination at several locations in the facility. Gould, Electronics, Inc. (formerly Gould, Inc.), which merged with the Clevite Corporation in 1969, accepted responsibility for remediation of the site. Gould, Electronics, Inc. began the remediation process in 1993 and completed remediation in May 1998. Based on: (1) remedial actions taken by Gould, Electronics, Inc. and documented in the Final Status Survey Report, and (2) the results of NRC's confirmatory surveys, NRC concludes that the facility has been adequately remediated and is suitable for unrestricted use. Removal from the SDMP will be reopened only if additional contamination, or noncompliance with remediation commitments is found indicating a significant threat to public health and safety.

For further information, contact John Buckley, Office of Nuclear Material Safety and Safeguards, Washington, DC 20555, telephone: (301) 415–6607.

Dated at Rockville, Maryland, this day of September, 1998.

For the Nuclear Regulatory Commission

John W. N. Hickey,

Chief, LLW and Projects Decommissioning Projects Branch, Division of Waste Management, Office of Nuclear Materials Safety and Safeguards.

[FR Doc. 98–25178 Filed 9–18–98; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23435; 812–11300]

Crabbe Huson Funds, et al.; Notice of Application

September 14, 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.

SUMMARY OF APPLICATION: The requested order would permit the implementation, without prior shareholder approval, of new investment advisory agreements (''New Agreements'') for a period of up to 120 days following the later of the date of the acquisition of the assets of The Crabbe Huson Group, Inc. (the ''Advisor'') by LFC Acquisition Corp. (the ''New Advisor'') or the date on which the requested order is issued (but in no event later than February 28, 1999) (the ''Interim Period''). The order also would permit the New Advisor to receive all fees earned under the New Agreements during the Interim Period following shareholder approval.

APPLICANTS: Crabbe Huson Funds (the ''Trust''), The Crabbe Huson Special Fund, Inc. (the ''Special Fund''), Advisor, and New Advisor.

FILING DATES: The application was filed on September 11, 1998.

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 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 October 8, 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: Mr. Charlie Davidson, c/o The Crabbe Huson Group, 121 S.W. Morrison, Suite 1425, Portland, OR 92704, and Ms. Lindsay Cook, c/o Liberty Financial Companies, Inc., 600 Atlantic Ave., Boston, MA 02210.

FOR FURTHER INFORMATION CONTACT: John K. Forst, Attorney Advisor, at (202) 942–0569, or Mary Kay Frech, Branch Chief, at (202) 942–0564 (Office of Investment Company Regulation, Division of Investment Management).

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, N.W., Washington, D.C. 20549 (tel. 202–942–8090).

Applicants' Representations

1. The Trust, a Delaware business trust, and the Special Fund, an Oregon corporation, are registered under the Act as open-end management investment companies. The Trust currently offers eight portfolios [1] and the Special Fund constitutes a single portfolio (each portfolio and the Special Fund are a ''Fund''). The Advisor, an investment adviser registered under the Investment Advisers Act of 1940 (the ''Advisers Act''), serves as investment adviser for the Funds pursuant to existing investment advisory agreements (the ''Existing Agreements''). The New Advisor is a subsidiary of Liberty Financial Companies, Inc. (''Liberty''). The New Advisor will be registered as an investment adviser under the Advisers Act by the closing date of the Acquisition, as defined below, and will serve as investment adviser for the Funds pursuant to new investment advisory agreements (the ''New Agreements'').

2. On June 10, 1998, the Advisor, the New Advisor, Liberty, and certain shareholders of the Advisor entered into an agreement under which the New Advisor will purchase substantially all of the assets of the Advisor (the ''Acquisition''). Applicants state that the Acquisition may be deemed to result in an indirect transfer of the Existing Agreements to the New Advisor. Applicants expect closing of the Acquisition (the ''Closing Date'') to occur on September 30, 1998.

3. Applicants believe that the Acquisition will result in an assignment

[1] The Trust is comprised of six portfolios for purposes of this application: Crabbe Huson Income Fund, Crabbe Huson Asset Allocation Fund, Crabbe Huson Small Cap Fund, Crabbe Huson Equity Fund, Crabbe Huson Oregon Tax-Free Fund and Crabbe Huson Real Estate Investment Fund.

and thus the automatic termination of the Existing Agreements. Applicants request an exemption to permit (i) the implementation during the Interim Period, prior to obtaining shareholder approval, of the New Agreements, and (ii) the New Advisor to receive from each Fund, upon approval of that Fund's shareholders of the relevant New Agreement, any and all fees earned (plus interest thereon) under the New Agreement during the applicable Interim Period. The requested exemption would cover the Interim Period of not more than 120 days which would begin on the later of the Closing Date or the date on which the requested order is issued and will continue through the date on which the applicable New Agreement is approved or disapproved by the shareholders of each Fund, but in no event later than February 28, 1999.[2] Applicants represent that each New Agreement will have substantially the same terms and conditions as the respective Existing Agreement, except in each case for the effective date, termination date, and escrow provisions. Applicants state that the Funds should receive, during the Interim Period, the same advisory services, provided in the same manner and at the same fee levels, by substantially the same personnel, as they received prior to the Acquisition.

4. On July 17, 1998, the board of trustees of the Trust and the board of directors of Special Fund (collectively, the ''Boards''), including a majority of the members who are not ''interested persons,'' as that term is defined in section 2(a)(19) of the Act (the ''Independent Board Members''), voted in accordance with section 15(c) of the Act to approve the New Agreements and to submit the New Agreements to the shareholders of each of the Funds at a meeting to be held on September 30, 1998 (the ''Meeting''). Applicants state that proxy materials were mailed to the Funds' shareholders on or about August 18, 1998.

5. Applicants propose to enter into an escrow arrangement with an unaffiliated financial institution. The fees payable to the New Advisor during the Interim Period under the New Agreements will be paid into an interest-bearing escrow account maintained by the escrow agent. The escrow agent will release the amounts held in the escrow account (including any interest earned): (a) To the New Advisor only upon approval of the relevant New Agreement by the shareholders of the relevant Fund; or (b) to the relevant Fund if the Interim Period has ended and its New Agreement has not received the requisite shareholder approval. Before any such release is made, the Independent Board Members will be notified.

Applicants' Legal Analysis

1. Section 15(a) of the Act provides, in pertinent part, that it is unlawful for any person to serve as an investment adviser to a registered investment company, except pursuant to a written contract that has been approved by the vote of a majority of the outstanding voting securities of the investment company. Section 15(a) further requires the written contract to provide for its automatic termination in the event of its ''assignment.'' Section 2(a)(4) of the Act defines ''assignment'' to include any direct or indirect transfer of a contract by the assignor.

2. Applicants state that, following the Acquisition, the New Advisor will own substantially all of the assets of the Advisor. Applicants believe, therefore, that the Acquisition will result in an assignment of the Existing Agreements, and that the Existing Agreements will terminate according to their terms.

3. Rule 15a–4 provides, in pertinent part, that if an investment advisory contract with a registered investment company is terminated by an assignment, the adviser may continue to serve for 120 days under a written contract that has not been approved by the company's shareholders, provided that: (a) the new contract is approved by that company's board of directors (including a majority of the non-interested directors); (b) the compensation to be paid under the new contract does not exceed the compensation that would have been paid under the contract most recently approved by the company's shareholders; and (c) neither the adviser nor any controlling person of the adviser ''directly or indirectly receives money or other benefit'' in connection with the assignment. Applicants state that the Advisor may be deemed to receive a benefit in connection with the Acquisition, thus applicants may not be entitled to rely on rule 15a–4.

4. Section 6(c) 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. Applicants believe that the requested relief meets this standard.

5. Applicants note that the terms and timing of the Acquisition were determined by Liberty and the Advisor in response to a number of factors beyond the scope of the Act and unrelated to the Funds. Applicants believe that allowing the New Advisor to provide investment advisory services to the Funds during the Interim Period, thereby avoiding any interruption in services to the Funds, is in the best interests of the Funds and their shareholders and is in keeping with the spirit of the provisions of rule 15a–4 and with the purposes of section 15 of the Act.

6. Applications submit that the scope and quality of services provided to the Funds during the Interim Period will not be diminished. During the Interim Period, the New Advisor would operate under the New Agreements, which would be substantially the same as the Existing Agreements, except for their effective dates, termination dates, and escrow provisions. The Advisor and New Advisor have advised the Boards that they are not aware of any material changes in the personnel who will provide investment management services during the Interim Period. Accordingly, the Funds should receive, during the Interim Period, the same advisory services, provided in the same manner, at the same fee levels, and by substantially the same personnel as they received before the Acquisition.

Applicants' Conditions

Applicants agree as conditions to the issuance of the exemptive order requested by the application that:

1. Each New Agreement will have substantially the same terms and conditions as the respective Existing Agreement, except for the effective date, termination date, and escrow provisions.

2. Advisory fees earned by the New Advisor during the Interim Period will be maintained in an interest-bearing escrow account, and amounts in the account (including interest earned on such amounts) will be paid (a) to the New Advisor, in accordance with the relevant New Agreement, after the requisite shareholder approval is obtained, or (b) to the relevant Fund, in the absence of such approval with respect to such Fund.

[2] If the Closing Date of the Acquisition precedes the issuance of the order, the New Advisor will serve as investment adviser after the Closing Date and prior to the issuance of the order in a manner consistent with its fiduciary duty to provide investment advisory services to the Funds even though approval of the New Agreements has not yet been secured from the Fund's respective shareholders. Applicants submit that in such event the New Advisor will be entitled to receive from the Funds, with respect to the period from the Closing Date until the receipt of the order, no more than the actual out-of-pocket cost to the New Advisor for providing investment advisory services to the Funds.

3. Each of the Funds will hold a meeting of shareholders to vote on approval of the New Agreements for the Funds on September 30, 1998, or within the 120 day period following the commencement of the Interim Period (but in no event later than February 28, 1999).

4. Liberty and the Advisor will bear the costs of preparing and filing the application, and Liberty will bear any costs relating to the solicitation of shareholder approval necessitated by the Acquisition.

5. The New Advisor will take all appropriate actions to ensure that the scope and quality of advisory and other services provided to the Funds during the interim Period will be at least equivalent, in the judgment of the Boards, including a majority of the Independent Board Members, to the scope and quality of services previously provided. In the event of any material change in personnel providing services pursuant to the New Agreements caused by the Acquisition, the New Advisor will apprise and consult with the Boards to assure that the Boards, including a majority of the Independent Board Members, 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.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–25132 Filed 9–18–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23437; 812–10744]

Z-Seven Fund, Inc.; Notice of Application

September 15, 1998.

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

ACTION: Notice of application under section 23(c)(3) of the Investment Company Act of 1940 (the ''Act'') for an exemption from section 23(c) of the Act.

SUMMARY OF THE APPLICATION: The requested order would permit the Z-Seven Fund, Inc. (the ''Company'') to repurchase 698,210 of its common shares from Agape Co., S.A. (''Agape'') in exchange for cash.

FILING DATES: The application was filed on August 7, 1997, and amended on September 14, 1998.

HEARING OF NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on October 8, 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 Commission's Secretary.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicant, 1819 South Dobson Road, Suite 109, Mesa, Arizona 85202–5656.

FOR FURTHER INFORMATION CONTACT: Kathleen L. Knisely, Staff Attorney, at (202) 942–0517, 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 at the Commission's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549 (tel. 202–942–8090).

Applicant's Representations

1. The Company, a Maryland corporation, is registered under the Act as a closed-end management investment company. The Company has one class of common shares which are traded on The NASDAQ Stock Market and the Pacific Exchange.

2. Agape, a Panamanian corporation, owns approximately 27% or 698,210 of the Company's issued and outstanding shares (''Shares''). Agape purchased the Shares in December 1992 pursuant to a purchase agreement (''Purchase Agreement'') between Agape and the Company. The Purchase Agreement gave Agape the right, after the first anniversary of Agape's purchase, to require the Company to register, at the Company's expense, the Shares for resale to the public (''Registration Rights''). On November 27, 1996, Agape informed the Company of its desire to liquidate its interest in the Company and requested that the Company consider a repurchase of the Shares at their net asset value (''NAV'') in exchange for Agape waiving its Registration Rights.

3. At special meetings of the board of directors of the Company (''Board'') on January 8, 1997, June 5, 1997, and July 29, 1998, the Board discussed the advantages and disadvantages associated with: (a) the sale of the Shares with a help of a broker/dealer; (b) the repurchase by the Company of the Shares at a negotiated price (''Repurchase''); and (c) the registration of the Shares for sale in brokerage or other open market transactions. The Board considered, among other things, the likely effect of each alternative on: (a) the market price of the Company's common shares; (b) Company's expense ratio; (c) the trading market for the Company's common shares; (d) the Company's total assets; and (e) the Company's expenses. The Board also considered the amount of time it would take to sell the Shares.

4. The Board approved the Repurchase on the following terms: (a) the Repurchase would be effected in four different transactions over a period of eighteen months; (b) the purchase price for the Shares would be one-half of one percent below the NAV of the Shares as determined at the time of each Repurchase transaction, provided that no Repurchase transaction would occur unless the Company's shares are trading at or above NAV; and (c) Agape and the Company would issue joint press releases announcing each Repurchase transaction.

5. The first Repurchase transaction will be for 200,000 shares and will occur two months after the order requested in the application is granted. The three subsequent Repurchase transaction will be for 150,000 shares, 150,000 shares, and 198,210 shares, respectively, and will occur at six-month intervals thereafter. The specific timing of each Repurchase transaction will be determined by the Company, provided the shares are trading at or above NAV. If a Repurchase transaction cannot be completed because the shares are trading at a discount from NAV, the Repurchase period will be extended and the Repurchase will be completed as soon as the discount disappears.[1]

6. The Company intends to raise cash for the Repurchase through the orderly liquidation of its portfolio securities as is necessary as of the time of each Repurchase transaction. The Company

[1] The Company has disclosed to shareholders, in its most recent annual report, that it was seeking an order from the Commission to repurchase the Shares from Agape over an 18-month period following receipt of the order, at a price of one-half of one percent below NAV at the time of each Repurchase transaction.