

the reclamation of the Shirley Basin site, and has determined that the requested amendment of Source Material License SUA-442, authorizing implementation of the reclamation plan, will not have long-term detrimental impacts on the environment. The following statements summarize the conclusions resulting from the staff's environmental assessment, and support the FONSI:

(1) An acceptable environmental and effluent monitoring program is in place to monitor effluent releases and to detect if applicable regulatory limits are exceeded. Radiological effluents from facility operations have been and are expected to remain below the regulatory limits;

(2) Present and potential risks of environmental damage from the proposed reclamation were assessed. Given the remote location, limited activities requested, small area of impact, and past activities on the site, the staff determined that the risk factors for environmental hazards are insignificant.

Because the staff has determined that there will be no significant impacts associated with approval of the license amendment, there can be no disproportionately high and adverse effects or impacts on minority and low-income populations. Consequently, further evaluation of Environmental Justice concerns, as outlined in Executive Order 12898 and NRC's Office of Nuclear Material Safety and Safeguards Policy and Procedures Letter 1-50, Revision 1, is not warranted.

Alternatives to the Proposed Action

The proposed action is to amend NRC Source Material License SUA-442, for reclamation of the Shirley Basin site, as requested by PMC. Therefore, the principal alternatives available to NRC are to:

(1) Approve the license amendment request as submitted; or

(2) Amend the license with such additional conditions as are considered necessary or appropriate to protect public health and safety and the environment; or

(3) Deny the amendment request.

Based on its review, the NRC staff has concluded that the environmental impacts associated with the proposed action do not warrant either the limiting of PMC's future operations or the denial of the license amendment. Additionally, in the TER for this action, the staff will document its evaluation of the licensee's proposed action with respect to the criteria for reclamation, specified in 10 CFR Part 40, Appendix A. Therefore, the staff considers that

Alternative 1 is the appropriate alternative for selection.

Finding of No Significant Impact

The NRC staff has prepared an EA for the proposed amendment of Source Material License SUA-442. On the basis of this assessment, the NRC staff has concluded that the environmental impacts that may result from the proposed action would not be significant, and therefore, preparation of an Environmental Impact Statement is not warranted.

The EA and other documents related to this proposed action are available for public inspection and copying at the NRC Public Document Room, in the Gelman Building, 2120 L Street N.W., Washington, DC 20555.

Notice of Opportunity for Hearing

The NRC hereby provides notice that this is a proceeding on an application for a licensing action falling within the scope of Subpart L, "Informal Hearing Procedures for Adjudications in Materials and Operators Licensing Proceedings," of the Commission's Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders in 10 CFR Part 2 (54 FR 8269). Pursuant to § 2.1205(a), any person whose interest may be affected by this proceeding may file a request for a hearing. In accordance with § 2.1205(c), a request for a hearing must be filed within thirty (30) days from the date of publication of this **Federal Register** notice. The request for a hearing must be filed with the Office of the Secretary either:

(1) By delivery to the Rulemakings and Adjudications Staff of the Office of the Secretary at One White Flint North, 11555 Rockville Pike, Rockville, MD 20852; or

(2) By mail or telegram addressed to the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Attention: Rulemakings and Adjudications Staff.

Each request for a hearing must also be served, by delivering it personally or by mail to:

(1) The applicant, Pathfinder Mines Corporation, 935 Pendell Boulevard, P.O. Box 730, Mills, Wyoming 82644, Attention: Tom Hardgrove; and

(2) The NRC staff, by delivery to the Executive Director of Operations, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852, or by mail addressed to the Executive Director for Operations, U.S. Nuclear Regulatory Commission, Washington, DC 20555.

In addition to meeting other applicable requirements of 10 CFR Part 2 of the Commission's regulations, a request for a hearing filed by a person

other than an applicant must describe in detail:

(1) The interest of the requestor in the proceeding;

(2) How that interest may be affected by the results of the proceeding, including the reasons why the requestor should be permitted a hearing, with particular reference to the factors set out in § 2.1205(g);

(3) The requestor's areas of concern about the licensing activity that is the subject matter of the proceeding; and

(4) The circumstances establishing that the request for a hearing is timely in accordance with § 2.1205(c).

The request must also set forth the specific aspect or aspects of the subject matter of the proceeding as to which petitioner wishes a hearing.

FOR FURTHER INFORMATION CONTACT:

Mohammad Haque, Uranium Recovery Branch, Division of Waste Management, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Mail Stop T7-J9, Washington, D.C. 20555. Telephone 301/415-6640.

Dated at Rockville, Maryland, this 16th day of November 1998.

For the Nuclear Regulatory Commission.

Joseph J. Holonich,

Chief, Uranium Recovery Branch, Division of Waste Management, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 98-31217 Filed 11-20-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-23538; File No. 812-11310]

DG Investor Series, et al.; Notice of Application

November 16, 1998.

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

ACTION: Notice of application for an order under Section 17(b) of the Investment Company Act of 1940 (the "Act") for an exemption from Section 17(a) of the Act.

SUMMARY OF APPLICATION: Applicants, DG Investor Series ("DG Series") and The Infinity Mutual Funds, Inc. ("Infinity Funds"), request an order to permit certain series of Infinity Funds to acquire all of the assets and liabilities of certain series of DG Series. Because of certain affiliations, applicants may not rely on Rule 17a-8 under the Act.

FILING DATES: The application was filed on September 18, 1998. Applicants have 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 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 December 10, 1998, and should be accompanied by proof of service on Applicants, in the form of an affidavit or, for lawyers, a certification 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: DG Series, 5800 Corporate Drive, Pittsburgh, PA 15237-7071; Infinity Funds, 3435 Stelzer Road, Columbus, OH 43219-3035.

FOR FURTHER INFORMATION CONTACT: Deepak Pai, Senior Counsel, at (202) 942-0574, or Edward Macdonald, 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 SEC's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549 (tel. no. 202-942-9080).

Applicants' Representations

1. DG Series is a Massachusetts business trust registered under the Act as an open-end management investment company and composed of nine separate series, two of which are seeking the requested relief: the DG Limited Term Government Income Fund and the DG Treasury Money Market Fund (the "Acquired Funds").

2. Infinity Funds is a Maryland corporation registered under the Act as an open-end management investment company and composed of twenty separate series, two of which are seeking the requested relief: the ISG Limited Duration U.S. Government Portfolio and the ISG U.S. Treasury Money Market Portfolio (the "Acquiring Funds"). The Acquired Funds and Acquiring Funds are collectively referred to as "Funds".

3. First American National Bank ("FANB"), a national banking association and a subsidiary of First American Corporation, serves as the investment adviser to the Acquiring

Funds. FANB is not required to register under the Investment Advisers Act of 1940 (the "Advisers Act"). ParkSouth Corporation ("ParkSouth"), an indirect subsidiary of First American Corporation, serves as the investment adviser to the Acquired Funds. ParkSouth is registered under the Advisers Act. FANB, as a fiduciary for its customers, owns of record more than 25% of the outstanding voting securities of each of the Funds.

4. On May 14, 1998, and September 18, 1998, the boards of directors or trustees of the Funds (the "Boards"), including a majority of the directors or trustees who are not "interested persons" under section 2(a)(19) of the Act ("Independent Board Members"), approved for each Fund a plan of reorganization (the "Plans"). Under the Plans, ISG Limited Duration U.S. Government Portfolio and ISG U.S. Treasury Money Market Portfolio will acquire the assets, and assume the liabilities, of DG Limited Term Government Income Fund and DG Treasury Money Market Fund, respectively, in exchange for shares of the Acquiring Funds (the "Reorganization"). As a result of the Reorganization, each Acquired Fund will receive Acquiring Fund shares having an aggregate net asset value ("NAV") equal to the aggregate NAV of the corresponding Acquired Fund's shares held by that shareholder calculated as of the close of business immediately prior to the date on which the Reorganization will occur. Applicants expect that the Reorganization will occur on or about December 11, 1998 (the "Closing Date").

5. Each Acquired Fund has one class of shares. ISG Limited Duration U.S. Government Portfolio has three classes of shares: Classes A, B, and Trust Shares. ISG U.S. Treasury Money Market Portfolio has two classes of shares: Classes A and Trust Shares. Acquired Funds' shareholders generally will receive Class A shares of the Acquiring Funds. Trust Shares will be issued to Acquired Funds' shareholders who are eligible to purchase Trust Shares. Class B shares will not be exchanged in the Reorganization.

6. Class A shares of ISG Limited Duration U.S. Government Portfolio are subject to a front-end sales charge, a contingent deferred sales charge ("CDSC"), and an asset-based distribution fee. Shares of DG Limited Term Government Income Fund are subject to a front-end sales load. Trust Shares are not subject to any front-end sales charge or CDSC. Each Acquired Fund has adopted an asset-based distribution plan. Class A shares of the

ISG U.S. Treasury Money Market Portfolio and Trust Shares of the Acquiring Funds are not subject to an asset-based distribution fee. Shares of the Acquired Funds and Class A shares and Trust Shares of the Acquiring Funds are subject to a service fee.

7. The Board of each Fund, including a majority of the Independent Board Members, approved the Reorganization as in the best interests of the shareholders and determined that the interests of existing shareholders will not be diluted as a result of the Reorganization. The Boards considered, among other things, (1) the compatibility of the Funds' investment objectives and policies; (2) the shareholder services offered by the Funds; (3) the terms and conditions of the Reorganization; (4) expense ratios, fees and expenses of the Funds; and (5) the tax-free nature of the Reorganization. No sales charge will be imposed in connection with the Reorganization. FANB will pay the expenses of the Reorganization.

8. The Plans may be terminated by the Board of DG Series or Infinity Funds if circumstances should develop that in the opinion of the Board makes proceeding with the Reorganization inadvisable or if any condition precedent to the terminating party's obligations has not been met and it appears that such condition precedent will not or cannot be met.

9. A registration statement on Form N-14 containing the preliminary combined prospectus/proxy statement for the Reorganization was filed with the SEC on September 18, 1998. A final prospectus/proxy was mailed to shareholders of the Acquired Funds on October 28, 1998. A special meeting of the Acquired Funds' shareholders will be held on or about December 11, 1998, to approve the Reorganization.

10. The consummation of the Reorganization under the Plans is subject to a number of conditions precedent, including: (1) The Plans have been approved by the Acquired Funds' shareholders in the manner required by applicable law; (2) on the Closing Date, no action, suit or other proceeding is pending before any court or governmental agency in connection with the Reorganization; (3) the Funds have received an opinion of counsel stating, among other thing, that the Reorganization will not result in federal income taxes for the Funds or their shareholders; (4) the Funds have received from the SEC an order exempting the Reorganization from the provisions of section 17(a) of the Act; and (5) the registration statement on Form N-14 has been declared effective.

Applicants agree not to make any material changes to the Plans that affect the application without prior SEC approval.

Applicants' Legal Analysis

1. Section 17(a) of the Act provides that it is unlawful for any affiliated person of a registered investment company, or any affiliated person of such a person, acting as principal, knowingly to sell any security to, or purchase any security from the company. Section 2(a)(3) of the Act defines the term "affiliated person" of another person to include: (a) any person directly or indirectly owning, controlling, or holding with the power to vote, 5% or more of the outstanding voting securities of the other person; (b) any person 5% or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the other person; (c) any person directly or indirectly controlling, controlled by, or under common control with, the other person; and (d) if the other person is an investment company, any investment adviser of the person.

2. Rule 17a-8 under the Act exempts from the prohibitions of section 17(a) of the Act mergers, consolidations, or purchases or sales of substantially all of the assets of registered investment companies that are affiliated persons solely by reason of having a common investment adviser, common directors, and/or common officers, provided that certain conditions are satisfied.

3. Applicants state that they cannot rely on rule 17a-8 under the Act because the Funds may be affiliated for reasons other than those set forth in the rule. The Funds may be affiliated persons of each other because FANB, as fiduciary for its customers, owns of record 25% or more of the outstanding securities of each Fund.

4. Section 17(b) of the Act provides that the SEC may exempt a transaction from section 17(a) of the Act if evidence establishes that (a) the terms of the proposed transaction including the consideration to be paid, are reasonable and fair and do not involve overreaching on the part of any person concerned; (b) the proposed transactions is consistent with the policy of each registered investment company concerned, and (c) the proposed transaction is consistent with the general purposes of Act.

5. Applicants request an order under section 17(b) of the Act exempting them from section 17(a) of the Act to the extent necessary to consummate the Reorganization. Applicants submit that the Reorganization satisfies the

provisions in section 17(b) of the Act. Applicants state that the Boards have determined that the Reorganization is in the best interests of each Fund's shareholders and that the interests of the existing shareholders will not be diluted as a result of the Reorganization. In addition, applicants state that the exchange of the Acquired Funds' shares for the Acquiring Funds' shares will be based on the relative NAVs.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-31229 Filed 11-20-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23537; 812-11320]

Kemper Global/International Series, Inc., et al.; Notice of Application

November 17, 1998.

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

ACTION: Notice of an application under sections 6(c) and 17(b) of the Investment Company Act of 1940 (the "Act") for an exemption from section 17(a) of the Act.

SUMMARY OF APPLICATION: Kemper Global/International Series, Inc. (the "Company") and Scudder Kemper Investments, Inc. (the "Adviser") seek an order to permit in-kind redemptions of shares of The Growth Fund of Spain (the "Fund"), a portfolio of the Company, by certain affiliated shareholders of the Fund.

APPLICANTS: Company and Adviser.

FILING DATES: The application was filed on September 23, 1998 and amended on November 12, 1998.

HEARING OR 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 applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on December 10, 1998, and should be accompanied by proof of service on the 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 Commission's Secretary.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, c/o William J. Kotapish, Esq., Dechert Price & Rhoads, 1775 Eye Street, N.W., Washington, D.C. 20006-2401.

FOR FURTHER INFORMATION CONTACT: Emerson S. Davis, Sr., Senior Counsel, at (202) 942-0714, or George J. Kornada, 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, N.W., Washington, D.C. 20549 (telephone (202) 942-8090).

Applicants' Representations

1. The Company, a Maryland corporation, is registered under the Act as an open-end management investment company and operates as a series company. The Fund will be established as a new series of the Company and will be a successor to The Growth Fund of Spain, Inc., a closed-end management investment company that will convert to an open-end management investment company and reorganize as the Fund. The reorganization is expected to occur on December 11, 1998. The Fund will invest primarily in equity securities of Spanish issuers. The Adviser is registered under the Investment Advisers Act of 1940 and serves as investment adviser to the Fund.

2. Applicants state that four shareholders are expected to own 5% or more of the outstanding shares of the Fund.¹ Applicants request relief to permit the Fund to satisfy redemption requests made by any shareholders of the Fund who, at the time of such redemption requests, are "affiliated persons" of the Fund solely by reason of owning, controlling, or holding with the power to vote, five percent or more of the Fund's shares ("Affiliated Shareholders") by distributing portfolio securities in-kind. The relief sought would not extend to shareholders who are "affiliated persons" of the Fund within the meaning of sections 2(a)(3)(B) through (F) of the Act.

3. The Fund's prospectus and statement of additional information provide that, in limited circumstances, the Fund may satisfy all or part of a redemption request by distribution in-

¹ These shareholders are: Bankgesellschaft Berlin AG (11.30%), Cargill Financial Markets PLC (9.34%), FMR Corporation (5.31%), and Stichting Azko Pensioenfond (5.5%).