RAILROAD RETIREMENT BOARD

Agency Forms Submitted for OMB Review

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Railroad Retirement Board (RRB) has submitted the following proposal(s) for the collection of information to the Office of Management and Budget for review and approval.

Summary of Proposal(s)

(1) *Collection title:* Application and Claim for Sickness Benefits.

(2) *Form(s) submitted:* SI–1a, SI–1b, SI–3, SI–7, SI–8, ID–7H, ID–11A.

(3) *OMB Number:* 3220–0039.

(4) *Expiration date of current OMB clearance:* 4/30/1998.

(5) *Type of request:* Revision of a currently approved collection.

(6) *Respondents:* Individuals or households, business or other for profit.

(7) *Estimated annual number of respondents:* 55,400.

(8) *Total annual responses:* 270,900.

(9) *Total annual reporting hours:* 27,921.

(10) *Collection description:* Under Section 2 of the Railroad Unemployment Insurance Act, sickness benefits are provided for qualified railroad employees. The collection obtains information from employees and physicians needed for determining eligibility for and amount of such benefits.

ADDITIONAL INFORMATION OR COMMENTS: Copies of the forms and supporting documents can be obtained from Chuck Mierzwa, the agency clearance officer (312–751–3363). Comments regarding the information collection should be addressed to Ronald J. Hodapp, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois 60611–2092 and the OMB reviewer, Laura Oliven (202–395–7316), Office of Management and Budget, Room 10230, New Executive Office Building, Washington, D.C. 20503.

Chuck Mierzwa,

Clearance Officer.

[FR Doc. 98–4942 Filed 2–25–98; 8:45 am]

BILLING CODE 7905–01–M

RAILROAD RETIREMENT BOARD

Determination of Quarterly Rate of Excise Tax for Railroad Retirement Supplemental Annuity Program

In accordance with directions in Section 3221(c) of the Railroad Retirement Tax Act (26 U.S.C., Section 3221(c)), the Railroad Retirement Board has determined that the excise tax imposed by such Section 3221(c) on every employer, with respect to having individuals in his employ, for each work-hour for which compensation is paid by such employer for services rendered to him during the quarter beginning April 1, 1998, shall be at the rate of 35 cents.

In accordance with directions in Section 15(a) of the Railroad Retirement Act of 1974, the Railroad Retirement Board has determined that for the quarter beginning April 1, 1998, 30.3 percent of the taxes collected under Sections 3211(b) and 3221(c) of the Railroad Retirement Tax Act shall be credited to the Railroad Retirement Account and 69.7 percent of the taxes collected under such Sections 3211(b) and 3221(c) plus 100 percent of the taxes collected under Section 3221(d) of the Railroad Retirement Tax Act shall be credited to the Railroad Retirement Supplemental Account.

Dated: February 19, 1998.

By Authority of the Board.

Beatrice Ezerski,

Secretary to the Board.

[FR Doc. 98–4931 Filed 2–25–98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Rel. No. 23033; 812–10748]

Franklin Floating Rate Trust, et al.; Notice of Application

February 20, 1998.

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

ACTION: Notice of application for exemption under sections 6(c) and 23(c) of the Investment Company Act of 1940 (the ''Act'').

SUMMARY OF APPLICATION: Applicants seek an order to permit certain registered closed-end investment companies to impose early withdrawal charges (''EWCs'').

APPLICANTS: Franklin Floating Rate Trust (the ''Fund''), Franklin Advisers, Inc. (the ''Adviser''), Franklin/Templeton Distributors, Inc. (the ''Distributor''), and Franklin/Templeton Investor Services, Inc. (the ''Administrator'').

FILING DATES: The application was filed on August 6, 1997. Applicants have agreed to file an amendment, the substance of which is incorporated 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 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 March 16, 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 reasons 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 5th Street, N.W., Washington, D.C. 20549. Applicants, 777 Mariners Island Boulevard, San Mateo, CA 94404.

FOR FURTHER INFORMATION CONTACT: Elaine M. Boggs, Senior Attorney, at (202) 942–0572, or Christine Y. Greenlees, 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 is available for a fee at the SEC's Public Reference Branch, 450 5th Street, N.W., Washington, D.C. 20549 (telephone (202) 942–8090).

Applicants' Representations

1. The Fund is a closed-end management investment company registered under the Act. The Fund invests primarily in senior secured corporate loans and senior secured debt securities that are made or issued by U.S. companies and U.S. subsidiaries of non-U.S. companies and that have floating or variable interest rates. The Adviser, registered under the Investment Advisers Act of 1940, serves as investment adviser for the Fund. The Distributor serves as distributor to the Fund and the Administrator serves as the Fund's administrator. The Adviser, Distributor, and Administrator are wholly-owned subsidiaries of Franklin Resources, Inc.

2. Applicants request that the order apply to any registered closed-end investment company for which the Adviser, the Distributor, the Administrator, or any entity controlling, controlled by, or under common control with the Adviser, the Distributor, or the Administrator acts as principal underwriter, investment adviser, or administrator (collectively with the Fund, the ''Funds''), provided that any

Fund that in the future relies on the order will do so in a manner consistent with the terms and conditions of the application.

3. The Funds intend to continuously offer their shares to the public at net asset value. Initially, the Fund will be sold without a front-end sales charge, but the Fund and certain other Funds may be in the future impose a front-end sales charge. The Funds do not intend to list their shares on any national securities exchange or over-the-counter market and there will be no secondary market for shares of the Funds. The Funds intend to operate as ''interval funds'' pursuant to rule 23c–3 under the Act and make periodic repurchase offers to their shareholders.

4. The Funds propose to impose EWCs on shares accepted for repurchase that have been held for less than a certain period of time. The EWCs will be paid to the Distributor to allow it to recover a portion of its distribution expenses. The EWC to be imposed by the Fund is expected to be 1% of the lesser of the then current net asset value or the original purchase price of the shares being tendered for shares held less than twelve months. The Funds may in the future impose EWCs in different amounts or for different time periods.

5. In the future, the Funds may pay service fees that will meet the requirements of Rule 2830(d) of the Conduct Rules of the National Association of Securities Dealers, Inc. (the ''NASD'') as if the Fund were an open-end fund.[1] Any service fee payments will be in amounts not to exceed .25% of a Fund's average daily net assets for any fiscal year. Any front-end sales charge imposed by a Fund also will comply with the NASD's Conduct Rule 2830(d) as if the Fund were an open-end fund.

6. The Funds propose to waive the EWC for certain categories of shareholders or transactions to be established in the future. With respect to any waiver of, scheduled variation in, or elimination of the EWC, the Funds will comply with rule 22d–1 under the Act as if the Funds were open-end funds.[2]

[1] The Funds will not impose any distribution fees similar to those charged by open-end funds under rule 12b–1 under the Act.

[2] The Funds may offer their shareholders an option to exchange their shares for shares of registered open-end investment companies in the Franklin/Templeton group of investment companies (as defined in rule 11a–3 under the Act). Any such exchange option will comply with rule 11a–3 as if the Funds were open-end investment companies subject to the rule. In complying with rule 11a–3, the Funds will treat the EWC as if it were a contingent deferred sales charge.

Applicants' Legal Analysis

1. Section 23(c) of the Act provides in relevant part that no registered closed-end fund will purchase any securities of which it is the issuer except: (a) On a securities exchange or other open market; (b) pursuant to tenders, after reasonable opportunity to submit tenders given to all holders of securities of the class to be purchased; or (c) under other circumstances as the SEC may permit by rules and regulations or orders for the protection of investors.

2. Rule 23c–3 under the Act permits a registered closed-end fund (an ''interval fund'') to make repurchase offers of between five and twenty-five percent of its outstanding shares at net asset value at periodic intervals pursuant to a fundamental policy of the fund. Rule 23c–3(b)(1) provides that an interval fund may deduct from repurchase proceeds only a repurchase fee, not to exceed two percent of the proceeds, that is reasonably intended to compensate the fund for expenses directly related to the repurchase. Applicants request relief from this provision pursuant to sections 69(c) and 23(c) to the extent that it would prohibit the imposition of an EWC on tendered shares that have been held for less than a specified period.

3. Rule 6c–10 under the Act permits open-end funds to impose deferred sales charges, subject to certain conditions. Applicants state that EWCs are functionally equivalent to contingent deferred sales charges (''CDSLs'') that open-end funds may charge under rule 6c–10. Applicants believe that EWCs are necessary for the Distributor to recover distribution costs from Fund shareholders who redeem early. The Funds will comply with rule 6c–10 as if the rule were applicable to them. The Funds also will disclose EWCs in accordance with the requirements of Form N–1A concerning CDSLs. Finally, as permitted under rule 6c–10, any waiver of EWCs will comply with the requirements of rule 22d–1 under the Act.

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 the 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 for the reasons stated above.

5. Section 23(c)(3) provides that the SEC may issue an order that would permit a closed-end investment company to repurchase its shares in circumstances in which the repurchase is made in a manner or on a basis which does not unfairly discriminate against any holders of the class or classes of securities to be purchased. Applicants believe that the requested relief meets this standard. Applicants state that the Funds will apply the EWC (and any waivers or scheduled variations of the EWC) uniformly to all shareholders in a given class and consistent with the requirements of rule 22d–1 under the Act.

Applicants' Conditions

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

1. The Funds that impose an EWC will comply with rule 6c–10 under the Act as if the rule were applicable to the Funds.

2. The Funds that impose a service fee will comply with Rule 2830(d) of the NASD's Conduct Rules as if the rule were applicable to the Funds.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–4917 Filed 2–25–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–23032; 812–10856]

Van Kampen American Capital Distributors, Inc., et al.; Notice of Application

February 20, 1998.

AGENCY: Securities and Exchange Commission (''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 26(a)(2)(D) of the Act.

SUMMARY OF APPLICATION: Applicants request an order that would permit certain unit investment trusts to deposit trust assets in the custody of foreign banks and securities depositories.

APPLICANTS: Van Kampen American Capital Distributors, Inc. (the ''Sponsor''), and Van Kampen American Capital Equity Opportunity Trust (the ''Trust'').

FILING DATES: The application was filed on November 3, 1997 and amended on February 18, 1998.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing.