investment company may purchase shares of a broker-dealer firm to reward it for selling shares of the investment company.

Applicants assert that their proposal does not raise this concern because units of the Trusts are sold almost exclusively by the Sponsors and the Trusts will not purchase shares of the Sponsors or other underwriters for the Trusts. The Sponsors estimate that, over the past year, both in the primary and secondary markets, over 99% of all unit sales for the Trusts were made by the Sponsors. Applicants also state that the balance of sales generally are made by a few regional brokerage firms as dealers, that these firms are not members of the underwriting group and that no special incentives are paid to these dealers to induce sales of Trust units.

5. Another concern underlying section 12(d)(3) was that an investment company may direct brokerage to a broker-dealer in which it has invested to enhance the broker-dealers' profitability or assist it during financial difficulty, although the broker-dealer may not offer the best price and execution. Applicants assert that their proposal does not raise this concern because, as a condition to the requested relief, the Trusts will not rely on the order to purchase securities of any issuer that executes portfolio transactions for the Trusts. Applicants also note that the Trusts, as unmanaged vehicles, do not engage in portfolio transactions with the same frequency or purpose as managed investment companies.

6. Section 12(d)(3) also was designed to prevent the practice of a broker-dealer giving advice to its customers regarding which investment company to invest in based on whether the investment company has invested in the broker-dealer; thus using the investment company's assets to boost the price of the broker-dealer's securities. Applicants assert that the concern about purchases by a Trust affecting the price of the issuer's securities is not present in the proposed arrangement because a Trust does not actively trade its portfolio securities.

Applicants' Conditions

Applicants agree that the order shall be subject to the following conditions:

1. The debt obligations and non-voting preferred stocks held by a Trust relying on the order will be rated investment grade by a nationally recognized statistical rating organization or be of comparable quality at the time of their initial deposit.

2. The common stocks held by a Trust relying on the order will be listed on a nationally or internationally recognized securities exchange or market at the time of their initial deposit.

3. No company whose securities constitute more than 5% of the total assets of the portfolio of a Trust relying on the order nor any affiliate thereof will act as broker for any purchase or sale of any portfolio security for any Trust relying on the order.

4. No Trust relying on the order will invest more than 5% of its total assets as of its initial date of deposit in the securities of any company that, to the knowledge of the Sponsors, has sold, or whose affiliate has sold, units of any other Trust within one year preceding such initial date of deposit.

5. No company whose securities constitute more than 5% of the total assets of the portfolio of a Trust relying on the order nor any affiliate thereof will, for a period of at least one year after the date of the last deposit into the Trust, act as an underwriter of the units of any other Trust or be permitted to acquire any such units directly from a Sponsor.

6. With respect to any securities acquired in reliance on the order, such securities will be acquired only in the secondary market and not as part of any offering by the issuers thereof.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–18842 Filed 7–14–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–23307; 812–11122]

EuroPacific Growth Fund, et al.; Notice of Application

July 9, 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 relief from section 2(a)(19) of the Act.

SUMMARY OF APPLICATION: Applicants request an order under section 6(c) of the Act declaring that a director on the boards of certain registered investment companies who also is an outside director for the parent company of a registered broker-dealer, will not be deemed an ''interested person'' of the registered investment companies.

APPLICANTS: EuroPacific Growth Fund (''EUPAC''), the New Economy Fund (''NEF''), New Perspective Fund, Inc. (''NPF''), SMALLCAP World Fund, Inc. (''SCWF''), The Investment Company of America (''ICA'') (collectively, the ''Fund''); Capital Research and Management Company (''Capital Research''); and American Funds Distributors, Inc. (''AFD'').

FILING DATES: The application was filed on April 29, 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 August 3, 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: 333 South Hope Street, Los Angeles, CA 90071–1447.

FOR FURTHER INFORMATION CONTACT: Mary T. Geffroy, Senior Counsel, at (202) 942–0553, 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 from the SEC's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549 (tel. (202) 942–8090).

Applicant's Representations

1. Each of the Funds is an open-end management investment company registered under the Act. EUPAC and NEF are Massachusetts business trusts. NPF and SCWF are Maryland corporations. ICA is a Delaware corporation.

2. Capital Research, an investment adviser registered under the Investment Advisers Act of 1940, serves as investment adviser to the Funds and certain other registered investment companies. The Funds and these investment companies, together with any future registered investment company advised by Capital Research, are referred to as the ''American Funds.'' AFD, a wholly-owned

subsidiary of Capital Research, is the principal underwriter of the Funds.

3. Each Fund has a board of directors (''Board''), a majority of whom are not ''interested persons'' within the meaning of section 2(a)(19) of the Act. ICA and NPF also have advisory boards, as defined in section 2(a)(1) of the Act, whose members consult with Capital Research and the Funds' Boards.

4. William H. Kling serves as a director of NEF, SCWF, NPF and EUPAC, and as an advisory board member of ICA. Mr. Kling's principal occupation is as President of Minnesota Public Radio. Mr. Kling also is a non-employee director of Irwin Financial Corporation (''Irwin Financial'').[1] Irwin Financial is a bank holding company that is primarily engaged in the mortgage banking business. One of Irwin Financial's indirect wholly-owned subsidiaries is Irwin Securities, a broker-dealer registered under the Securities Exchange Act of 1934 (the ''1934 Act''). Approximately 0.4% of Irwin Financial's net revenues comes from Irwin Securities.[2]

5. Irwin Securities is a small firm. It does not execute any portfolio transactions for the Funds. Irwin Securities provides *de minimis* distribution services to the Funds. The gross sales by Irwin Securities of Fund shares during the period 1991 through 1996 was approximately $3.55 million, or 0.003% of the total gross sales of Fund shares by all broker-dealers for the same period. The fees received by Irwin Securities from the sale of Fund shares for the past five years represented approximately 0.017% of Irwin Financial's total net revenues. The Funds have adopted plans pursuant to rule 12b–1 under the Act and make payments to their distributors, including Irwin Securities, pursuant to those plans.

[1] In 1996, Mr. Kling's aggregate compensation from Irwin Financial was approximately $16,000. As a non-employee director, Mr. Kling also participates in Irwin Financial's mandatory and non-mandatory stock options plans. In April 1997, Mr. Kling was granted 400 stock options, 100 of which are currently vested. The exercise price of the options is $23.375 per share. The market value of Irwin Financial's common stock as of the close of trading on February 26, 1998 was $47.25 per share. In addition, as of March 11, 1997, Mr. Kling beneficially owned 3,404 shares, or approximately 0.03%, of Irwin Financial's common stock, with market value on February 26, 1998 of approximately $160,839. The applicants represent that Mr. Kling's ownership of Irwin Financial's common stock is not material to Mr. Kling since it does not represent a material portion of his financial holdings generally.

[2] This figure is based on Irwin Financial's net revenues in 1996.

Applicants' Legal Analysis

1. Section 2(a)(19)(A)(v) of the Act defines an ''interested person'' of a registered investment company to include any broker-dealer registered under the 1934 Act or any affiliated person of the broker-dealer. Applicants state that Mr. Kling may be deemed an affiliated person of Irwin Securities by virtue of his position as a director of Irwin Financial, an entity that controls Irwin Securities within the meaning of section 2(a)(9) of the Act. Because Mr. Kling may be deemed an affiliated person of Irwin Securities, Mr. Kling currently is considered an interested person of the Funds.

2. Rule 2a19–1 under the Act provides, in relevant part, that a director of a registered investment company will not be considered an interested person solely because the director is an affiliated person of a registered broker-dealer, provided that: (1) the broker-dealer does not execute any portfolio transactions for the ''company complex,'' as that term is defined in the rule, engaged in any principal transactions with the company complex, or distribute shares of the company complex, for at least six months prior to the time the director is to be considered independent and for the period during which the director continues to be considered independent; (2) the company's board of directors finds that the company and its shareholders will not be adversely affected if the broker-dealer does not engage in transactions for or with the company complex; and (3) no more than a minority of the company's independent directors are affiliated with broker-dealers. Applicants state that they may not rely on rule 2a–19 in determining Mr. Kling's status because Irwin Securities provides *de minimis* services to the Funds.

3. Applicants believes that, because Mr. Kling's affiliation with Irwin Securities is solely the result of his position as a non-employee director of Irwin Financial, and because Irwin Securities provides only *de minimis* distribution services to the Funds, it would be more appropriate to treat Mr. Kling as an independent director. Applicants thus request an order under section 6(c) of the Act declaring that Mr. Kling will not be deemed an interested person under section 2(a)(19) of the Act.[3]

[3] Applicants are not requesting relief from the provisions of rule 12b–1(b)(2) that require a rule 12b–1 plan to be approved by the directors of an investment company ''who are not interested persons of the company and have no direct or indirect financial interest in the operation of the plan or in any agreements related to the plan.'' Applicants state that they intend to treat Mr. Kling as a director who meets these requirements, based on Mr. Kling's lack of material business or professional relationship with Irwin Financial and applicants' belief that Mr. Kling's ownership of Irwin Financial's common stock is not a material portion of Mr. Kling's financial holding generally. Applicants represent that, should Mr. Kling develop a direct or indirect financial interest in the operation of the American Funds' rule 12b–1 plans, he will no longer be treated as meeting the above requirements of rule 12b–1.

4. Section 6(c) of the Act provides, in part, that the Commission may exempt any person from any provision of the Act or any rule under the Act if and to the extent 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 contend that their request for relief from interested person status for Mr. Kling meets this standard because Mr. Kling's relationship with Irwin Securities is attenuated and poses no real or potential conflict of interest and because Irwin Securities' only business relationship with the Funds involves a *de minimis* amount of distribution services for the Funds.

5. Applicants state that, in his position as a non-employee director of Irwin Financial, Mr. Kling has no authority or responsibility for the operations of Irwin Securities and does not control or influence the day-to-day management of Irwin Securities. Applicants also represent that Mr. Kling has no material business or professional relationship with Irwin Financial, Irwin Securities, American Funds, Capital Research, AFD or any affiliated person of these entities.

Applicants' Conditions

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

1. All of the requirements of rule 2a19–1 will be met, except that Irwin Securities will be permitted to provide limited distribution services to the American Funds;

2. No more than 1% of Irwin Financial's gross revenues will come from the distribution of any one American Fund's shares; and no more than 5% of Irwin Financial's gross revenues will come from the distribution of all of the American Funds' shares;

3. No more than 1% of any one of the American Fund's shares, and no more than 5% of all of the American Funds' shares, will be distributed by Irwin Securities; and

4. Irwin Securities will not serve as a ''regular broker or dealer,'' as that term

is defined in rule 10b–1 under the Act, for any American Fund.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–18762 Filed 7–14–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application to Withdraw From Listing and Registration; (Financial Federal Corporation, Common Stock, $.50 Par Value) File No 1–14237

July 9, 1998.

Financial Federal Corporation (''Company'') has filed an application with the Securities and Exchange Commission (''Commission''), pursuant to Section 12(d) of the Securities Exchange Act of 1934 (''Act'') and Rule 12d2–2(d) promulgated thereunder, to withdraw the above specified security (''Security'') from listing and registration on the American Stock Exchange, Inc. (''Amex'' or ''Exchange'').

The reasons cited in the application for withdrawing the Security from listing and registration include the following:

The Company submitted an application to list the Security on the New York Exchange, Inc. (''NYSE'') and the NYSE approved such application. The Company believes that listing the Security on the NYSE will create better visibility for the Company and its securities, thus enhancing shareholder value.

The Company has complied with Amex Rule 18 by filing with the Amex a certified copy of the resolutions adopted by the Board of Directors of the Company authorizing the withdrawal of the Security from listing and registration on the Amex and a statement from the Company setting forth in detail the reasons and facts supporting such proposed withdrawal.

By letter dated June 12, 1998, the Amex raised no objection to the Company's filing its application with the Commission to remove the Security from listing on the Amex.

Any interested person may, on or before July 30, 1998, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the Exchange and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 98–18841 Filed 7–14–98; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: [63 FR 37608, July 13, 1998].

STATUS: Closed Meeting.

PLACE: 450 Fifth Street, N.W., Washington, D.C.

DATE PREVIOUSLY ANNOUNCED: July 13, 1998.

CHANGE IN MEETING: Cancellation of Meeting.

The closed meeting scheduled for Thursday, July 16, 1998, at 11:00 a.m., has been cancelled.

At times, changes in Commission priorities require alterations 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 (202) 942–7070.

Dated: July 13, 1998.

Jonathan G. Katz,

Secretary.

[FR Doc. 98–19047 Filed 7–13–98; 4:00 pm]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40179; File Nos. SR–DTC–98–09, SR–NSCC–98–05]

Self-Regulatory Organizations; The Depository Trust Company; National Securities Clearing Corporation; Order Approving a Proposed Rule Change Relating to Direct Clearing Services and New York Window Services

July 8, 1998.

On May 13, 1998, The Depository Trust Company (''DTC'') and the National Securities Clearing Corporation (''NSCC'') filed with the Securities and Exchange Commission (''Commission'') proposed rule changes (File Nos. SR–DTC–98–09 and SR–NSCC–98–05) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'').[1] Notice of the proposals was published in the **Federal Register** on June 4, 1998.[2] No comment letters were received. For the reasons discussed below, the Commission is approving the proposed rule changes.

I. Description

Under the rule changes, NSCC will discontinue its Direct Clearing Services (''Direct Clearing'') and New York Window Services (''Window''). DTC will offer its participants most of the services currently offered by NSCC through Direct Clearing and the Window through a new service called the New York Window Services.

Direct Clearing is a physical securities processing service which NSCC provides to its participants that do not have offices in New York City. The principal services of Direct Clearing include (i) processing over-the-window receives and deliveries, (ii) processing transfers of physical securities certificates, and (iii) processing deliveries to designated agents in connection with reorganizations and other corporate actions. In the course of providing these and other Direct Clearing services, NSCC may have custody of participants' physical securities certificates including overnight custody for one or more days.[3] The principal services of NSCC's Window are similar to those of Direct Clearing, but they initially were provided to NSCC participants located in New York City. NSCC has decided to discontinue providing Direct Clearing and the Window in order to focus its resources on its core businesses.

Under the rule changes, DTC is adopting new procedures for the operation of its New York Window Services. DTC's procedures for its New York Window Services are substantially the same as NSCC's Rule 31[4] except that DTC's new procedures do not include provisions similar to section 4 of NSCC Rule 31, which relates to money settlement through the Window. Currently, it is anticipated that NSCC will discontinue providing Direct Clearing and the Window and that DTC

[1] 15 U.S.C. 78s(b)(1).

[2] Securities Exchange Act Release No. 40045 (May 29, 1998), 63 FR 30543.

[3] For a more complete description of Direct Clearing, refer to Securities Exchange Act Release No. 32221 (April 26, 1993) 58 FR 26570 [File No. SR–NSCC–93–03]

[4] The current version of NSCC Rule 31 was approved by the Commission in 1996. Securities Exchange Act Release No. 37631 (September 3, 1996), 61 FR 47534 [File No. SR–NSCC–96–08].