

7. Under the terms of the Elk Plan, the exercise price of the Options will be the current market price of Elk's common stock on the later of the Approval Date or the Anniversary Date. The Plans expire ten years after the Approval Date and the Options expire five years from the date of grant. Options may not be assigned or transferred other than by the laws of descent and distribution. In the event of death of a Non-Employee Director during the Director's service, unexercised Options may be exercised for a period of one year following the date of death (by the Director's personal representative) but in no event after the respective expiration dates of such Options. If a Non-Employee Director ceases to be a director for any reason, other than because of death, any unexercised Options may be exercised within one year from the date the Non-Employee Director ceases to be a director, but in no event later than the expiration date of the Option.

8. As of March 31, 1999, Elk had outstanding 11,745,600 shares of common stock. Elk's officers and employees, including employee directors, are eligible to receive options under Elk's other stock option plan (under which Non-Employee Directors are not entitled to participate) ("Other Plan"). A maximum of 200,000 shares, or 11.5% of Elk's outstanding common stock, may be issued under both the Elk Plan and the Other Plan. Of the 125,000 shares issuable under the Other Plan, 75,000 shares, representing 4.3% of Elk's outstanding common stock, are subject to granted options. Elk has no other warrants, options or rights to purchase its outstanding voting securities.

Applicants' Legal Analysis

1. Section 61(a)(3)(B) of the Act provides, in pertinent part, that a BDC may issue to its non-employee directors options to purchase its voting securities pursuant to an executive compensation plan, provided that: (a) The options expire by their terms within ten years; (b) the exercise price of the options is not less than the current market value of the underlying securities at the date of the issuance of the options, or if no market exists, the current net asset value of the voting securities; (c) the proposal to issue the options is authorized by the BDC's shareholders, and is approved by order of the Commission upon application; (d) the options are not transferable except for disposition by gift, will or intestacy; (e) no investment adviser of the BDC receives any compensation described in section 205(1) of the Investment Advisers Act of 1940, except to the extent permitted by

clause (A) or (B) of that section; and (f) the BDC does not have a profit-sharing plan as described in section 57(n) of the Act.

2. In addition, section 61(a)(3)(C) of the Act provides that the amount of the BDC's voting securities that would result from the exercise of all outstanding warrants, options, and rights at the time of issuance may not exceed 25% of the BDC's outstanding voting securities, except that if the amount of voting securities that would result from the exercise of all outstanding warrants, options, and rights issued to the BDC's directors, officers, and employees pursuant to an executive compensation plan would exceed 15% of the BDC's outstanding voting securities, then the total amount of voting securities that would result from the exercise of all outstanding warrants, options, and rights at the time of issuance will not exceed 20% of the outstanding voting securities of the BDC.

3. Applicants represent that the Plans would comply with all of the requirements of section 61(a)(3)(B) of the Act. Applicants state in support of their application that the Board actively oversees Elk's affairs, that Elk relies extensively on the judgment and experience of the Board, and that Non-Employee Directors play an important role on budgetary and operational issues, credit and loan policies, asset valuation and strategic direction, as well as serving on Board committees. Applicants believe that the Plans will provide additional incentives to Non-Employee Directors to remain on the Board and devote their best efforts to ensure the success of applicants. Applicants also believe that the Options will provide significant at-risk incentives to the Non-Employee Directors, thereby further ensuring close identification of their interests with those of the applicants and their shareholders. Applicants assert that by providing incentives such as Options, applicants will be able to maintain continuity in the Board's membership and to attract and retain highly experienced and skilled professionals who are critical to each applicant's success as a BDC.

4. Applicants submit that the terms of the Plans are fair and reasonable and do not involve overreaching of applicants or their shareholders. Applicants state that the Options are not immediately exercisable, will become exercisable 12 months after the date of grant, and then only if the grantee remains a Non-Employee Director. No Options will become exercisable due to the consummation of the Share Exchange. Applicants also state that the total

number of shares of common stock issuable under the Elk Plan to Non-Employee directors represents 4.3% of Elk's outstanding common stock. Applicants assert that the Options will have value only to the extent that the market value of Elk's stock (or Ameritrans' stock if the Share Exchange occurs) increases above the exercise price of the Options and that the exercise of the Options under the Plans would not have a substantial dilutive effect on the net asset value of Elk's (or Ameritrans') common stock. Applicants state that the total amount of voting securities that would result from the exercise of all outstanding warrants, options and rights upon approval of the Elk Plan would represent 11.5% of Elk's outstanding voting securities, an amount within the percentage limitations set forth in section 61(a)(3)(C) of the Act.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 99-20491 Filed 8-9-99; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3200]

State of California (And Contiguous Counties in Nevada and Arizona)

San Bernardino County and the contiguous counties of Kern, Inyo, Los Angeles, Orange, and Riverside in California, Clark County, Nevada, and La Paz and Mohave Counties in Arizona constitute a disaster area as a result of damages caused by severe storms and flash flooding that occurred on July 11, 1999. Applications for loans for physical damage as a result of this disaster may be filed until the close of business on Sept. 27, 1999 and for economic injury until the close of business on May 1, 2000 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 4 Office, P.O. Box 13795, Sacramento, CA 95853-4795.

The interest rates are:

	Percent
For Physical Damage:	
Homeowners with credit available elsewhere	6.875
Homeowners without credit available elsewhere	3.437
Businesses with credit available elsewhere	8.000

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

The numbers assigned to this disaster for physical damage are 320006 for California, 320106 for Nevada, and 320206 for Arizona. For economic injury the numbers are 9D4200 for California, 9D4300 for Nevada, and 9D4400 for Arizona.

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

Dated: July 29, 1999.

Fred P. Hochberg,

Acting Administrator.

[FR Doc. 99-20478 Filed 8-9-99; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3199; Amendment #1]

State of Iowa

In accordance with notices received from the Federal Emergency Management Agency dated July 27 and July 30, 1999, the above-numbered Declaration is hereby amended to include Bremer, Buchanan, Cerro Gordo, Chickasaw, Fayette, Floyd, Howard, Mitchell, and Worth Counties in the State of Iowa as a disaster area due to damages caused by severe storms and flooding beginning on July 2, 1999 and continuing.

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 previously designated location: Allamakee, Clayton, Hancock, Winnebago, Winneshiek, and Wright Counties in Iowa, and Fillmore, Freeborn, and Mower Counties in Minnesota.

All other information remains the same, i.e., the deadline for filing applications for physical damage is September 19, 1999, and for economic injury the deadline is April 24, 2000.

The economic injury number for the State of Minnesota is 9D4800.

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

Dated: August 2, 1999.

Bernard Kulik,

Associate Administrator for Disaster Assistance.

[FR Doc. 99-20476 Filed 8-9-99; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3203]

State of Minnesota

As a result of the President's major disaster declaration on July 28, 1999, I find that Cook, Itasca, and St. Louis Counties in the State of Minnesota constitute a disaster area due to damages caused by severe storms, winds, and flooding beginning on July 4, 1999 and continuing. Applications for loans for physical damage as a result of this disaster may be filed until the close of business on September 25, 1999 and for economic injury until the close of business on April 28, 2000 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 date at the above location: Aitkin, Beltrami, Carlton, Cass, Koochiching, and Lake Counties in Minnesota, and Douglas County, Wisconsin.

The interest rates are:

	Percent
For Physical Damage:	
Homeowners with credit available elsewhere	6.875
Homeowners without credit available elsewhere	3.437
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	7.000
For Economic Injury:	
Businesses and small agricultural cooperatives without credit available elsewhere	4.000

The number assigned to this disaster for physical damage is 320306. For economic injury the numbers are 9D4500 for Minnesota and 9D4600 for Wisconsin.

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

Dated: August 2, 1999.

Bernard Kulik,

Associate Administrator For Disaster Assistance.

[FR Doc. 99-20477 Filed 8-9-99; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF TRANSPORTATION

Coast Guard

[CGD8-99-051]

Houston/Galveston Navigation Safety Advisory Committee Meeting

AGENCY: Coast Guard, DOT.

ACTION: Notice of meetings.

SUMMARY: The Houston/Galveston Navigation Safety Advisory Committee (HOGANSAC) and its two Subcommittees (Waterways and Navigation) will meet to discuss waterway improvements, aids to navigation, current meters, and various other navigation safety matters affecting the Houston/Galveston area. All meetings will be open to the public.

DATES: The meeting of HOGANSAC will be held on Thursday, September 9, 1999 from 9 a.m. to approximately 1 p.m. The meeting of the Navigation Subcommittee will be held on Thursday, August 26, 1999 at 9 a.m. and immediately following, the Waterways Subcommittee will meet. The meetings may adjourn early if all business is finished. Members of the public may present written or oral statements at the meetings.

ADDRESSES: The HOGANSAC meeting will be held in the conference room of the Houston Pilots' Office, 8150 South Loop East, Houston, Texas. The subcommittee meetings will be held at the Houston Port Authority, 111 East Loop South, Houston, Texas.

FOR FURTHER INFORMATION CONTACT: Captain Wayne Gusman, Executive Director of HOGANSAC, telephone (713) 671-5199, or Commander Paula Carroll, Executive Secretary of the HOGANSAC, telephone (713) 671-5164.

SUPPLEMENTARY INFORMATION: Notice of this meeting is given pursuant to the Federal Advisory Committee Act, 5 U.S.C. App. 2.

Agendas of the Meetings

Houston/Galveston Navigation Safety Advisory Committee (HOGANSAC)

The tentative agenda includes the following:

- (1) Opening remarks by the Committee Sponsor (RADM Pluta), Executive Director (CAPT Gusman) and chairman (Tim Leitzell).