

as principal, knowingly to sell any security to the company. Section 2(a)(3) of the Act defines "affiliated person" of another person to include: (a) Any person directly or indirectly owning, controlling, or holding with power to vote 5% or more of the outstanding voting securities of the other person, (b) any person directly or indirectly controlling, controlled by, or under common control with the other person, or (c) if the other person is an investment company, any investment adviser of that person.

2. The Trust and the Global Fund are controlled by Old Mutual and share a common investment adviser. Thus, the Trust and the Global Fund are affiliated persons within the meaning of section 2(a)(3) of the Act, and the sale of the DataTec Shares by the Global Fund to the Trust is prohibited by section 17(a) of the Act.

3. Section 17(b) of the Act provides that the SEC may exempt a transaction from the prohibitions of section 17(a) if 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, and that the proposed transaction is consistent with the policy of the registered investment company concerned and with the general purposes of the Act.

4. Applicants submit that the requested relief meets the standards set forth in section 17(b). Applicants state that, while the Adviser utilizes analysts employed by Old Mutual, the decision to purchase the DataTec Shares was an independent decision made by the Adviser solely in the interests of the Trust and was not improperly influenced by Old Mutual or its personnel. Applicants further state that the board of trustees of the Trust, including a majority of the trustees who are not interested persons of the Trust (the "Board"), approved the Trust's purchase of the DataTec Shares. In evaluating the terms of the proposed transaction, the Board considered the fact that the Trust Purchase Price will include reimbursement of the carrying costs.

5. Applicants state that the transaction will comply with the requirements of rule 17a-7 under the Act, except that (i) the Trust Purchase Price will be below the current market price, and (ii) the Trust and the Global Fund are affiliated persons by reason other than having a common investment adviser, common directors, and/or officers. Applicants further represent that the Trust will not purchase the DataTec Shares if on the Trust Purchase Date the market price of the DataTec

Shares falls below the Trust Purchase Price. Thus, applicants believe that the terms of the proposed transaction, including the consideration to be paid, are fair and reasonable.

6. Applicants believe that the transaction does not involve overreaching on the part of any person concerned. Applicants state that, although under section 2(a)(9) of the Act, the Old Mutual Group presumptively controls DataTec through ownership of 28.34% of DataTec's voting securities, the Old Mutual Group does not exercise any control over the management or day-to-day operations of DataTec. Applicants state that Old Mutual Group's holdings in DataTec include approximately 6.0% of the total outstanding shares of DataTec held by accounts managed by Old Mutual for external clients, such as pension funds for charitable organizations and publicly traded companies. Old Mutual seeks instructions from these external clients regarding the voting of DataTec shares on non-routine matters, including the election of directors other than the nominees of DataTec management.

7. Applicants represent that the Old Mutual Group holds DataTec shares for investment purposes as a passive investor. None of the officers or directors of DataTec are officers or directors of any entity within the Old Mutual Group; the Old Mutual Group has never sought to elect its nominees to the board of directors of DataTec and has always either abstained from voting or voted for the nominees of DataTec management. Applicants state that, according to independent research reports, the directors of DataTec own approximately 24.70% of DataTec's ordinary shares and are the controlling shareholders of DataTec.

8. Applicants further represent that, other than the ownership of the DataTec ordinary shares, the Old Mutual Group does not have any ownership, investment or lending relationship with DataTec. Finally, applicants represent that the Old Mutual Group has no ownership, investment or lending relationship with Logical Networks or Blue Sky.

Margaret H. McFarland,

Deputy Secretary.

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BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

Revocation of License of Small Business Investment Company

Pursuant to the authority granted to the United States Small Business

Administration by the Final Order of the United States District Court for the Central District of California dated April 21st, 1993, and filed April 23, 1993, the United States Small Business Administration hereby revokes the license of Business Equity & Development Corporation, a California corporation, to function as a small business investment company under Small Business Investment Company License No. 09/12-5151 issued to Business Equity & Development Corporation on March 19, 1970 and said license is hereby declared null and void as of April 23, 1993.

Dated: May 20, 1998.

Small Business Administration.

Harry E. Haskins,

Acting Associate Administrator for Investment.

[FR Doc. 98-14328 Filed 5-29-98; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

Revocation of License of Small Business Investment Company

Pursuant to the authority granted to the United States Small Business Administration by the Final Order of the United States District Court for the Middle District of Louisiana dated April 5, 1995, the United States Small Business Administration hereby revokes the license of First Southern Capital Corporation, a Louisiana corporation, to function as a small business investment company under Small Business Investment Company License No. 01/12-0023 issued to First Southern Capital Corporation on May 11, 1961 and said license is hereby declared null and void as of April 5, 1995.

Dated: May 20, 1998.

Small Business Administration.

Harry E. Haskins,

Acting Associate Administrator for Investment.

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BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

Revocation of License of Small Business Investment Company

Pursuant to the authority granted to the United States Small Business Administration by the Final Order of the United States District Court for the Eastern District of New York dated July 22, 1993, the United States Small Business Administration hereby revokes the license of ODA Capital Corporation, a New York corporation, to function as