unless it displays a currently valid OMB control number.

General comments regarding the above information should be directed to the following persons: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503; and (ii) Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549. Comments must be submitted to OMB within 30 days of this notice.

Dated: March 20, 2000.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00–7306 Filed 3–23–00; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC–24342; 812–11800]

Medallion Financial Corp.; Notice of Application

March 17, 2000.

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

ACTION: Notice of application for an order under section 61(a)(3)(B) of the Investment Company Act of 1940 (the ''Act'').

SUMMARY OF APPLICATION: Applicant, Medallion Financial Corp., requests an order approving its Amended and Restated 1996 Non-Employee Director Stock Option Plan (the ''Amended Plan''). The requested order would supersede an existing order.[1]

FILING DATES: The application was filed on October 4, 1999. Applicant has 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 applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on April 11, 2000, and should be accompanied by proof of service on the applicant, 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, NW., Washington, DC 20549–0609; Applicant, 437 Madison Avenue, 38th Floor, New York, NY 10022.

FOR FURTHER INFORMATION CONTACT: Mary T. Geffroy, Senior Counsel, at (202) 942–0553, 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 may be obtained for a fee at the SEC's Public Reference Branch, 450 Fifth Street, NW., Washington DC 20549–0102 (tel. (202) 942–8090).

Applicant's Representations

1. Applicant is business development company (''BDC'') within the meaning of section 2(a)(48) of the Act.[2] Applicant's primary business is the origination and servicing of loans financing the purchase of taxicab medallions and related assets. Applicant is managed by its executive officers under the supervision of its board of directors (''Board'') and has retained FMC Advisers, Inc. (the ''Sub-Adviser''), an investment adviser registered under the Investment Advisers Act of 1940, as its investment adviser. The Sub-Adviser is paid a fixed fee on a monthly basis and receives no performance-based compensation.

2. Applicant requests an order under section 61(a)(3)(B) of the Act approving the Amended Plan[3] for current and future directors who are neither officers nor employees of applicant (''Eligible Directors''). The Board consists of seven members, five of whom are Eligible Directors.[4] On February 24, 1999, applicant's Board approved the Amended Plan, and on June 16, 1999, applicant's shareholders approved the Amended Plan. The Amended Plan will become effective on the date on which the SEC issues an order on the application (the ''Approval Date'').

3. The Amended Plan provides that: (i) On the Approval Date, the Eligible Director elected at the June 16, 1999 annual shareholders' meeting will be granted options to purchase 9,000 shares of applicant's common stock at the then Current Market Value;[5] (ii) at each annual shareholders' meeting after the Approval Date, each Eligible Director elected or reelected at that meeting to a three-year term will be granted options to purchase 9,000 shares of applicant's common stock; and (iii) upon the election, reelection or appointment of an Eligible Director to the Board other than at the annual shareholders' meeting, that Eligible Director will be granted an option to purchase that number of shares of common stock determined by multiplying 9,000 by a fraction, the numerator of which is equal to the number of whole months remaining in the new director's term and the denominator of which is 36. A total of 100,000 shares of applicant's common stock is reserved for issuance under the Original/Amended Plan.

4. Options granted under the Amended Plan become exercisable at each annual shareholders' meeting with respect to that number of shares that is determined by multiplying the number of shares covered by the option by a fraction, the numerator of which will equal the number of whole months elapsed since the most recent to have occurred of either: (i) The date of grant; or (ii) the last annual shareholder's meeting, and the denominator of which will be the number of whole months for which the Eligible Director was elected. The exercise price of an option will be: (i) Not less than the Current Market Value of applicant's common stock; or (ii) if the stock is not quoted on the date of grant, equal to the current net asset value of the common stock as determined in good faith by the members of the Board not eligible to participate in the Amended Plan. To the extent permitted by law, the option exercise price may be paid in whole or in part in cash, by a note or in installments, or with shares of

---

[1] *Medallion Financial Corp.,* Investment Company Act Release Nos. 22350 (Nov. 25, 1996) (notice) and 22417 (Dec. 23, 1996) (order).

[2] Section 2(a)(48) defines a BDC to be any closed-end investment company the operates for the purpose of making investments in securities described in sections 55(a)(1) through 55(a)(3) of the Act and makes available significant managerial assistance with respect to the issuers of those securities.

[3] The Amended Plan would replace the 1996 Non-Employee Director Stock Option Plan (the ''Original Plan'').

[4] Each Eligible Director receives $10,000 a year for each year of service, $2,000 for the first Board meeting held per quarter and $1,000 for any additional Board meetings held in that quarter, $250 for each telephonic meeting of the Board, $1,000 for the first committee meeting held per quarter and for any committee meetings held on a date when there is not also a Board meeting, $500 for all other committee meetings and for each telephonic meeting in which the director participates, and reimbursement of related expenses. The directors receive no other compensation for their services to applicant.

[5] ''Current Market Value'' is defined as the closing price as reported in the Wall Street Journal, Northeast Edition, as quoted on the NASDAQ National Market on the date of grant.

applicants' common stock or such other lawful consideration as the non-Eligible Directors determine. If the option exercise price is paid: (i) By note or in installments, any such arrangement will comply with section 62 of the Act; (ii) with shares of applicant's common stock, applicant will seek exemptive relief from section 63 of the Act, or (iii) by such other lawful consideration as the non-Eligible Directors determine, applicant will seek exemptive relief from section 57(a)(1) of the Act.

5. An Eligible Director holding exercisable options under the Amended Plan who ceases to be an Eligible Director for any reason, other than death, may exercise the rights the director had under the options on the date the director ceased to be an Eligible Director for a period of up to three months following that date. No additional options held by the director will become exercisable after the three month period. Upon the death of an Eligible Director, those entitled to do so under the director's will or the laws of descent and distribution will have the right, at any time within twelve months after the date of death, to exercise in whole or in part any rights which were available to the director at the time of the director's death. The Amended Plan will expire ten years from December 23, 1996, the date on which the Original Plan was approved by the SEC. Each option granted under the Amended Plan will expire five years from the date of grant. Options will not be transferable except for disposition by will or intestacy.

6. Applicant's officers and employees, including employee directors, are eligible to receive stock options under the Medallion Financial Corp. 1996 Stock Option Plan (the ''Employee Plan''). Eligible Directors are not eligible to receive stock options under the Employee Plan. The total number of shares of common stock issuable under the Original/Amended Plan and the Employee Plan is approximately 1,600,000 (approximately 1,500,000 shares are reserved for issuance under the Employee Plan and approximately 100,000 are reserved for the Original/Amended Plan). The shares reserved for issuance under the two plans represent 11.4% of the 14,024,433 shares of applicant's common stock outstanding as of December 31, 1999. Applicant has no warrants, options or rights to purchase its outstanding voting securities other than those granted or to be granted to its directors, officers and employees pursuant to the Original/Amended Plan and the Employee Plan.

Applicant's Legal Analysis

1. Section 61(a)(3)(B) of the Act provides, in pertinent part, that a BDC may issue to its Eligible Directors options to purchase its voting securities pursuant to an executive compensation plan, provided that: (i) The options expire by their terms within 10 years; (ii) The exercise price of the options is not less than 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; (iii) The proposal to issue the options is authorized by the BDC's shareholders, and is approved by order of the SEC on the basis that the terms of the proposal are fair and reasonable and do not involve overreaching of the BDC or its shareholders; (iv) The options are not transferable except for disposition by gift, will, or intestacy; (v) No investment adviser of the BDC receives any compensation described in paragraph (1) of section 205 of the Investment Advisers Act of 1940, except to the extent permitted by clause (A) or (B) of that section; and (vi) 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)(B) 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. Applicant represents that the terms of the Amended Plan meet all the requirements of section 61(a)(3)(B) of the Act. Applicant contends that the options that may be granted under the Amended Plan have substantially the same terms as the options that are currently issuable under the Original Plan, differing only in the calculation of the number of share issuable upon the election, reelection or appointment of an Eligible Director. In addition, applicant states that on the Approval Date, the number of voting securities that would result from an exercise of all options issued or issuable to the officers, directors and employees under the Employee Plan and the Original/Amended Plan is approximately 1,600,000 shares, or 11.4% of applicant's outstanding common stock as of December 31, 1999. Applicant asserts that, given the small number of shares of common stock issuable upon the exercise of options under the Amended Plan, the exercise of options should not have a substantial dilutive effect on the net asset value of applicant's common stock. Further, the options will vest in three annual installments, commencing with the first annual shareholder's meeting after an Eligible Director's election, appointment or reelection, and only if the Eligible Director continues to serve on applicant's Board.

4. Applicant submits that the terms of the Amended Plan are fair and reasonable and do not involve overreaching of applicant or its shareholders. Applicant states that the Eligible Directors are actively involved in the oversight of applicant's affairs and that it relies on the judgment and experience of its directors. Applicant also states that the extensive and varied financial, regulatory, political, and legal experience of its directors enhance applicant's ability to accomplish its investment objectives. Applicant submits that the Amended Plan will provide significant incentives to the Eligible Directors to remain on the Board and to devote their best efforts to the success of applicant's business. Applicant also states that the options will provide a means for the Eligible Directors to increase their ownership interests in applicant, thereby ensuring close identification of their interests with the interests of applicant's shareholders.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00–7274 Filed 3–23–00; 8:45 am]

BILLING CODE 8010–01–M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3241]

State of Ohio

As a result of the President's major disaster declaration on March 7, 2000, and an amendment thereto on March 10, I find that the Counties of Adams, Gallia, Jackson, Lawrence, Meigs, Pike, and Scioto in the State of Ohio constitute a disaster area due to damages caused by severe storms and