"DEA") pursuant to Rule 17d–1 (17 CFR 240.17d–1) ("section 240.17d–1") will be responsible for processing and acting on certain applications submitted by dual members. The exchange that is not the DEA ("other exchange") will, however, continue to be responsible, subject to further allocation pursuant to § 240.17d–2, for applications to become regular equity or options members. MSE will be responsible for applications for options principal members, registered options principals, and notification of registered representatives certified as qualified to handle accounts involving options transactions.

In addition, under the proposed plan, the DEA will be responsible for reviewing advertisements, market letters, research reports, sales literature, radio, television, and writing and speaking activities of dual members. MSE will conduct such review in relation to MSE listed options. The DEA will also be responsible for taking appropriate action on all inquiries and complaints involving dual members.

The DEA will be responsible for conducting examinations for compliance with financial, operational, and sales supervision by dual members, except in the area of options sales practices, as well as all special examinations, except that both the DEA and the other exchange reserve the right to participate in any special examination. The DEA will be responsible for review of and subsequent action on or in respect of dual members' Financial and Operational Combined Uniform Single (FOCUS) Report and any generally applicable financial reporting requirements. It will also be responsible for review, approval, and retention of all partnership agreements, corporate certificates, by-laws, subordinated loan agreements, and related agreements and amendments including clearing agreements.

Further, the DEA will be responsible for disciplinary investigations and proceedings involving dual members except insofar that the other exchange may assume jurisdiction in investigations relating to a transaction on the other exchange affecting a security listed on the other exchange or any other activity having a unique reference to the other exchange.

In order to assist the Commission in determining whether to approve this plan and relieve the party not designated to the specified responsibilities, interested persons are invited to submit written data, views, and arguments concerning the submission on or before June 22, 1977. Persons wishing to comment should file six (6) copies thereof with the Secretary of the Commission, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549. Reference should be made to File No. 4–191.

Copies of the submission and of all written comments will be available for inspection at the Securities and Exchange Commission's Public Reference Room, 1100 L Street NW., Washington, D.C.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

MAY 12, 1977.

[FR Doc.77–14580 Filed 5–20–77;8:45 am]

[Release No. 34–13536; File No. 4–195]

BOSTON STOCK EXCHANGE, INC., AND NEW YORK STOCK EXCHANGE, INC.

Program for Allocation of Regulatory Responsibilities Pursuant to Rule 17d–2; Filing of BSE/NYSE Plan

The Boston Stock Exchange, Inc. (the "BSE"), and the New York Stock Exchange, Inc. (the "NYSE"), filed with the Commission a plan for allocation of regulatory responsibilities pursuant to Rule 17d–2 (17 CFR 240. 17d–2) ("§ 240.-17d–2") on March 28, 1977.

The proposed plan provides that the NYSE will be responsible for processing and acting on certain applications submitted by dual members. The BSE will, however, continue to be responsible, subject to further allocation pursuant to § 240.17d–2, for applications for BSE regular floor members, registered options principals, and notification of registered representatives certified as qualified to handle accounts involving options transactions.

In addition, under the proposed plan, the NYSE will be responsible for reviewing advertisements, market letters, research reports, sales literature, radio, television, and writing and speaking activities of dual members except in relation to listed options. The NYSE will also be responsible for taking appropriate action on all inquiries and complaints involving dual members.

The NYSE will be responsible for conducting examinations for compliance with financial, operational, and sales supervision by dual members, except in the area of options sales practices, as well as all special examinations, except that both BSE and NYSE reserve the right to participate in any special examination. It will be responsible for review of and subsequent action on or in respect of dual members' Financial and Operational Combined Uniform Single (FOCUS) Report and any generally applicable financial reporting requirements. The NYSE will submit to the BSE a computer run summarizing certain pre-defined key data from the monthly FOCUS Reports received by the NYSE from all NYSE members who are participants of Boston Stock Exchange Clearing Corporation ("BSECC"). BSE and NYSE agree to assist each other in examinations if requested due to geographical or other considerations. NYSE will also be responsible for review, approval, and retention of all partnership agreements, corporate certificates, by-laws, subordinated loan agreements, and related agreements and amendments including clearing agreements.

Further, the NYSE will be responsible for disciplinary investigations and proceedings involving dual members except insofar that BSE may assume jurisdiction in investigations relating to a transaction on BSE affecting BSE listed security or any other activity having a unique reference to BSE.

In order to assist the Commission in determining whether to approve this plan and relieve the party not designated to the specified responsibilities, interested persons are invited to submit written data, views and arguments concerning the submission on or before June 22, 1977. Persons wishing to comment should file six (6) copies thereof with the Secretary of the Commission, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549. Reference should be made to File No. 4–195.

Copies of the submission and of all written comments will be available for inspection at the Securities and Exchange Commission's Public Reference Room, 1100 L Street NW., Washington, D.C.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

MAY 12, 1977.

[FR Doc.77–14584 Filed 5–20–77;8:45 am]

[Release No. 34–13534; File No. 4–193]

BOSTON STOCK EXCHANGE, AND PACIFIC STOCK EXCHANGE, INC.

Program for Allocation of Regulatory Responsibilities Pursuant to Rule 17d–2; Filing of BSE/PSE Plan

The Boston Stock Exchange (the "BSE"), and the Pacific Stock Exchange, Inc. (the "PSE"), filed with the Commission a plan for allocation of regulatory responsibilities pursuant to Rule 17d–2 (17 CFR 240.17d–2) ("§ 240.17d–2") on March 18, 1977.

The proposed plan provides that the self-regulatory organization designated to examine for compliance with applicable financial responsibility rules (the "designated examining authority" or "DEA") pursuant to Rule 17d–1 (17 CFR 240.17d–1) ("§ 240.17d–1") will be responsible for processing and acting on certain applications submitted by dual members. The exchange that is not the DEA (the "other exchange") will, however, continue to be responsible, subject to further allocation pursuant to § 240.-17d–2, for applications to become regular equity or, if applicable, options members of the other exchange. The PSE will be responsible for applications for registered options principals and notification of registered representatives certified as qualified to handle accounts involving options transactions.

In addition, under the proposed plan, the DEA will be responsible for reviewing

advertisements, market letters, research reports, sales literature, radio, television, and writing and speaking activities of dual members except in relation to PSE listed options. The DEA will also be responsible for taking appropriate action on all inquiries and complaints involving dual members.

The DEA will be responsible for conducting examinations for compliance with financial, operational, and sales supervision by dual members, except in the area of options sales practices, as well as all special examinations, except that both BSE and PSE reserve the right to participate in any special examination. The DEA will be responsible for review of and subsequent action on or in respect of dual members' Financial and Operational Combined Uniform Single (FOCUS) Report and any generally applicable financial reporting requirements. It will also be responsible for review, approval, and retention of all partnership agreements, corporate certificates, by-laws, subordinated loan agreements, and related agreements and amendments including clearing agreements. The DEA may request assistance of the other exchange in the conduct of any examination, because of geographical or other considerations.

Further, the DEA will be responsible for disciplinary investigations and proceedings involving dual members except insofar that the other exchange may assume jurisdiction in investigations relating to a transaction on the other exchange affecting a security listed on the other exchange or any other activity having a unique reference to the other exchange.

In order to assist the Commission in determining whether to approve this plan and relieve the party not designated to the specified responsibilities, interested persons are invited to submit written data, views and arguments concerning the submission on or before June 22, 1977. Persons wishing to comment should file six (6) copies thereof with the Secretary of the Commission, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549. Reference should be made to File No. 4-193.

Copies of the submission and of all written comments will be available for inspection at the Securities and Exchange Commission's Public Reference Room, 1100 L Street NW., Washington, D.C.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

MAY 12, 1977.

[FR Doc.77-14562 Filed 5-20-77;8:45 am]

[Release No. 20024; 70-6005]

CONSOLIDATED NATURAL GAS CO. ET AL.

Proposed Intrasystem Financing, Issuance and Sale of Commercial Paper and Short-Term Notes to Banks by Holding Company, and Exemption From Competitive Bidding

In the matter of Consolidated Natural Gas Company, 30 Rockefeller Plaza, New York, New York 10020, CNG Coal Company; CNG Development Company Ltd.; CNG Producing Company; CNG Research Company; Consolidated Gas Supply Corporation; Consolidated Natural Gas Service Company, Inc.; Consolidated System LNG Company; The East Ohio Gas Company; The Peoples Natural Gas Company; The River Gas Company; West Ohio Gas Company (70-6005).

MAY 10, 1977.

Notice is hereby given that Consolidated Natural Gas Company ("Consolidated"), a registered holding company, and certain of its subsidiary companies, CNG Coal Company ("Coal Company"), CNG Development Company Ltd., CNG Producing Company ("Producing Company"), CNG Research Company ("Research Company"), Consolidated Gas Supply Corporation ("Gas Supply"), Consolidated Natural Gas Service Company, Inc. ("Service Company"), Consolidated System LNG Company ("LNG Company"), The East Ohio Gas Company ("East Ohio"), The Peoples Natural Gas Company ("Peoples"), The River Gas Company ("River"), and West Ohio Gas Company ("West Ohio") have filed an application-declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6(a), 6(b), 7, 9(a), 10, 12(b), and 12(f) of the Act and Rules 43, 45, and 50(a)(5) promulgated thereunder as applicable to the proposed transactions. All interested persons are referred to the application-declaration, which is summarized below, for a complete statement of the proposed transactions.

Consolidated proposes, from time to time during 1977, to make loans aggregating up to $79,000,000 to five subsidiary companies in the amounts set forth in the table below, primarily for the purpose of partially financing their 1977 capital expenditures. Capital expenditures for all of Consolidated's subsidiaries are estimated at $236,400,000 in 1977. The loans will be evidenced by nonnegotiable, long-term notes proposed to be issued by the respective subsidiary companies and proposed to be acquired by Consolidated. The notes will bear interest at a rate substantially equal to the effective cost of money to Consolidated in respect of its issuance and sale of $75,000,000 principal amount of debentures scheduled for June 1977 (File No. 70-6004) and will be payable from 1982 through 1997 in approximately equal annual principal amounts.

Prior to completion of said debenture financing in 1977 by Consolidated, the foregoing loans to said subsidiary companies for 1977 capital expenditures ($74,500,000) will be in the form of open account advances, payable on or before December 31, 1977, with interest at the prime commercial rate (presently 6.25 percent) in effect from time to time at The Chase Manhattan Bank, N.A. ("Chase Manhattan"), with a retroactive adjustment of the interest rate on the advances to conform with the effective cost of money to Consolidated through the sale of its debentures. Following the debenture financing by Consolidated, the interim open account advances to subsidiary companies, to the extent made at that time, will be converted into long-term notes of such subsidiary companies, and, thereafter, loans to subsidiary companies in 1977 for capital expenditures will be evidenced by the aforesaid long-term notes of such subsidiary companies.

Consolidated also proposes to issue and sell up to $100,000,000 of short-term notes to a group of banks during 1977. Such notes will bear interest at the prime commercial rate in effect from time to time at Chase Manhattan. Prepayments may be made in whole or in part, from time to time, upon five days' notice without penalty or premium. There will be no closing or related charges or commitment fee, and the notes will mature not more than twelve months from the date of the first borrowing. No compensating balance requirements will be imposed. The average of deposits regularly maintained by the Consolidated companies in the participating banks for normal operating purposes amounted to approximately $25,500,000 for 1976. It is stated that based on a requirement of 10 percent of the proposed credit line and 10 percent of average borrowings thereunder, the average compensating balances would have amounted to approximately $14,900,000 for the year 1976.

Consolidated proposes to use the proceeds from said bank borrowings to make open account advances to its subsidiary companies aggregating up to $100,000,000 for gas storage inventories, payable as gas is withdrawn and sold during the 1977-78 heating season. The advances to subsidiary companies will bear interest at the same rate as the related bank borrowings by Consolidated and will be made in amounts as set forth in the table below. Also shown on the following table are $37,000,000 of open account advances which Consolidated proposes to make from time to time up to May 31, 1978, to subsidiary companies for working capital requirements from part of the proceeds of Consolidated's proposed issuance and sale (described hereinafter) of up to $50,000,000 of commercial paper and/or notes to a bank. These advances will be repaid not more than one year from the date of the first advance to each subsidiary with interest at substantially the same effective rate as incurred by Consolidated on the related commercial paper sale and/or bank borrowings.

Subsidiary company	Long-term notes	Advances for seasonal increase in gas storage inventories	Advances for working capital requirements
Producing Company	$34,000,000		$5,600,000
Gas Supply	6,000,000	$67,000,000	11,500,000
LNG Company	34,000,000		
East Ohio		21,000,000	9,000,000
Peoples	4,300,000	12,000,000	7,600,000
River	700,000		600,000
West Ohio			1,600,000
Coal Company			300,000
Research Company			300,000
Service Company			500,000
	79,000,000	100,000,000	37,000,000

Consolidated further proposes to acquire, and the subsidiary companies set forth below propose to issue and sell to Consolidated from time to time during 1977, capital stock up to the following amounts at the par value thereof:

	Number of shares ($100 par)	Aggregate par value
Coal Company	30,000	$3,000,000
Producing Company	44,000	4,400,000
Research Company	17,000	1,700,000
Gas Supply	115,000	11,500,000
LNG Company	210,000	21,000,000
River	4,000	400,000
Total		42,000,000

The proceeds derived from the proposed sale of stock will be used to finance, in part, the subsidiaries' 1977 capital expenditures. The purchase of said capital stock by Consolidated will be made principally with funds from internal cash generation, and from the sale of common stock pursuant to its stockholder and employee stock plans. The authorized capital stock of Gas Supply, LNG Company, and River is not sufficient to cover the additional shares they propose to issue. Therefore, in order to accommodate the proposed transactions and to provide for future issues, Gas Supply proposes to amend its certificate of incorporation and increase the number of its authorized shares from 1,700,000 to 2,000,000, LNG Company from 750,000 to 1,000,000, and River from 20,000 to 24,000.

As indicated above, Consolidated proposes to issue and sell commercial paper, in the form of short-term promissory notes payable to bearer, in the aggregate face amount not to exceed $50,000,000 outstanding at any one time to a dealer in commercial paper from time to time up to May 31, 1978. The commercial paper will have varying maturities of not more than 270 days after the date of issue and will be issued and sold in varying denominations of not less than $50,000 and not more than $5,000,000 directly to the dealer at a discount which will not be in excess of the discount rate per annum prevailing at the date of issuance for commercial paper of comparable quality and like maturities. Consolidated proposes to sell commercial paper only so long as the effective interest cost for such commercial paper does not exceed the equivalent cost of borrowings from a commercial bank on the date of sale.

No commission or fee will be payable by Consolidated in connection with the issue and sale of such commercial paper notes. The dealer, as principal, will reoffer such notes at a discount not to exceed one-eighth of one percent per annum less than the prevailing discount rate to Consolidated. Such notes will be reoffered to not more than 200 identified and designated customers on a list (nonpublic) prepared in advance by the dealer and furnished to the Commission. It is anticipated that the commercial paper will be held by customers to maturity; however, if any commercial paper is repurchased by the dealer pursuant to a repurchase agreement, such paper will be reoffered only to others in the group of 200 customers. The issuance and sale of commercial paper is to provide $37,000,000 for working capital advances to subsidiary companies, and the balance of $13,000,000 is for working capital and contingent requirements of Consolidated during the year.

Consolicated proposes, to the extent that it becomes impracticable to issue such commercial paper, to borrow, repay, and reborrow from Chase Manhattan, from time to time up to May 31, 1978, an aggregate principal amount not to exceed $50,000,000 outstanding at any one time, at the prime commercial rate of interest in effect on the date of each borrowing, upon the promissory note or notes of Consolidated having a maturity date not more than 90 days from the date of each borrowing, and with the right of prepayment, in whole or in part at any time or from time to time, without prior notice and without premium. The amount of commercial paper notes and said notes, if any, payabe to Chase Manhattan will not collectively exceed $50,000,000 outstanding at any one time. There will be no closing or related charges and no commitment fee with respect to such bank loans, nor will there be any compensating-balance requirements.

Consolidated requests that, for the period commencing upon the date of the granting of this application-declaration and ending May 31, 1978, an exemption be allowed from the provisions of section 6(a) of the Act pursuant to the first sentence of section 6(b), relating to the issuance and sale of short-term notes, by increasing the 5 percent limitation on such notes to a maximum of 6 percent in order to permit Consolidated to have outstanding at any one time up to $50,000,000 principal amount of short-term notes during such period as proposed herein.

Consolidated requests exception from the competitive bidding requirements of Rule 50 with respect to the sale of commercial paper on the grounds that such commercial paper will have maturities of nine months or less, that current rates for commercial paper for prime borrowers, such as Consolidated, are published daily in financial publications, and that it is not practical to invite competitive bids for commercial paper. Consolidated also proposes that the Rule 24 certificates of notification regarding the issuance and sale of the commercial paper and all subsidiary company financings be filed on a quarterly basis.

It is stated that CNG Development Company Ltd. had no new financing requirements for 1977 at the time of filing and that if such requirements should arise, an amendment to that effect will be filed as part of this proceeding.

The application-declaration states that the Public Service Commission of West Virginia has jurisdication over the proposed long-term and short-term borrowings and stock issuances of Gas Supply; that the Public Utilities Commission of Ohio has jurisdiction over the long-term borrowings and stock issuance proposed by River; and that the Pennsylvania Public Utility Commission has jurisdiction over the long-term borrowings proposed by Peoples. It is further stated that no other State or Federal commission, other than this Commission, has jurisdiction over the proposed transactions. The fees and expenses to be incurred in connection with the proposed transactions are estimated not to exceed $10,500, including $8,000 for the system service company charges, at cost. All of such fees and expenses are to be paid by Consolidated.

Notice is further given that any interested preson may, not later than June 3, 1977, request in writing that a hearing be held in respect of such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said application-declaration which he desires to controvert; or he may request that he be notified should the Commission order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail upon the applicants-declarants at the above-stated address, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. At any time after said date, the application-declaration, as filed or as it may be amended, may be granted and permitted to become effective as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is

ordered will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

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

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.77-14567 Filed 5-20-77;8:45 am]

[Release No. 20025; 70-6011]

GENERAL PUBLIC UTILITIES CORP.

Proposed Issue and Sale of Common Stock by Holding Company Pursuant to an Underwritten Rights Offering

MAY 12, 1977.

Notice is hereby given that General Public Utilities Corporation ("GPU"), 260 Cherry Hill Road, Parsippany, New Jersey 07054, a registered holding company, has filed a declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6(a), 7 and 12(c) of the Act and Rules 42 and 50 promulgated thereunder as applicable to the proposed transaction. All interested persons are referred to the declaration, which is summarized below, for a complete statement of the proposed transaction.

GPU proposes to offer up to 3,770,000 authorized but unissued shares of its common stock for subscription by the holders of its outstanding shares of common stock on the basis of 1 share for each 15 shares of common stock held on the record date. The record date will be June 30, 1977, or such later date as GPU's registration statement under the Securities Act of 1933 may become effective. The subscription price, to be determined by GPU at about 4:15 p.m. on the day preceding the anticipated record date, will not be more than 100 percent and not less than 85 percent, of the closing price of GPU common stock on the Consolidated Tape on the day prior to the record date. The subscription offer will expire July 22, 1977, unless the record date should be later than June 30, 1977, in which event the expiration date will be specified by amendment.

In connection with the subscription rights offering, GPU anticipates that it may effect stabilizing transactions in order to maintain the market price of its common stock at a level above that which might otherwise prevail in the open market. GPU states that it acquire no more than 300,000 shares of its common stock pursuant to these stabilizing activities. The aggregate of the shares of common stock offered pursuant to the subscription offer, including the shares, if any, purchased by GPU in connection with such stabilizing activities, are hereinafter referred to as "additional common stock."

Rights to subscribe to the additional common stock wil be evidenced by transferable subscription warrants which will be issued to all record holders of GPU common stock as promptly as practicable after the record date. No fractional shares wil be issued; however, any holder with more than 15 shares, but not an exact multiple thereof, may purchase, at the subscription price one extra share of additional common stock. A stockholder with less than 15 shares of common stock will be entitled to purchase, at the subscription price, one full share of additional common stock.

In addition, each holder of a warrant or warrants who exercises such warrant or warrants in full will be given the privilege of subscribing, subject to allotment, at the same subscription price, for unsubscribed shares of additional common stock ("over-subscription privilege"). GPU proposes to take such action as is appropriate to effect the admission for trading of the subscription rights on the New York Stock Exchange.

GPU does not propose to mail warrants to stockholders whose registered addresses are outside the United States, Bermuda, Canada and Mexico. To the extent that GPU does not receive instructions from such stockholders to exercise their warrants, the rights evidenced by such warrants may be sold by Hartford National Bank and Trust Company, the subscription agent, for the account of such stockholders.

GPU further proposes to issue and sell, subject to the competitive bidding requirements of Rule 50 under the Act, such of the shares of the additional common stock as are not purchased pursuant to the subscription offer. The subscription price, which will also be the price to be paid by the successful bidder or bidders, will be set by GPU at least 45 minutes before the time of submitting bids. GPU will pay the underwriters for their commitments and obligations a fixed sum, to be supplied by amendment, plus an amount per share to be specified in the bid for each unsubscribed share purchased and for each share purchased by underwriters upon the exercise of rights purchased (but excluding any additional common stock purchased pursuant to the over-subscription privilege).

It is stated that the net proceeds of the sale of additional common stock will be applied by GPU to repay at or before maturity all or a portion of GPU's short-term indebtedness incurred to make additional investments in subsidiaries, to make additional investments in subsidiaries, and/or to reimburse its treasury for prior investments in its subsidiaries.

Fees and expenses to be incurred in connection with the proposed transaction will be supplied by amendment. It is stated that no state commission and no federal commission, other than this Commission, has jurisdiction over the proposed transaction.

Notice is further given that any interested person may, not later than June 7, 1977, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549.

A copy of such request should be served personally or by mail upon the declarant at the above-stated address, and proof of service (by affidavit or, in case of an attorney-at-law, by certificate) should be filed with the request. At any time after said date, the declaration, as filed or as it may be amended, may be permitted to become effective as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

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

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.77-14568 Filed 5-20-77;8:45 am]

[Release No. 9763; 812-4079]

INVESTORS MUTUAL, INC., ET AL.

Application for an Order of Act To Permit Offers of Exchange and for Exemption From Provisions

MAY 11, 1977.

In the matter of Investors Mutual, Inc.; Investors Stock Fund, Inc.; Investors Variable Payment Fund, Inc.; Investors Selective Fund, Inc.; IDS New Dimensions Fund, Inc.; IDS Progressive Fund, Inc.; IDS Bond Fund, Inc.; IDS Cash Management Fund, Inc.; IDS Tax-Exempt Bond Fund, Inc., 1000 Roanoke Building, Minneapolis, Minnesota 55402, and Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minnesota 55402.

Notice is hereby given that Investors Mutual, Inc. ("Mutual"), Investors Stock Fund, Inc. ("Stock"), Investors Variable Payment Fund, Inc. ("Variable"), Investors Selective Fund, Inc. ("Selective"), IDS New Dimensions Fund, Inc. ("Dimensions"), IDS Progressive Fund, Inc. ("Progressive"), IDS Bond Fund, Inc. ("Bond"), IDS Cash Management Fund, Inc. ("Cash Management"), and IDS Tax-Exempt Bond Fund, Inc. ("Tax-Exempt") (collectively referred to as "the Funds"), open-end investment companies registered under the Investment Company Act of 1940 ("Act"), and Investors Diversified Services, Inc. ("IDS"), each Fund's investment adviser and principal underwriter (collectively referred to with the Funds as "Applicants"), filed an application on January 21, 1977, for an order of the Commission, pursuant to section 11(a) of the Act, permitting certain transfers among the Funds on a basis other than their net asset value per share at the time of

transfer and, pursuant to section 6(c) of the Act, exempting such transfers from the provisions of section 22(d) of the Act and Rule 22d-1 thereunder. All interested persons are referred to the applications on file with the Commission for a statement of the representations contained therein, which are summarized below.

IDS, as principal underwriter for the Funds, maintains a continuous public offering of shares of each of the Funds at their respective net asset value plus a sales charge. On purchases of less than $15,000, the sales charge is 3½ percent Bond, 4¾ percent for Tax-Exempt, 7 percent for Selective and 8 percent for each of the other Funds except Cash Management, which does not have a sales charge. For each of the Funds, the sales charge is reduced on larger purchases, except for Bond which has a level 3½ percent sales charge.

Mutual, Stock, Variable, Progressive, and Dimensions propose to offer their shares to shareholders of Selective, Bond, or Tax-Exempt who have held their shares for less than eight months and who redeem their shares and immediately reinvest in its shares, on payment of the difference between the sales charge paid upon the purchase of shares of Selective, Bond, or Tax-Exempt and the sales charge that would have been paid had the offering Fund's shares been purchased originally. Shareholders of Selective, Bond, or Tax-Exempt who have held their shares for eight months or more will be allowed to transfer to the other Funds at net asset value without paying a sales charge. No transfers will be allowed into Cash Management from Selective, Bond, or Tax-Exempt earlier than eight months. Shareholders of the other Funds do not have the privilege of transferring into Bond Fund.

Selective proposes to offer its shares to shareholders of Tax-Exempt or Bond who have held their shares for less than eight months and who redeem their shares and immediately reinvest in shares of Selective, on payment of the difference between the sales charge paid upon the purchase of shares of Tax-Exempt or Bond and the sales charge that would have been paid had the investment been in Selective originally. Shareholders of Tax-Exempt or Bond who have held their shares for eight months or more will be allowed to transfer into Selective at net asset value without paying a sales charge.

Tax-Exempt proposes to offer its shares to the shareholders of the other Funds, except Cash Management, who have held their shares for less than eight months and who redeem their shares and immediately reinvest in shares of Tax-Exempt, on payment of the difference between the sales charge paid on the shares of the other funds from which the transfer is being made and the sales charge that would have been paid had the investment been in Tax-Exempt originally. Shareholders of the other Funds, except Cash Management, who have held their shares for more than eight months, will be permitted to transfer into Tax-Exempt at net asset value without paying a sales charge.

In each case, the reason for the eight month "waiting period" is to discourage attempts at circumventing the higher sales charge which would have been applicable on the shares of the Fund into which the transfer is being made had these shares been purchased initially. For purposes of calculating the eight month period, the length of time the investment has been in the complex of the Funds will be included. In addition, no sales charge will be imposed upon a transfer of shares which were acquired originally at net asset value, except shares of Cash Management acquired by direct purchase, and such shares will be transferred first.

Each of the Funds, except Bond, proposes to offer its shares to the shareholders of Cash Management who redeem their shares and immediately reinvest in its shares on the basis of the net asset value at the time of the transfer, plus the sales charge described in the prospectus of each of the Funds. The additional sales charge would be imposed only upon the transfer of shares of Cash Management originally acquired by direct purchase. Shares of Cash Management that were acquired as the result of a transfer from one of the other Funds will be transferred at net asset value without a sales charge, and such shares will always be transferred first.

Section 11(a) of the Act provides that it shall be unlawful for any registered open-end company or any principal underwriter for such company to make, or cause to be made, an offer to the shareholder of a security of such company or of any other open-end investment company to exchange his security for a security in the same or another such company on any basis other than the relative net asset values of the respective securities to be exchanged unless the terms of the offer have first been submitted to and approved by the Commission.

Section 22(d) of the Act provides, in pertinent part, that no registered investment company or principal underwriter thereof shall sell any redeemable security issued by such company to any person except at a current public offering price described in the prospectus. The sales charge described in the prospectus of each of the Funds is normally greater than the sales charge which would be applicable to a proposed transfer. Rule 22d-1 permits certain variations in sales load, none of which it is alleged are applicable to the proposed transfer privileges.

Applicants state that the purpose of the proposed transfer privileges and the eight month restriction, where applicable, is to discourage attempts to circumvent the higher sales charges that could occur were an investor to purchase a Fund with a lower sales charge and, subsequently, transfer the investment at net asset value for an investment in one of the other Funds which imposes a higher sales charge than the Fund originally purchased. Applicants further state that under certain circumstances it might be found that IDS, as underwriter for all the Funds, would be violating section 22(d) of the Act, since an investor would be able to purchase shares of one of the other Funds at a sales charge other than that described in the prospectus merely by purchasing shares of Selective, Bond or Tax-Exempt and subsequently transferring those shares after eight months at net asset value into shares of one of the other Funds. Appropriate disclosure of the terms of the proposed transfer privileges will be made in the prospectuses of each of the Funds.

Section 6(c) provides, in pertinent part, that the Commission, by order upon application, may conditionally or unconditionally exempt any person, security or transaction or any class or classes of persons, securities or transactions from any provisions of the Act or of any rule or regulation under the Act, if and to the extent such 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.

Notice is further given that any interested person may, not later than June 6, 1977, at 5:30 p.m., submit to the Commission in writing, a request for a hearing on the application accompanied by a statement as to the nature of his interest, the reason for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail upon Applicants at the addresses stated above. Proof of such service (by affidavit, or in the case of an attorney-at-law, by certificate) shall be filed contempoaneously with the request. As provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein will be issued as of course following said date unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons, who request a hearing or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

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

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.77-14571 Filed 5-20-77;8:45 am]

[Release No. 9765; 811-1832]

LINCOLN NATIONAL INCOME FUND, INC.

Filing of Application of the Act for an Order Declaring That Company Has Ceased To Be an Investment Company

MAY 12, 1977.

Notice is hereby given that Lincoln National Income Fund, Inc. ("Applicant"), 1301 South Harrison Street, Fort Wayne, Indiana 46801, an open-end, diversified management investment company registered under the Investment Company Act of 1940 (the "Act"), has filed an application pursuant to section 8(f) of the Act for an order of the Commission declaring that Applicant has ceased to be an investment company as defined in the Act. All interested persons are referred to the application on file with the Commission for a statement of the facts and representations contained therein, which are summarized below.

The Applicant was incorporated under the laws of the State of Delaware on January 22, 1969, and registered with the Commission under the Act on August 11, 1969. Applicant states that on October 27, 1976, its shareholders approved an Agreement and Plan of Reorganization ("the Agreement") which provided for the sale by Applicant of substantially all of its assets to Selected American Shares, Inc. ("American"). On November 17, 1976, pursuant to the Agreement, 466,943,935 shares of American were delivered to the Applicant, representing an exchange ratio of 1.2461 shares of American for each share of Applicant outstanding. Applicant states further that such shares were delivered to or credited to the accounts of shareholders of Applicant according to their respective interests in liquidation of the Applicant.

Applicant states that on December 16, 1976, it filed a certificate of dissolution with the Secretary of State of Delaware. Applicant represents that it now has no stockholders, no assets or liabilities, and engages in no business activity.

Section 8(f) of the Act provides, in pertinent part, that whenever the Commission on its own motion or upon application, finds that a registered investment company has ceased to be an investment company, it shall so declare by order and, upon the taking effect of such order, the registration of such company shall cease to be in effect.

Notice is further given that any interested person may, not later than June 6, 1977, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail upon the Applicant at the address stated above. Proof of such service (by affidavit or, in case of an attorney-at-law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application will be issued as of course following said date unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

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

GEORGE A FITZSIMMONS,
Secretary.

[FR Doc.77-14569 Filed 5-20-77;8:45 am]

[Release No. 9766; 811-1831]

LINCOLN NATIONAL CAPITAL FUND, INC.

Filing of Application of the Act for an Order Declaring That Company Has Ceased To Be an Investment Company

MAY 12, 1977.

Notice is hereby given that Lincoln National Capital Fund, Inc. ("Applicant"), 1301 South Harrison Street, Fort Wayne, Indiana 46801, an open-end, diversified management investment company registered under the Investment Company Act of 1940 (the "Act"), has filed an application pursuant to section 8(f) of the Act for an order of the Commission declaring that Applicant has ceased to be an investment company as defined in the Act. All interested persons are referred to the application on file with the Commission for a statement of the facts and representations contained therein, which are summarized below.

The Applicant was incorporated under the laws of the State of Delaware on January 22, 1969, and registered with the Commission under the Act on August 11, 1969. Applicant states that on October 27, 1976, its shareholders approved an Agreement and Plan of Reorganization ("the Agreement") which provided for the sale by Applicant of substantially all of its assets to Selected Special Shares, Inc. ("Special"). On November 17, 1976, pursuant to the Agreement, 434,615.444 shares of Special were delivered to the Applicant, representing an exchange ratio of 0.4492 shares of Special for each share of Applicant outstanding. Applicant states further that such shares were delivered to or credited to the accounts of shareholders of Applicant according to their respective interests in liquidation of the Applicant.

Applicant states that on December 16, 1976, it filed a certificate of dissolution with the Secretary of State of Delaware. Applicant represents that it now has no stockholders, no assets or liabilities, and engages in no business activity.

Section 8(f) of the Act provides, in pertinent part, that whenever the Commission on its own motion or upon application, finds that a registered investment company has ceased to be an investment company, it shall so declare by order and, upon the taking effect of such order, the registration of such company shall cease to be in effect.

Notice is further given that any interested person may, not later than June 6, 1977, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail upon the Applicant at the address stated above. Proof of such service (by affidavit or, in case of an attorney-at-law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application will be issued as of course following said date unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commisison, by the Division of Investment Management, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.77-14570 Filed 5-20-77;8:45 am]

[Release No. 34-13535 File No. 4-189]

MIDWEST STOCK EXCHANGE, INC. AND NEW YORK STOCK EXCHANGE, INC.

Program for Allocation of Regulatory Responsibilities Pursuant to Rule 17d-2; Filing of MSE/NYSE Plan

The Midwest Stock Exchange, Inc. (the "MSE") and the New York Stock Exchange, Inc. (the "NYSE") filed with the Commission a plan for allocation of regulatory responsibilities pursuant to Rule 17d-2 (17 CFR 240.17d-2) ("§ 240.17d-2") on March 7, 1977.

The proposed plan provides that the NYSE will be responsible for processing and acting on certain applications submitted by dual members. The MSE will, however, continue to be responsible, subject to further allocation pursuant to § 240.17d-2, for applications for MSE equity or options members, registered options principals, and notification of registered representatives certified as qualified to handle accounts involving options transactions. The NYSE will advise the MSE monthly of certain changes