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RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

RULE 10f-3 AMENDED

The Commission today amended Rule 10f-3 under the Investment Company Act of 1940, which permits an investment company to purchase securities from an underwriting syndicate in which certain affiliated persons of the investment company participate as syndicate members. (Rel. IC-10736)

FOR FURTHER INFORMATION CONTACT: Mark B. Goldfus at (202) 755-0230

COMMISSION ANNOUNCEMENTS

REVISED SCHEDULE ON PUBLIC HEARINGS ON OFF-BOARD TRADING RULES ANNOUNCED

The Commission has announced a revised schedule of appearances for the public hearings on its proposed Rule 19c-3 which would amend rules of national securities exchanges which limit or condition the ability of members to effect transactions otherwise than on such exchanges. The hearings will begin on Wednesday, June 20 at 10:00 a.m. and will now conclude on July 2. Although the Commission has extended its hearing schedule to accommodate those persons who after June 1, requested to appear, no further additions to the hearing schedule will be accepted.

Wednesday, June 20

- 10:00 a.m. - Gordon S. Macklin, National Association of Securities Dealers, Inc.
- 11:30 a.m. - Edward O'Brien, Securities Industry Association
- 2:30 p.m. - Joseph S. DiMartino, Dreyfus Corporation
- 3:30 p.m. - George M. Ferris, Jr., Ferris & Company

Thursday, June 21

- 10:00 a.m. - Arthur Levitt, Jr., American Stock Exchange, Inc.
- 11:30 a.m. - Robert H.B. Baldwin, Morgan Stanley & Co., Inc.
- 2:00 p.m. - Frank C. Graham, Purcell, Graham & Co.
- 3:00 p.m. - Raymond A. Mason, Legg Mason Wood Walker, Inc.

Wednesday, June 27

- 10:00 a.m. - Morton N. Weiss, National Security Traders Association
- 11:00 a.m. - Howard E. Bigler, Connecticut General Insurance Co.
- 12:00 noon - Fred Ritterhiser, Thomson McKinnon Securities Corp.
- 2:30 p.m. - Raymond Meselsohn, Sherwood Securities Corp.
- 3:30 p.m. - C. Rader McCulley, First Southwest Securities
- 4:30 p.m. - Margaret Cox Sullivan, Stockholders of America

Thursday, June 28

- 10:00 a.m. - Peter Solomon, Deputy Mayor, City of New York
- 10:30 a.m. - Robert E. Mnuchin, Goldman Sachs & Co.
- 11:30 a.m. - Charles Henry, Pacific Stock Exchange, Inc.
- 2:30 p.m. - Richard B. Walbert, Midwest Stock Exchange, Inc.
- 4:00 p.m. - Howard Coughlin, Office & Professional Employees Int'l Union

Friday, June 29

- 10:00 a.m. - William M. Batten, New York Stock Exchange, Inc.
- 12:00 noon - Walter Morris
- 2:00 p.m. - Allen Weintraub, Advest Co.
- 3:00 p.m. - Association for the Preservation of the Auction Markets
- 4:00 p.m. - Philadelphia Stock Exchange, Inc.

Monday, July 2

- 9:30 a.m. - Roger Hochstin, Colin, Hochstin & Co., Inc.
- 10:30 a.m. - Richard Dreskin, Dreskin & Co., Inc.
- 11:30 a.m. - Ralph Coleman, National Association of Over-the-Counter Companies
- 12:30 p.m. - Jerome M. Pustilnik, Instinet

Persons intending to appear at the public hearings should file with George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Room 892, 500 North Capitol Street, Washington, D.C. 20549, the text of any prepared statement, together with 30 copies, and send one copy of that statement to Andre' Weiss, Room 390, at the above address, not later than four business days prior to their appearance and are welcome to make additional copies of these statements available for the benefit of interested persons attending the hearings.

All submissions should refer to File No. 4-220 and will be available for public inspection at the Commission's Public Reference Room, 1100 L Street, N.W., Washington, D.C.

**COMMENTS REQUESTED REGARDING DISCLOSURES IN AND FORMS FOR
REGISTRATION OF CERTAIN ANNUITY CONTRACTS**

On April 5 the Commission issued Release Nos. 33-6050 and 33-6051 which generally discussed the circumstances under which certain annuity contracts known as guaranteed investment contracts would satisfy the exemption from registration provided by Section 3(a)(8) of the Securities Act of 1933. The Division of Investment Management understands that many insurance companies presently are considering whether certain annuity contracts, when evaluated in light of the releases, are exempt under Section 3(a)(8) or should be registered under the Act. At present, issuers electing to register these contracts can and should use Form S-1 because there is no registration form adopted by the Commission under the Act that is directed specifically at this type of security.

As required by the Commission's rules under the Act, any prospectus and registration statement for any security must provide all information which would be relevant and material to a reasonable investor in a readable and understandable manner. The Division has some concern that use of Form S-1 by an insurance company as a means of registering guaranteed investment contracts may not provide the most desirable method for arranging and displaying, in narrative or financial style, the material information which would be relevant to a reasonable investor. Thus, the Division would appreciate receiving comments from all interested persons which would aid it in determining whether Form S-1 is suitable for registration of this type of security, or whether the Division should consider seeking Commission authorization to design another registration form solely for portrayal of all material information respecting fixed annuity contracts which are not exempt from registration under the Act. In that context, it would be helpful if commentators would identify those specific disclosure items which would be material to reasonable investors that would not, in the commentator's view,

receive proper emphasis or prominence in Form S-1 but might achieve greater readability and understandability if disclosed on some special registration form. If the Division should determine to seek Commission authorization to fashion a new registration form for fixed annuity contracts which are not exempt from registration, the Division would recommend that the Commission publish any such proposed registration form to elicit public comment prior to its adoption by the Commission.

Interested persons are invited to submit comments in writing by July 27, addressed to S. Elliott Cohan, Assistant Director, Division of Investment Management, Securities and Exchange Commission, 500 North Capitol Street, N.W., Washington, D.C. 20549. Any comments received will be available in File 4-223 for public inspection and copying at the Commission's Public Reference Room, 1100 L Street, N.W., Washington, D.C.

FOR FURTHER INFORMATION CONTACT: Elliott Cohan at (202) 755-0237

CRIMINAL PROCEEDINGS

L. STEVEN SMITH PLEADS GUILTY

The Commission announced that on June 11 L. Steven Smith, a former director, senior vice-president and head of the Institutional Trading Department and the Restricted Securities Department of Bateman Eichler, Hill Richards, Inc., pled guilty to two felony counts arising from transactions in the securities of Vernitron Corporation and Frigitronics, Inc. Smith had been indicted by a federal grand jury in Los Angeles on May 23 on one count of a violation of the antifraud provisions of the Securities Exchange Act of 1934 and one count of a violation of the margin provisions of the Exchange Act. Smith faces a maximum penalty of five years imprisonment and a fine of \$10,000 on each count. Sentencing has been set for July 3. (U.S. v. L. Steven Smith, U.S.D.C. Central District of California, CR79-454). (LR-8776)

INVESTMENT COMPANY ACT RELEASES

BUNKER HILL INCOME SECURITIES, INC.

An order has been issued on an application of Bunker Hill Income Securities, Inc., registered under the Investment Company Act of 1940 as a closed-end, diversified, management investment company, and its investment adviser, Security Pacific National Bank (collectively Applicants), pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder, permitting Applicants to enter into a joint arrangement for the payment of premiums for errors and omissions insurance policies covering Applicants and their officers, directors and employees. (Rel. IC-10727 - June 12)

EDIE SPECIAL GROWTH FUND, INC.

An order has been issued on an application of Edie Special Growth Fund, Inc. (Growth Fund), Rowe Price New Horizons Fund, Inc. (New Horizons), registered under the Investment Company Act of 1940 as open-end, diversified, management investment companies, and T. Rowe Price Associates, Inc., the investment adviser of Growth Fund and New Horizons, exempting from Section 17(a) of the Act and permitting under Rule 17d-1 of the Act a proposed reorganization of Growth Fund and New Horizons. (Rel. IC-10728 - June 12)

MINNEAPOLIS SHAREHOLDERS COMPANY

A notice has been issued giving interested persons until July 9 to request a hearing on an application of Minneapolis Shareholders Company, registered under the Investment Company Act of 1940 as a closed-end, non-diversified, management investment company, for an order pursuant to Section 17(b) of the Act exempting from the provisions of Section 17(a) of the Act the proposed sale by Minneapolis of certain property owned by it to Federal Financial Corp., a wholly-owned subsidiary of Jacobs Industries, Inc., the holder of approximately 84% of Minneapolis' outstanding common stock. (Rel. IC-10729 - June 13)

SIGMA EXCHANGE FUND, INC.

An order has been issued on an application of Sigma Exchange Fund, Inc. declaring that it has ceased to be an investment company. (Rel. IC-10730 - June 13)

HOLDING COMPANY ACT RELEASES

AMERICAN CAN COMPANY

A notice has been issued giving interested persons until July 10 to request a hearing on an application for exemption from the Public Utility Holding Company Act of 1935 pursuant to Sections 3(a)(3)(A) and 3(a)(5) by the American Can Company. (Rel. 35-21096 - June 13)

CENTRAL AND SOUTH WEST CORPORATION

A notice has been issued giving interested persons until July 10 to request a hearing on a proposal of Central and South West Corporation, a registered holding company, and five of its subsidiaries that their short-term borrowing authorizations be increased and that the period within which such borrowings may be made be extended until December 31, 1980. An order has been issued authorizing changes in the banks from which borrowings may be made. (Rel. 35-21097 - June 13)

LOUISIANA POWER & LIGHT COMPANY

A notice has been issued giving interested persons until July 8 to request a hearing on a proposal of Louisiana Power & Light Company, subsidiary of Middle South Utilities, Inc., whereby Louisiana will enter into an agreement with the Town of Rayville, Louisiana giving Louisiana a sixty year franchise to operate the Town's electric system and giving Louisiana an option to acquire the Town's electric system. (Rel. 35-21098 - June 13)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SFC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-16) ST. REGIS PAPER COMPANY, 150 East 42nd St., New York, N.Y. 10017 (212) 573-6000 - 12,000 shares of common stock. (File 2-64745 - June 12)
- (S-16) ROCHESTER GAS AND ELECTRIC CORPORATION, 89 East Ave., Rochester, N.Y. 14649 (716) 546-2700 - 200,000 shares of preferred stock (\$100 par value). Underwriters: The First Boston Corporation and E. F. Hutton & Company Inc. The company supplies electric, gas and steam services. (File 2-64747 - June 13)
- (S-7) SUN BANKS OF FLORIDA, INC., Sun First National Bank Bldg., 200 S. Orange Ave., Orlando, Fla. 32801 (305) 849-4585 - 500,000 shares of cumulative convertible preferred stock. Underwriters: Merrill Lynch White Weld Capital Markets Group and Keefe, Bruyette & Woods, Inc. (File 2-64748 - June 13)
- (S-8) ZENITH NATIONAL INSURANCE CORP., 15760 Ventura Blvd., Encino, Cal. 91436 (213) 990-9300 - 55,253 shares of common stock. The company is engaged in the business of writing standard worker's compensation insurance. (File 2-64749 - June 13)
- (S-8) ARMCO INC., 703 Curtis St., Middletown, Ohio 45043 (513) 425-6541 - 250,000 shares of common stock. (File 2-64750 - June 13)
- (S-1) CROWN INDUSTRIES, INC., 3825 Henderson Blvd., Tampa, Fla. 33609 - \$4 million of subordinated debentures, due 1994 and 80,101 shares of common stock. Underwriter: Raymond, James & Associates, Inc. The company is engaged in manufacturing and selling building products. (File 2-64751 - June 13)
- (S-8) TYMSHARE, INC., 20705 Valley Green Dr., Cupertino, Cal. 95014 (408) 446-6000 - 300,000 shares of common stock. (File 2-64752 - June 13)
- (S-16) CENTRAL POWER AND LIGHT COMPANY, 120 North Chaparral St., Corpus Christi, Tex. 78401 (512) 881-5300 - 500,000 shares of preferred stock, par value \$100. The company is an electric utility. (File 2-64753 - June 13)
- (S-16) CONTINENTAL TELEPHONE CORPORATION, 56 Perimeter Center East, Atlanta, Ga. 30346 (404) 393-2323 - 1,000,000 shares of common stock. The company is an independent telephone company. (File 2-64754 - June 13)

(S-14) WESTSTATES-ITALO COMPANY, One Houston Center, Suite 1504, Houston, Tex. 77002 (713)
651-1346 - 1,189,445 shares of common stock. (File 2-64755 - June 13)

(S-14) GENERAL ELECTRIC COMPANY, 3135 Easton Turnpike, Fairfield, Conn. 06431 (203)
373-2211 - an indeterminate number of shares of common stock. (File 2-64756 - June 13)

REGISTRATIONS EFFECTIVE

May 31: Greate Bay Casino Corp., 2-63792.

June 1: DBA Systems, Inc., 2-64030; Florida Gas Co., 2-64501; The Lionel Corp.,
2-60459; Symbol Technologies, Inc., 2-63515.

June 4: Cooper Laboratories, Inc., 2-64232; Dillingham Corp., 2-64535; Goulds Pumps,
Inc., 2-64530; Heath Tecna Corp., 2-64595; Inter-Regional Financial Group, Inc.,
2-64453.

June 5: The All Americans, 2-62059; Anglo Co. Ltd., 2-64481; Avantek, Inc., 2-64218
& 2-64219; Can-Am 1979-80 Drilling Program, 2-63586; Delhi International Oil Corp.,
2-64676; Filmways, Inc., 2-64272; Grumman Corp., 2-64456; The Government Securities
Income Fund, Eleventh GNMA Series, 2-63596; The Mountain States Telephone and Tele-
graph Co., 2-64469; Pacesetter Financial Corp., 2-63754; Shoney's Inc., 2-64257;
Texas Gas Transmission Corp., 2-64607; United Gas Pipeline Co., 2-64074; Union Tank
Car Co., 2-64552.

ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within 10 days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds 5%. Persons eligible to use the short form (Form 13-G) may in lieu of filing a Schedule 13D file a Form 13-G within forty-five days after the end of the calendar year in which the person became subject to Section 13(d)(1). The following companies or individuals filed Schedule 13D's during the period _____ owned, and the number of shares of the security which are beneficially owned, and the number of shares concerning which there is a right to acquire are sent forth for each beneficial owner. *Amended Acquisition Reports.

<u>REPORTING COMPANY OR INDIVIDUAL</u>	<u>ISSUER & NUMBER OF SHARES</u>	<u>DATE FILED</u>
* Marne Obernauer, Jr.	Devon Group Inc. (Los Angeles, CA) Common Stock - 64,084 shs.	5-25-79
* Columbia Flaming Pit, Inc. Jennings Foods, Inc.	Forum Restaurants, Inc. (Kansas City, MO) Common Stock - 67,982 shs.	5-25-79
Stanley J. Sarnowski	General Kinetics Inc. (Rockville, MD) Common Stock - 43,772 shs.	5-25-79
* Eastover Corp.	ICM Realty (NYC) Shares of Beneficial Interest - 402,486 (13.37%)	5-25-79
United Financial Management Ltd. (Canada)	Lifesurance Corp. (Atlanta, GA) Common Stock - 137,592 shs. (18.1%) (United has agreed to purchase above shares.)	5-25-79
Masco Corp.	Mite Corp. (New Haven, CT) Common Stock - 140,900 shs.	5-25-79
* Goldman, Sachs & Co.	Monumental Corp. (Baltimore, MD) Common Stock - 502,488 shs.	5-25-79
* R. B. Pamplin Corp. R. B. Pamplin, Individually and Trustee R. B. Pamplin, Jr., Trustee, et al	Mount Vernon Mills, Inc. (Greenville, SC) Common Stock - 109,600 shs. (13.32%)	5-25-79
* Shamrock Associates	Property Trust of America (El Paso, TX) Common Stock - 228,536 shs.	5-25-79
Mego International, Inc. Mego Corp. RMCPM, Inc. (Wholly-owned subsidiaries of Mego International)	Tonka Corp. (Hopkins, MN) Common Stock - 298,500 shs. (19.08%)	5-25-79

ACQUISITION REPORTS CONT.

* Dynamics Corporation of America	Unitrode Corp. (Watertown, MA) Common Stock - 381,000 shs. (13.1%)	5-25-79
* H. B. Pearl O. W. Siebert Co. Inc. William J. Fox	Whitlock Corp. (Bayside, NY) Common Stock - 1,638,621 shs. (84.4%)	5-25-79
Telvest, Inc. Telco Marketing Services, Inc. Libco Corp.	American Furniture Co., Inc. (Martinsville, VA) Common Stock - 166,000 shs.	5-29-79
* Skaggs Companies Inc.	American Stores Co. (Wilmington, DE) Common Stock - 2,470,580 shs. (46.1%) (2,400,380 of above shares were acquired pursuant to the Tender Offer.)	5-29-79
* Mustang Fuel Corp.	Arkansas Western Gas Co. (Fayetteville, AR) Common Capital Stock - 300,100 shs.	5-29-79
* Victor L. Sayyah Sayyah Corp. HCA, Inc., et al	Bankers Union Life Insurance Co. (Englewood, CA) Common Stock - 201,185 shs. (85.6%)	5-29-79
* Microtron Industries Inc.	Brooks International, Inc. (Irving, TX) Common Stock - 1,937,062 shs. (89%)	5-29-79
* Wayland H. Cato, Jr.	Cato Corp. (Charlotte, NC) Common Stock - 140,148 shs. (25.17%)	5-29-79
* William A. Hollenbach, Jr.	Cato Corp. (Charlotte, NC) Common Stock - 46,146 shs.	5-29-79
* Bram Goldsmith	City National Corp. (Beverly Hills, CA) Common Stock - 565,312 shs.	5-29-79
* Lone Star Growth Corp. Maury Page Kemp Texas Star Life Insurance Co.	Coaches of America, Inc. (El Paso, TX) Common Stock - 890,728 shs. (29.8%)	5-29-79
* Conchemco Inc. Employee Stock Ownership Plan and Trust	Conchemco, Inc. (Lenexa, KS) Common Stock - 107,460 shs. (18.1%)	5-29-79
* Philip Greer Western Investment Associates II WestVen, et al	Cronus Industries Inc. (Dallas, TX) Common Stock - 181,364 shs.	5-29-79
Barry Schwartz, Individually and Custodian Steven Gumenick Gloria Staab	Doe Spun Inc. (Emigsville, PA) Common Stock - 324,830 shs. (32.6%)	5-29-79
* Walter Kidde & Co., Inc.	EDO Corp. (College Point, NY) Common Stock - 325,900 shs. (26.05%)	5-29-79
* De Rance Inc.	Farmer Bros. Co. (Torrance, CA) Common Stock - 143,450 shs.	5-29-79
* Louis Berkman	First Dyna-Corp. (Washington, PA) Common Stock - 86,659 shs. (29.6%)	5-29-79
* Edwin Morgens Bruce Waterfall	First Memphis Realty Trust (Memphis, TN) Shares of Beneficial Interest - 131,180 (11.4%)	5-29-79
* Clabir Corp. Flinchbaugh Products, Inc. (Wholly-owned subsidiary of Clabir Corp.) Karman Corp., et al	General Host Corp. (Stamford, CT) Common Stock - 380,700 shs. (17.85%)	5-29-79

ACQUISITION REPORTS CONT.

Hamilton Brothers Corp. Hamilton Brothers Oil & Gas Corp. Hamilton Brothers Petroleum Corp.	Gulf Energy & Development Corp. (San Antonio, TX) Common Stock - 380,952 shs. (19.2%) on conversion of Preferred Stock Common Stock - 120,000 shs. on exercise of a Warrant	5-29-79
* Edwards Associates, Inc. Richard E. Edwards John E. Conlon, et al	Hemingway Transport Inc. (New Bedford, MA) Common Stock - 934,276 shs.	5-29-79
* Transco Realty Trust	Hospital Mortgage Group (No. Miami, FL) Shares of Beneficial Interest - 228,300	5-29-79
* Daniel Kane, Individually and Trustee	Kane-Miller Corp. (Tarrytown, NY) Common Stock - 472,992 shs. (12.4%)	5-29-79
* Harold Oelbaum, Individually, Custodian and Trustee	Kane-Miller Corp. (Tarrytown, NY) Common Stock - 251,684 shs.	5-29-79
* Stanley B. Kane, Individually, Custodian and Trustee	Kane-Miller Corp. (Tarrytown, NY) Common Stock - 599,093 shs. (15.7%)	5-29-79
Central & Eastern Trust Company (Canada)	Lifesurance Corp. (Atlanta, GA) Common Stock - 137,592 shs. (18%) (Above shares will be purchased pursuant to an Agreement.)	5-29-79
Galdi Securities Joseph C. Galdi Rita D. Galdi, et al	Lilli Ann Corp. (San Francisco, CA) Common Stock - 58,100 shs.	5-29-79
* American General Insurance Co.	Lincoln National Corp. (Fort Wayne, IN) Common Stock - 2,106,500 shs.	5-29-79
* Armand P. Ortega	Medco Jewelry Corp. (Overland Park, KS) Common Stock - 146,200 shs. (15.3%)	5-29-79
* Abraham Gosman	Multibank Financial Corp. (Quincy, MA) Common Stock - 287,720 shs. (19.6%)	5-29-79
Richard B. Mayor	Oshman's Sporting Goods, Inc. (Houston, TX) Common Stock - 289,069 shs.	5-29-79
* Stroh Brewery Co. John W. Stroh, Jr. Peter W. Stroh, Trustees, et al	F & M Schaefer Corp. (NYC) Common Stock - 160,000 shs. Common Stock - 769,231 shs. on conversion of Notes	5-29-79
* Loyal American Life Insurance Co.	TRECO (Jacksonville, FL) Common Stock - 93,500 shs. Common Stock - 601,851 shs. on conversion of Debentures	5-29-79
Pennsylvania Life Co. Pennsylvania Life Insurance Co. (Wholly-owned subsidiary of Pennsylvania Life Co.)	United Guaranty Corp. (Greensborough, NC) Common Stock - 248,500 shs.	5-29-79
* Dover Holdings, Inc. (Wholly-owned subsidiary of Dover Corp.)	Universal Instruments Corp. (Binghamton, NY) Common Stock - 558,451 shs. (37.7%)	5-29-79

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