

application(s) and/or declaration(s) should submit their views in writing by June 22, 1999, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549-0609, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After June 22, 1999, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Conectiv, et al. (70-9499)

Conectiv, a registered public utility holding company, Atlantic City Electric Company ("ACE"), and Delmarva Power & Light Company ("Delmarva"), both utility subsidiaries of Conectiv ("Applicants"), all located at 800 King Street, Wilmington, Delaware 19899, have filed a declaration under section 12(c) of the Act and rules 46(a) and 54 under the Act.

Applicants note that each of the states in which ACE and Delmarva operate, i.e., New Jersey, Delaware, Maryland and Virginia, has enacted restructuring legislation that is intended to result in competition for the supply component of the price ACE and Delmarva charge to their retail customers. Applicants state that because of this legislation, certain costs that ACE and Delmarva have incurred to serve their customers ("stranded costs") may not be recoverable from these customers. Applicants expect that the utility commissions in Delaware, Maryland and Virginia will issue orders in the second and third quarters ("Restructuring Orders") that will allow applicants to quantify the amount of stranded costs that ACE and Delmarva will have to charge to their retained earnings.

Applicants state that these charges may have an effect on Applicants' abilities to pay dividends out of retained earnings. For this reason, each Applicant seeks authority to pay dividends out of capital or unearned surplus should the charges to retained earnings exceed its level of retained earnings at the time of the charge.

Specifically, Conectiv requests authority to pay dividends with respect to its common stock and Class A common stock for up to six quarters in amounts that would aggregate up to

approximately \$144 million.¹ ACE requests authority to pay dividends out of capital or unearned surplus to preferred stockholders and to Conectiv as the holder of ACE common stock for up to four quarters in amounts that would aggregate up to approximately \$52 million.² Delmarva requests authority to pay dividends out of capital or unearned surplus to preferred stockholders and to Conectiv as the holder of Delmarva common stock for up to four quarters in amounts that would aggregate up to approximately \$52.4 million.³

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99-14208 Filed 6-3-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-23856]

Applications for Deregistration Under Section 8(f) of the Investment Company Act of 1940

May 28, 1999.

The following is a notice of applications for deregistration under section 8(f) of the Investment Company Act of 1940 for the month of May, 1999. A copy of each application may be obtained for a fee at the SEC's Public Reference Branch, 450 Fifth St., N.W., Washington, DC 20549-0102 (tel. 202-942-8090). An order granting each application will be issued unless the SEC orders a hearing. Interested persons may request a hearing on any application by writing to the SEC's Secretary at the address below and serving the relevant 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 June 22, 1999, 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 Secretary, SEC, 450 Fifth Street, N.W., Washington, DC 20549-

¹ This represents approximately ten percent of Conectiv's capital surplus as of March 31, 1999.

² This represents eleven percent of the ACE capital surplus as of March 31, 1999.

³ This represents approximately ten percent of Delmarva's capital surplus as of March 31, 1999.

0609. For Further Information Contact: Diane L. Titus, at (202) 942-0564, SEC, Division of Investment Management, Office of Investment Company Regulation, 450 Fifth Street, N.W., Washington, DC 20549-0506.

Alameda-Contra Costa Medical Association Collective Investment Trust For Retirement Plans [File No. 811-5887]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. Between November 18, 1998, and January 5, 1999, a pro rata distribution was made to each securityholder of each of applicant's portfolios based on net asset value. Expenses of approximately \$35,000 were incurred in connection with the liquidation and were paid by applicant's sponsor and administrator, the Alameda-Contra Costa Medical Association.

Filing Dates: The application was filed on April 21, 1999, and amended on May 21, 1999.

Applicant's Address: 6230 Claremont Avenue, Oakland, California 94618.

Bascom Hill Balanced Fund, Inc. [File No. 811-4825]

Bascom Hill Investors, Inc. [File No. 811-2825]

Madison Bond Fund, Inc. [File No. 811-5952]

Summary: Each applicant seeks an order declaring that it has ceased to be an investment company. On June 13, 1997, Bascom Hill Balanced Fund, Inc. and Bascom Hill Investors, Inc. transferred their assets and liabilities to a corresponding series of Mosaic Equity Trust based on net asset value. On June 13, 1997, Madison Bond Fund, Inc. transferred its assets and liabilities to Mosaic Income Trust based on net asset value. Expenses of approximately \$12,000, \$10,000, and \$8,000, respectively, were incurred in connection with the reorganizations and were paid by Madison Investment Advisors, Inc., investment adviser of each applicant.

Filing Dates: Each application was filed on February 17, 1999, and amended on May 12, 1999.

Applicants' Address: 6411 Mineral Point Road, Madison, Wisconsin 53705.

The Highland Family of Funds [File No. 811-7867]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On March 13, 1998, applicant made its final liquidating distribution to its remaining securityholders at net asset value per

share. Expenses of approximately \$33,815 incurred in connection with the liquidation were paid by Robert Lamb III, applicant's President and Trustee, and co-founder of Highland Investment Group, L.P., applicant's investment adviser.

Filing Dates: The application was filed on November 5, 1998 and amended on May 11, 1999.

Applicant's Address: 1248 Post Road, Fairfield, Connecticut 06430.

Marquis Funds [File No. 811-7830]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On August 10, 1998, applicant transferred all of its assets and liabilities to corresponding series of The One Group® in exchange for shares of the corresponding series of The One Group® based on net asset value. Expense of approximately \$270,000 were incurred in connection with the reorganization and were paid by Banc One Investment Advisors, investment adviser to the The One Group®.

Filing Dates: The application was filed on March 26, 1999, and amended on May 26, 1999.

Applicant's Address: 2 Oliver Street, Boston, Massachusetts 02109.

Oppenheimer Mortgage Income Fund [File No. 811-4712]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On June 28, 1995, applicant transferred all of its assets to Oppenheimer U.S. Government Trust ("U.S. Government Trust"), in exchange for shares of U.S. Government Trust, based on the relative net asset values per share. Applicant and U.S. Government Trust paid \$37,107 and \$23,207, respectively, in expenses related to the reorganization.

Filing Dates: The application was filed on March 3, 1999, and amended on May 12, 1999.

Applicant's Address: Two World Trade Center, New York, New York 10048-0203.

Principal Tax-Exempt Cash Management Fund, Inc. [File No. 811-5548]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On April 8, 1999, applicant transferred its assets and liabilities to Principal Cash Management Fund, Inc. in exchange for shares of that fund based on the net asset value per share. Expenses of approximately \$70,000 were incurred in connection with the reorganization, and were paid

by Principal Management Corporation, applicant's investment adviser.

Filing Dates: The application was filed on April 28, 1999, and amended on May 20, 1999.

Applicant's Address: The Principal Financial Group, Des Moines, Iowa 50392.

Stonebridge Growth Fund, Inc. [File No. 811-916]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On November 2, 1998, applicant transferred all of its assets to the Stonebridge Growth Fund, a series of the Stonebridge Funds Trust, at net asset value. Expenses of approximately \$41,000 incurred in connection with the reorganization were borne by applicant.

Filing Dates: The application was filed on January 8, 1999, and amended on April 15, 1999 and May 26, 1999.

Applicant's Address: 370 17th Street, Suite 3100, Denver, Colorado 80202-5631.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99-14209 Filed 6-3-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41466; File No. SR-DTC-99-12]

Self-Regulatory Organizations; The Depository Trust Company; Filing and Order Granting Accelerated, Temporary Approval of a Proposed Rule Change Relating to the Admission of Non-U.S. Entities as Direct Depository Participants

May 28, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on May 19, 1999, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared primarily by DTC. The Commission is publishing this notice and order to solicit comments from interested persons and to grant accelerated, temporary approval of the proposed rule change through May 31, 2000.

¹ 15 U.S.C. 78s(b)(1).

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The purpose of the proposed rule change is to extend the Commission's temporary approval of DTC's admission criteria for entities that are organized in a country other than the United States ("non-U.S. entities").

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, DTC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. DTC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.²

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of the proposed rule change is to extend the Commission's temporary approval of DTC's admission criteria for non-U.S. entities as direct DTC participants. The Commission originally granted temporary approval on May 9, 1997.³ The admission criteria permit well-qualified, non-U.S. entities to obtain direct access to DTC's services without requiring the non-U.S. entities to obtain financial guarantees from another DTC participant. According to DTC, DTC established the program for admission of non-U.S. entities in response to requests it received from certain participants. These participants requested that DTC consider changes in its admissions policy that would allow non-U.S. affiliates to become direct participants without having to obtain financial guarantees from a DTC participant that was a U.S. entity.

As of May 10, 1999, one non-U.S. entity has been approved for DTC membership under the standards for admission of non-U.S. entities. DTC is currently reviewing an application from another non-U.S. entity and has received numerous inquiries from other non-U.S. entities. In 1999, DTC expects

² The Commission has modified the text of the summaries prepared by DTC.

³ For a complete discussion of the admission criteria, refer to Securities Exchange Act Release No. 38600, International Release No. 1078 (May 9, 1997), 62 FR 27086-01 [File No. SR-DTC-96-13] (order temporarily approving a proposed rule change relating to the admission of non-U.S. entities as direct depository participants).