

existence of an underwriting or selling syndicate, a principal underwriter of which is an Affiliated Broker-Dealer.

4. Applicants believe that the requested relief meets the standards set forth in section 10(f). Applicants state that section 10(f) was designed to prevent the practice of "dumping" otherwise unmarketable securities on investment companies, either by forcing the investment company to purchase unmarketable securities from the underwriting affiliate itself, or by forcing or encouraging the investment company to purchase such securities from another member of the syndicate. Applicants submit that such abuses are not present in the context of Multi-Managed Portfolios to any greater extent than is the case with a series investment company with unaffiliated subadvisers to separate portfolios. As stated above in the context of sections 17 (a) and (e) transactions, in each underwriting transaction that would be subject to the requested relief, the Unaffiliated Subadviser would be dealing, on behalf of the Unaffiliated Portion of the Portfolio, with an Affiliated Broker-Dealer that is a competitor of the Unaffiliated Subadviser in an arm's length arrangement.

5. Rule 10f-3 exempts certain transactions from the prohibitions of section 10(f) if specified conditions are met. Paragraph (d) of rule 10f-3 provides that the amount of securities of any class of an issue to be purchased by the investment company, or by two or more investment companies having the same investment adviser, shall not exceed 4% of the principal amount of the offering of such class or \$500,000 in principal amount, whichever is greater, but in no event greater than 10% of the principal amount of the offering.

6. Applicants also request exemptive relief pursuant to section 6(c) to the extent necessary so that where a portion of a Portfolio managed by H&W purchases securities in reliance upon rule 10f-3, for purposes of determining H&W's compliance with the percentage limits of rule 10f-3(d), such purchases will not be aggregated with any purchases that might be made by an Unaffiliated Portion of the Portfolio. For the reasons below, applicants believe the requested relief meets the standards of section 6(c).

7. Applicants believe that the restrictions of rule 10f-3 would erect an unnecessary barrier to their purchase of securities in underwritings where there is no conflict of interest present.

Applicants state that in order to comply with the restrictions of rule 10f-3(d), it

would be necessary for all of the subadvisers to coordinate their securities purchases in underwriting to ensure compliance, which would require communication among them regarding their investment plans. Applicants state that such communication would otherwise be unnecessary. In addition, applicants submit that it would be contrary to the interests of shareholders to maintain unnecessary barriers to purchases by the Portfolio of securities that conform to its investment objective and policies where there is no reason to fear "dumping" or other self-dealing. Applicants state that H&W would comply with rule 10f-3 with respect to transactions on behalf of the portion of any Multi-Managed Portfolio it subadvisees.

Applicants' Conditions

Applicants agree that any other of the SEC granting the requested relief will be subject to the following conditions:

1. Each Portfolio will be advised by H&W and at least one other Unaffiliated Subadviser and will be operated consistent with the manner described in section I.C. of the application.

2. Neither H&W (except by virtue of H&W serving as subadviser to a discrete portion of a Portfolio of an Unaffiliated Fund) nor the Affiliated Broker-Dealer will be an affiliated person or a second-tier affiliate of any Unaffiliated Subadviser or any officer, director, or employee of the Unaffiliated Fund engaging in the transaction.

3. H&W will not directly or indirectly consult with any Unaffiliated Subadvisers concerning allocation of principal or brokerage transactions.

4. H&W will not participate in any arrangement whereby the amount of its subadvisory fees will be affected by the investment performance of an Unaffiliated Subadviser.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (Safeway Inc., Common Stock, \$.01 Par Value) File No. 1-41

April 15, 1997.

Safeway Inc. ("Company") has filed an application with the Securities and

Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act") and Rule 12d2-2(d) promulgated thereunder, to withdraw the above specified security ("Security") from listing and registration on the Pacific Exchange ("PCX").

The reasons cited in the application for withdrawing the Security from listing and registration include the following:

The Company's Security has been listed on the New York Stock Exchange, Inc. ("NYSE") since the Company's initial public offering in 1990. The Company chose not to list on the Exchange at that time because of the incremental listing fees involved. In 1994, the Company was approached by the Exchange with an offer to list on the Exchange at no charge. The Company agreed to list on the Exchange at that time on the belief that some incremental value to the Company would be achieved by the additional listing. Since the listing on the Exchange, however, the Company has not perceived any discernible value added by the additional listing. The Company has determined that the annual maintenance fee for the additional listing on the Exchange is not a justified expense, and therefore has decided to delist. The Company's Security will continue to list on the NYSE.

Any interested person may, on or before May 6, 1997, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the Exchange and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

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

Jonathan G. Katz,

Secretary.

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