



SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

(202) 272-2650



FOR IMMEDIATE RELEASE:

85-14

COMMISSION TO CONSIDER FOUR ITEMS UNDER INVESTMENT COMPANY ACT OF 1940

Washington, D.C. - March 12 - The Securities and Exchange Commission will consider four items under the Investment Company Act of 1940 at an open meeting on Thursday, March 14 at 4:00 p.m. in the Commission Meeting Room, (Room 1C30), 450 Fifth Street, N.W., Washington, D.C.

Scheduled Premium Variable Life Insurance

The Commission will consider issuing for public comment a release proposing amendments to Rule 6e-2. The proposed amendments would conform certain provisions of that Rule to those of Rule 6e-3(T), a companion rule that was adopted temporarily by the Commission in November 1984. Rule 6e-2 concerns scheduled premium variable life insurance, while Rule 6e-3(T) relates to flexible premium variable life insurance.

Form N-14

In addition, the Commission will consider proposing for public comment a new form for business combinations. Form N-14 would

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be used for registration of securities issued by registered management investment companies and business development companies in business combination transactions. The Commission will also consider proposing for comment certain related rules for filing and processing of the proposed form.

Rule 205-3

The Commission will also consider whether to issue an exemption from Section 205 of the Advisors Act. The exemption would permit investment advisers to receive performance fees under certain conditions. The conditions include size of assets, compensation and disclosure.

Application for Exemption

The Division of Investment Management will also propose that the Commission issue a notice of the filing of an application by Alleghany Corporation for a temporary, conditional order exempting it from provisions of the Investment Company Act of 1940 (except Sections 17(a), (d) and (e)) until June 30, 1985. The Division will propose further that the Commission issue an interim temporary order until the Commission makes a final determination upon the Applicant's request for exemption. The application was made because, when Alleghany Corporation sold its Investors Diversified Services, Inc. (IDS) subsidiary, it received securities as part of the compensation package for the divestiture. The value of the securities was enough for Alleghany to be considered an investment company under the Act. Because the company wishes to pursue the acquisition of other lines of business, they have requested a temporary exemption from the Act.

CONTACTS:

Scheduled Premium
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Rule 205-3

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Application for
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