

required publishers of second-class publications to calculate the percentage of paid or requested circulation of each publication. A copy of the form, showing an October 1994 edition date, was reproduced for public comment in the **Federal Register** on August 31, 1994 (59 FR 45044-45047). No comments were received.

The final version of the form, showing a September 1995 edition date, contains only two additional changes to the October 1994 edition. This version provides space for including a contact name and telephone number and space for indicating the issue date in which the Statement of Ownership was printed. The form also includes minor editorial and graphic changes that clarify instructions on the form.

Publishers may use either the October 1994 edition or the September 1995 edition of PS Form 3526 to meet the requirement for the October 1 filing of information about authorized second-class publications.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 95-21391 Filed 8-28-95; 8:45 am]

BILLING CODE 7710-12-P

National Business Partners' Program

AGENCY: Postal Service.

ACTION: Notice of program.

SUMMARY: The U.S. Postal Service has implemented the National Business Partners' Program for developing working relationships between its Postal Business Centers (PBCs) and local service vendors. This program should generate additional business activity in mailing-related industries while increasing awareness of postal products and services. The Business Partners' Program includes a seminar on postal products and services that is required for vendors interested in participating. This seminar provides vendors with a better understanding of how the PBCs can support their efforts to expand business.

EFFECTIVE DATES: October 5 through November 30, 1995; January 2 through February 29, 1996.

FOR FURTHER INFORMATION CONTACT: Your local post office for the telephone number of the nearest Postal Business Center; or the Postal Service National Customer Support Center, 1-800-238-3150.

SUPPLEMENTARY INFORMATION: The Postal Service has developed the National Business Partners' Program as a means of identifying local service vendors that can help potential business mailers

learn how to benefit from using the mail, lower their postage costs, and prepare their mail more efficiently. Relationships with business partners have been successfully established at the national and local level. The objective of the Postal Service is to develop and maintain these relationships in order to increase mail volume and mutual revenues.

The Business Partners' Program is available through the Postal Service's network of Postal Business Centers in 100 locations nationwide. Prospective partners are third-party vendors that can offer business mailers such services as printing, presorting, prebarcoding, addressing, and direct mail marketing. Business partners are strong influencers of the customer base of the Postal Service and are frequently stakeholders in the entire postal distribution and delivery process. Postal Business Centers are currently identifying local vendors and mailing to them information about the program.

The program requires vendors to attend a three-part seminar that covers mailpiece design, basics of postage discount programs, and value-added products and services. Participation in the seminar enhances a vendor's knowledge of postal products and mailing requirements, while developing a working relationship with the local Postal Business Centers. Each participant in the program will receive a seminar certificate, valid for 1 year. Participation in a Business Partners' seminar costs \$40 for each attendee. Group rates and on-site rates are also available.

After completing the seminar, participating vendors become eligible to be listed in a local Business Partners' directory. Customers seeking assistance in fulfilling their mailing needs can use the directory as a reference to find vendors that specialize in mailing-related services. These directories will be distributed at scheduled Ad Mail and other customer education seminars. The validation period for a directory listing will be 1 calendar year, and vendors will be required to attend the three-part seminar every year to maintain a listing in the directory.

The Business Partners' program is one of many services provided by the Postal Business Centers for local business mailers. Consultants are on hand at the Postal Business Centers to help mailers learn how to qualify for discounted

postage rates and use the postal system more efficiently.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 95-21390 Filed 8-28-95; 8:45 am]

BILLING CODE 7710-12-P

SECURITIES AND EXCHANGE COMMISSION

Forms Under Review by Office of Management and Budget

Agency Clearance Officer: Michael E. Bartell (202) 942-8800.

Upon written request copy available from: Securities and Exchange Commission Office of Filings and Information Services, Washington, D.C. 20549.

Extension: Form 15; File No. 270-170.

Notice is hereby given pursuant to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*), that the Securities and Exchange Commission ("Commission") has submitted for OMB approval extension of Form 15.

Form 15 is a certification of termination of a registration of a class of security under Section 12(g) or a notice of suspension of duty to file reports pursuant to Sections 13 and 15(d) of the Securities Exchange Act of 1934. Form 15 is filed by an estimated 1,096 filers annually for a total burden of 1,644 hours.

General comments regarding the estimated burden hours should be directed to the OMB Clearance Officer at the address below. Any comments concerning the accuracy of the estimated average burden hours for compliance with Commission rules and forms should be directed to Michael E. Bartell, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549 and Clearance Officer, Project No. 3235-0167, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, D.C. 20503.

Dated: August 18, 1995.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-21355 Filed 8-28-95; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-21318; 812-7734]

Consulting Group Capital Markets Funds and Smith Barney Mutual Funds Management Inc.; Notice of Application

August 23, 1995.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Exemption under the Investment Company Act of 1940 (the "Act").

APPLICANTS: Consulting Group Capital Markets Funds (the "Trust"), and Smith Barney Mutual Funds Management Inc.

RELEVANT ACT SECTIONS: Exemption requested under section 6(c) of the Act from the provisions of section 15(a) and rule 18f-2; and from certain proxy disclosure requirements set forth in item 22 of Schedule 14A under the Securities Exchange Act of 1934 (the "Exchange Act"); items 2, 5(b)(iii), and 16(a)(iii) of Form N-1A; item 3 of Form N-14; item 48 of Form N-SAR; and sections 6-07(2)(a), (b), and (c) of Regulation S-X.

SUMMARY OF APPLICATION: Applicants seek a conditional order permitting the Trust's investment adviser, The Consulting Group (a division of Smith Barney Mutual Funds Management Inc.) (the "Manager"), to enter into sub-advisory agreements on behalf of the Trust without receiving approval by the Trust's shareholders, and permitting the Trust to disclose only aggregate sub-advisory fees for each series of the Trust in their prospectuses and other reports.

FILING DATES: The application was filed on June 6, 1991, and amended and restated on August 11, 1993, March 9, 1994, and August 23, 1995.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on September 18, 1995, and should be accompanied by proof of service on the applicants, 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicant, 222 Delaware Avenue, Wilmington, Delaware 19801.

FOR FURTHER INFORMATION CONTACT: Mary Kay Frech, Senior Attorney, at (202) 942-0579, or C. David Messman, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application

may be obtained for a fee at the SEC's Public Reference Branch.

Applicant's Representations

1. The Trust is a registered open-end management investment company organized as a Massachusetts business trust. The Trust is a series company currently consisting of thirteen operating series (each a "Portfolio" and, collectively, the "Portfolios").¹ Shares of the Portfolios are available exclusively to participants in TRAK Personalized Investment Advisory Service ("TRAK") and are proposed to be made available to other investment advisory services offered by qualified professional asset managers. TRAK and other investment advisory services and the Trust are designed to relieve investors of the burden of devising an asset allocation strategy to meet their individual needs as well as selecting individual investments within the available asset categories.

2. The Manager, a division of Smith Barney Mutual Funds Management Inc., is a registered investment adviser that is a wholly owned subsidiary of Smith Barney Holdings Inc., which in turn is a wholly owned subsidiary of Travelers Group Inc. The Trust has entered into an investment management agreement (the "Management Agreement") with the Manager who, in turn, has entered into an investment advisory agreement ("Advisory Agreement") with one or more separate registered investment advisers (each, a "Sub-Adviser") to the Portfolios. It is the Manager's responsibility under the Management Agreement to select, subject to the review and approval of the board of trustees of the Trust (the "Board"), Sub-Advisers who have distinguished themselves by able performance in their respective areas of expertise in asset management and to review their continued performance. Each Sub-Adviser's responsibilities are limited to managing the assets held by the Portfolio it serves in accordance with the Portfolio's stated investment objectives and policies.

3. Subject to the supervision and direction of the Board, the Manager provides to the Trust investment management evaluation services by performing initial due diligence on prospective Sub-Advisers for each

Portfolio and thereafter monitoring Sub-Adviser performance through quantitative and qualitative analysis, as well as periodic in-person, telephonic, and written consultations with Sub-Advisers. The Manager has responsibility for communicating performance expectations and evaluations to Sub-Advisers and ultimately recommending to the Board whether Sub-Advisers' contracts should be renewed, modified, or terminated. The Manager also is responsible for conducting all operations of the Trust except those operations contracted to the Sub-Advisers or the Trust's custodian, transfer agent, or administrator. Each Portfolio pays the Manager a fee for its services, and the Manager in turn pays each Sub-Adviser a fee for the services it provides to the Portfolio.

4. Smith Barney Mutual Fund Management Inc. ("Smith Barney Mutual Fund Management") serves as the Trust's administrator and The Boston Company Advisors, Inc. ("Boston Advisors"), a wholly owned subsidiary of The Boston Company, Inc., serves as the Trust's sub-administrator. Pursuant to its administration agreement with the Trust, Smith Barney Mutual Fund Management provides senior executive management for the Trust and generally oversees and directs all aspects of the Trust's administration and operation. Boston Advisors calculates the net asset value of the Portfolios' shares and generally assists in various aspects of the Trust's administration and operation. Each Portfolio pays Smith Barney Mutual Fund Management a fee of the services provided by it and Boston Advisors. Boston Advisors is paid a portion of this fee.

5. Purchases of shares of a Portfolio must be made through a brokerage account maintained with Smith Barney Inc. ("SB"). SB, through its Consulting Group division in its capacity as investment adviser to participants in TRAK, provides advisory services in connection with investments among the Portfolios by identifying the investor's risk tolerances and investment objectives, identifying and recommending in writing an appropriate allocation of assets among the Portfolios that conforms to those tolerances and objectives, and providing on a periodic basis a monitoring report to the investor containing an analysis and evaluation of the investor's TRAK account and recommending any appropriate changes in the allocation of assets among the Portfolios. Investors pay an annual fee for their participation in TRAK, which they may terminate at

¹ Applicants also request relief with respect to any series of the Trust organized in the future and for any open-end, management investment company advised by the Manager, or a person controlling, controlled by or under common control with the Manager, in the future, provided that such investment company operates in substantially the same manner as the Trust and complies with the conditions to the requested order.

any time. Termination of a TRAK account must be accompanied by a redemption order for all Portfolio shares held in the account.

6. Applicants request an order permitting the Manager to enter into Advisory Agreements for the Portfolios without obtaining shareholder approval, including new Advisory Agreements necessitated because a prior Advisory Agreement terminated as a result of an assignment (as defined in section 2(a)(4) of the Act). Although shareholders will not vote on Sub-Adviser changes, applicants will provide shareholders with an information statement that includes all the information about a new Sub-Adviser or Advisory Agreement that would be included in a proxy statement. The Management Agreement between the Manager and the Trust would in all cases be subject to the shareholder voting requirements of the Act.

7. Applicants propose to disclose (both as a dollar amount and as a percentage of a Portfolio's net assets) in the Trust's registration statement and other public documents only the aggregate amount of fees paid by the Manager to all the Sub-Advisers of a Portfolio ("Aggregate Fee Disclosure"). Aggregate Fee Disclosure means: (a) the total advisory fee charged by the Manager with respect to each Portfolio; (b) the aggregate fees paid by the Manager to all Sub-Advisers managing assets of each Portfolio; and (c) the net advisory fee retained by the Manager with respect to each Portfolio after the Manager pays all Sub-Advisers managing assets of the Portfolio. The "Aggregate Fee Disclosure" also will include separate disclosure of any fees paid to any Sub-Adviser who is an affiliated person (as defined in section 2(a)(3) of the Act) of the Trust or the Manager other than by reason of serving as a Sub-Adviser to a Portfolio (an "Affiliated Sub-Adviser").

Applicants' Legal Analysis

1. Section 15(a) makes it unlawful for any person to act as an investment adviser to a registered investment company except pursuant to a written contract which precisely describes all compensation to be paid thereunder and which has been approved by a majority of the investment company's outstanding securities. Rule 18f-2 provides that each series or class of stock in a series company affected by a matter must approve such matter if the Act requires shareholder approval.

2. Applicants state that primary responsibility for management of the Trust, in particular, the selection and supervision of the Sub-Advisers, is

vested in the Manager, subject to oversight and approval by the Board. Applicants point out that the cover page of the Trust's prospectus makes clear that the Manager is the primary service provider to the Trust. Applicants argue that the distinctly different structure of the Trust renders the identity of a Sub-Adviser of a Portfolio less relevant to the investment decisions of shareholders of that Portfolio. Applicants believe that investors who seek the investment advice of Consulting Group or any other professional asset manager typically have determined that they are unwilling to assume the burden of selecting an appropriate mix of investment media to attain their investment objectives, let alone the appropriate money manager or managers to make specific investments in accord with those objectives.

3. Applicants also assert that the ability to enter into Advisory Agreements without shareholders approval would permit the Manager to perform to the fullest extent the principal function the Portfolios are paying it to perform—selecting Sub-Advisers, monitoring their performance, and changing Sub-Advisers when appropriate. To require that shareholders approve each new Sub-Adviser would result not only in unnecessary administrative expense to the Portfolios, but could result in harmful delays in executing changes in Sub-Advisers that the Manager and the Trustees may determine are necessary.

4. Form N-1A is the registration statement used by open-end management investment companies to register their securities under the Act and under the Securities Act of 1933 (the "Securities Act"). Items 2, 5(b)(iii), and 16(a)(iii) of Form N-1A require the Funds to disclose in their prospectuses the investment adviser's compensation and the method of computing the advisory fee.

5. Item 3 of Form N-14, the registration form for business combinations involving mutual funds, requires the inclusion of a "table showing the current fees for the registrant and the company being acquired and pro forma fees, if different, for the registrant after giving effect to the transaction using the format prescribed" in item 2 of Form N-1A.

6. Rule 20a-1 under the Act requires proxies solicited with respect to an investment company to comply with Schedule 14A under the Exchange Act. Item 22 of Schedule 14A sets forth the requirements concerning the information that must be included in a proxy statement. Item 22(a)(3)(iv) requires a proxy statement for a

shareholder meeting at which a new fee will be established or an existing fee increased to include a table of the current and pro forma fees using the format prescribed in item 2 of Form N-1A. Items 22(c)(1)(ii), 22(c)(1)(iii), 22(c)(8), and 22(c)(9), taken together, require that a proxy statement for a shareholder meeting at which an advisory contract is to be voted upon shall include the "rate of compensation of the investment adviser," the "aggregate amount of the investment adviser's fee," the "terms of the contract to be acted upon," and, if a change in fees is proposed, the existing and proposed rate schedule for advisory fees paid to their advisers, including the Sub-Advisers.

7. Form N-SAR is the semi-annual report filed with the SEC by registered investment companies. Item 48 of Form N-SAR provides that the Trust must disclose the rate schedule for advisory fees paid to their advisers, including the Sub-Advisers.

8. Regulation S-X sets forth the requirements for financial statements required to be included as part of the registration statements and shareholders reports filed with the SEC under the Act and under the Securities Act. Items 6-07(2)(a), (b), and (c) of Regulation S-X require that the Trust's financial statements contain information concerning fees paid to the Sub-Advisers.

9. Applicants state that all shareholders of the Trust will be fully advised of the fees charged by the Manager for its management services because these fees will be disclosed in the Trust's prospectus. The fees paid to the Manager reflect the total costs and expenses (including Sub-Advisers' compensation) to the Manager for managing the Trust's businesses. In addition, all Trust shareholders will be advised of the aggregate fees paid by the Manager to all Sub-Advisers of a Portfolio through the Aggregate Fee Disclosure. Applicants assert that the management fee paid to the Manager will be negotiated by the Portfolio with the expectation that the Manager will seek to pay the lowest appropriate advisory fee to the Sub-Advisers. Applicants argue that disclosing individual Sub-Adviser fees may inhibit or eliminate the Manager's ability to negotiate fees below the "posted" fee rates. Applicants maintain that any advantage that the Manager would gain in negotiating fee arrangements with Sub-Advisers would inure ultimately to the benefit of the shareholders of the Portfolios because it would be possible for the Manager to pass the benefits of a lower sub-advisory fee on to the

Portfolios, although the Manager is not legally or contractually obligated to do so.² They also submit that the nondisclosure of individual Sub-Adviser's fees is in the best interest of the Portfolios and their shareholders, because such disclosure would increase costs to shareholders without an offsetting benefit.

10. Applicants assert that because all shareholders of the Trust will be fully advised of the fees charged by the Manager for its management services (which include compensating the Sub-Advisers), each shareholder will have the information to determine whether, in its judgment, the total package of services is priced reasonably in relation to the services and costs that the investor could obtain elsewhere. Moreover, applicants believe that the Aggregate Fee Disclosure will provide shareholders with sufficient and clear information to determine whether they are receiving good value from the Manager and the Sub-Advisers and whether to redeem their shares if dissatisfied with the level of performance for the price paid.

11. Section 6(c) authorizes the Commission to exempt persons or transactions from the provisions of the Act to the extent that such exemptions are appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policies and provisions of the Act. Applicants assert that their request satisfies these standards.

Applicants' Conditions

Applicants agree that the following conditions may be imposed in any order of the Commission granting the requested relief:

1. The Manager will provide general management and, alone or together with Smith Barney Mutual Funds Management and Boston Advisors, administrative services to the Trust, including overall supervisory responsibility for the general management and investment of the Trust's securities portfolio, and, subject to review and approval by the Board, will: (a) set the Portfolios' overall investment strategies; (b) select Sub-Advisers; (c) monitor and evaluate the performance of Sub-Advisers; (d) allocate and, when appropriate, reallocate a Portfolio's assets among its

Sub-Advisers in those cases where a Portfolio has more than one Sub-Adviser; and (e) implement procedures reasonably designed to ensure that the Sub-Advisers comply with the Trust's investment objectives, policies, and restrictions.

2. Before a Portfolio may rely on the order requested hereby, the operation of the Portfolio in the manner described in the application will be approved by a majority of its outstanding voting securities, as defined in the Act, or, in the case of a new Portfolio whose public shareholders purchased shares on the basis of a prospectus containing the disclosure contemplated by condition 4 below, by the sole stockholder before offering of shares of such Portfolio to the public.

3. The Trust will furnish to shareholders all information about a new Sub-Adviser or Advisory Agreement that would be included in a proxy statement, except as modified by the order with respect to the disclosure of fees paid to the Sub-Advisers. Such information will include Aggregate Fee Disclosure and any change in such disclosure caused by the addition of a new Sub-Adviser or any proposed material change in a Portfolio's Advisory Agreement. The Trust will meet this condition by providing shareholders with an informal information statement complying with the provisions of Regulation 14C and Schedule 14C under the Exchange Act. With respect to a newly retained Sub-Adviser, or a change in an Advisory Agreement, this information statement will be provided to shareholders of the Portfolio a maximum of 90 days after the addition of the new Sub-Adviser or the implementation of any change in an Advisory Agreement. The information statement will also meet the requirements of Schedule 14A, except as modified by the order with respect to the disclosure of fees paid to the Sub-Advisers.

4. The Trust will disclose in its prospectus the existence, substance, and effect of the order granted pursuant to the application.

5. No Trustee or officer of the Trust or director or officer of the Manager will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by such director, trustee, or officer) any interest in any Sub-Adviser except for: (a) ownership of interests in the Manager or any entity that controls, is controlled by, or is under common control with the Manager; or (b) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicly-traded company that is either a Sub-

Adviser or an entity that controls, is controlled by, or is under common control with a Sub-Adviser.

6. Shares of the Trust will be offered exclusively to participants in TRAK and other asset allocation services offered by professional asset managers who, for compensation, engage in the business of advising others as to the value of securities or as to the advisability of investing in, purchasing or selling securities.

7. The Trust will disclose in its registration statement the Aggregate Fee Disclosure.

8. The Manager will not enter into an Advisory Agreement with any Affiliated Sub-Adviser without such agreement, including the compensation to be paid thereunder, being approved by the shareholders of the applicable Portfolio.

9. At all times, a majority of the members of the Board will be persons each of whom is not an "interested person" of the Trust as defined in section 2(a)(19) of the Act ("Independent Trustees"), and the nomination of new or additional Independent Trustees will be placed within the discretion of the then existing Independent Trustees.

10. Independent counsel knowledgeable about the Act and the duties of Independent Trustees will be engaged to represent the Independent Trustees. The selection of such counsel will be placed within the discretion of the then existing Independent Trustees.

11. The Manager will provide the Board, no less frequently than quarterly, information about the Manager's profitability on a per-Portfolio basis. Such information will reflect the impact on profitability of the hiring or termination of any Sub-Adviser during the applicable quarter.

12. Whenever a Sub-Adviser is hired or terminated, the Manager will provide the Board information showing the expected impact on the Manager's profitability.

13. When a Sub-Adviser change is proposed for a Portfolio with an Affiliated Sub-Adviser, the Board, including a majority of the Independent Trustees, will make a separate finding, reflected in the Board's minutes, that such change is in the best interests of the Portfolio and its shareholders and does not involve a conflict of interest from which the Manager or the Affiliated Sub-Adviser derives an inappropriate advantage.

² The Board, including the Independent Trustees, would be required to take the amounts paid by the Manager to the Sub-Advisers into account when assessing the profitability of the advisory arrangements to the Manager during the course of their annual review of the Trust's management and sub-advisory arrangements under sections 15 and 36(b) of the Act.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-21361 Filed 8-28-95; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-21319; 811-4810]

Franklin Pennsylvania Investors Fund; Notice of Application for Deregistration

August 23, 1995.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Deregistration under the Investment Company Act of 1940 (the "Act").

APPLICANT: Franklin Pennsylvania Investors Fund.

RELEVANT ACT SECTION: Section 8(f).

SUMMARY OF APPLICATION: Applicant seeks an order declaring that it has ceased to be an investment company.

FILING DATES: The application was filed on October 5, 1994 and amended on August 10, 1995.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving 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 September 18, 1995, and should be accompanied by proof of service on 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 SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicant, 777 Mariners Island Blvd., San Mateo, California 94404.

FOR FURTHER INFORMATION CONTACT: Marc Duffy, Senior Attorney, (202) 942-0565, or C. David Messman, Branch Chief, (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch.

Applicant's Representations

1. Applicant is an open-end diversified management investment company that was organized as a

California corporation. On August 20, 1986, applicant registered as an investment company under section 8(a) of the Act and filed a registration statement relating to its shares under section 8(b) of the Act and the Securities Act of 1933. The registration statement was declared effective on October 1, 1986, and applicant commenced its initial public offering on that date.

2. At meetings held on March 16, 1993 and May 18, 1993, applicant's Board of Directors approved a plan of reorganization whereby the U.S. Government Series (the "USG Series") of the Franklin Custodian Funds, Inc. (the "Franklin Fund") would acquire substantially all of applicant's assets (subject to stated liabilities) in exchange for shares of common stock of the USG Series. Applicant's Board of Directors determined that the reorganization could benefit applicant's shareholders by allowing them to achieve their investment goals in a larger fund while obtaining the benefits of economies of scale.

3. In accordance with rule 17a-8 under the Act, applicant's Board of Directors determined that the sale of applicant's assets to the Franklin Fund was in the best interest of applicant's shareholders, and that the interests of the existing shareholders would not be diluted as a result.¹

4. On May 19, 1993, Franklin Fund filed a registration statement on Form N-14, which contained proxy materials soliciting the approval of the reorganization by applicant's shareholders. On or about July 2, 1993, proxy materials were distributed to each of applicant's shareholders. At a special meeting held on August 30, 1993, holders of a majority of the outstanding voting shares of applicant approved the reorganization.

5. On August 30, 1993, applicant had 961,198 shares of common stock outstanding with a net asset value of \$10.32 per share and an aggregate net asset value of \$9,919,863.

6. Pursuant to the reorganization, on August 30, 1993, applicant transferred substantially all of its assets to the USG Series in exchange for shares of common stock of the USG Series having an aggregate net asset value equal to the aggregate value of net assets so

¹ Applicant and Franklin Fund may be deemed to be affiliated persons of each other by reason of having a common investment adviser, common directors, and common officers. Although purchases and sales between affiliated persons generally are prohibited by section 17(a) of the Act, rule 17a-8 provides an exemption for certain purchases and sales among investment companies that are affiliated persons of one another solely by reason of having a common investment adviser, common directors, and/or common officers.

transferred. Shares of the USG Series were distributed to applicant's shareholders *pro rata* in accordance with their respective interests in applicant.

7. The expenses related to the reorganization totaled approximately \$11,500. These expenses included legal and audit fees and the expenses of printing, typesetting, and mailing proxy statements and related documents. Such expenses were borne by Franklin Advisers, Inc., applicant's investment adviser.

8. At the time of filing of the application, applicant had no assets or liabilities. Applicant has no shareholders and is not a party to any litigation or administrative proceedings. Applicant is not engaged in, and does not propose to engage in, any business activities other than those necessary for the winding up of its affairs.

9. On October 11, 1994, applicant filed a Certificate of Dissolution with the California Secretary of State. On December 28, 1994, applicant ceased its corporate existence in the State of California.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-21360 Filed 8-28-95; 8:45 am]

BILLING CODE 8010-01-M

[File No. 1-13048]

Issuer Delisting; Notice of Application to Withdraw from Listing and Registration; (Healthy Planet Products, Inc., Common Stock, \$.01 Par Value)

August 22, 1995.

Healthy Planet Products, 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 Stock Exchange, Incorporated ("PSE").

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

According to the Company, the decision to delist from the PSE has been occasioned by reason of the Company's listing on the American Stock Exchange, Inc., which has now become the principal market for the Security. Obviously, Amex quotations are readily available to the public from various media and sources, and there appears to