

[Investment Company Act Release No. 22533; 811-5331]

### Hampton Utilities Trust; Notice of Application

February 27, 1997.

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

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

**APPLICANT:** Hampton Utilities Trust.

**RELEVANT ACT SECTION:** Section 8(f).

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

**FILING DATES:** The application was filed on December 3, 1996 and amended on February 21, 1997.

**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 March 24, 1997, 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 may request notification of a hearing 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:** Diane L. Titus, Paralegal Specialist, at (202) 942-0584, or Mary Kay Frech, 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 from the SEC's Public Reference Branch.

#### Applicant's Representations

1. Applicant is a closed-end, diversified management investment company organized as a business trust under the laws of the Commonwealth of Massachusetts. On September 15, 1987, applicant registered under section 8(a) of the Act and filed a registration statement on Form N-2 pursuant to section 8(b) of the Act and the Securities Act of 1933 to register its shares of

beneficial interest. On March 7, 1988, applicant's registration statement was declared effective, and the initial public offering of applicant's shares commenced on the same date.

2. On December 16, 1993, applicant's board of trustees approved an Agreement and Plan of Reorganization (the "Agreement") between applicant and Franklin Custodian Funds, Inc. on behalf of its Utilities Series, pursuant to which applicant would transfer substantially all of its assets to the Utilities Series in exchange for shares of common stock of Utilities Series. In accordance with rule 17a-8 of the Act, applicant's board determined that the sale of applicant's assets to Utilities Series was in the best interests of applicant and that the interests of the existing shareholders would not be diluted as a result of the sale.<sup>1</sup>

3. The board's conclusion was based on a number of factors, including that the sale of applicant's assets to the Utilities Series in exchange for shares of Utilities Series would permit shareholders to pursue their investment goals in a larger fund with enhanced ability to effect portfolio transactions on more favorable terms and with greater investment flexibility. The board also considered that as shareholders of an open-end fund, the holders of applicant's Capital Shares would have redemption rights and exchange privileges that were not previously available.

4. As of March 7, 1994, applicant was a closed-end investment company with two classes of shares outstanding: The Cumulative Preferred Shares and the Capital Shares. On that date, in accordance with applicant's Restated Declaration of Trust, dated December 16, 1993, all of the Cumulative Preferred Shares were redeemed by applicant in cash at \$50.00 per share.

5. On or about May 30, 1994, proxy materials soliciting shareholder approval of the Agreement were furnished to holders of applicant's Capital Shares and filed with the SEC. Applicant's shareholders approved the Agreement at an annual meeting held on July 14, 1994.

6. On August 4, 1994, there were 1,032,684 Capital Shares of applicant

<sup>1</sup> Applicant and Franklin Custodian Funds, Inc., may be deemed to be affiliated persons of each other solely by reason of having a common investment adviser, common director, and/or 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 from certain purchases and sales among investment companies that are affiliated persons of each other solely by reason of having a common investment adviser, common directors, and/or common officers.

outstanding at a net asset value of \$12.54 per share. At such date, aggregate net assets amounted to \$12,950,208.48.

7. On August 5, 1994 (the "Closing Date"), applicant transferred substantially all of its net assets to the Utilities Series in exchange solely for shares of common stock of Utilities Series having an aggregate net asset value equal to the aggregate value of net assets transferred. The number of shares was determined by dividing the aggregate value of applicant's assets to be transferred on the Closing Date by the net asset value per share of common stock of Utilities Series as of 1:00 p.m. Pacific time on Closing Date. Shares of Utilities Series were distributed to the holders of applicant's Capital Shares pro rata in accordance with their respective interest in applicant.

8. The expenses incurred in connection with the reorganization were approximately \$90,370. These expenses included printing and mailing costs for proxy materials and related documents. One half of these costs were borne by Franklin Advisers, Inc. through a reimbursement of the amounts advanced by applicant and Utilities Series, and the remainder of the costs were borne by applicant.

9. Applicant has no securityholders, assets, or liabilities. Applicant is not a party to any litigation or administration proceeding. Applicant is not now engaged, and does not propose to engage, in any business activities other than those necessary for the winding up of its affairs.

10. A Notice of Termination of Trust was filed with the Massachusetts Secretary of State on October 4, 1994.

For the SEC, by the Division of Investment Management, under delegated authority.  
Margaret H. McFarland,  
Deputy Secretary.

[FR Doc. 97-5468 Filed 3-5-97; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 35-26679]

### Filings Under the Public Utility Holding Company Act of 1935, as amended ("Act")

February 28, 1997.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments thereto is/are available