

the current interests of the shareholders of the Funds would not be diluted as a result of the Reorganization. In assessing the Reorganization, the Board of the Acquired Fund considered: (a) Expense ratios and information regarding fees and expenses of the Funds; (b) terms and conditions of the Reorganization, including whether it would result in a dilution of the Acquired Fund's current shareholders; (c) the compatibility of the Acquiring Fund's investment objectives, policies and restrictions with those of the Acquired Fund; (d) the expertise of PIMCO in fixed income investing; (e) the capabilities and resources of PIMCO and its affiliates in the areas of investment management and shareholder servicing; (f) the growth opportunities afforded by the proposed Reorganization; (g) the tax consequences of the Reorganization to the Acquired Fund and its shareholders; and (h) the direct and indirect costs to be incurred by the Acquired Fund or its shareholders.

7. A proxy statement/prospectus describing the Reorganization, filed with the Commission on Form N-14 and declared effective on April 22, 1998, was sent to shareholders of the Acquired Fund in connection with the solicitation of proxies for a special meeting of the shareholders to be held on June 19, 1998.

8. The Reorganization is subject to the following conditions precedent: (a) That the shareholders of the Acquired Fund approved the Plan; (b) that the Funds receive an opinion of tax counsel that the proposed Reorganization will be tax-free for the Funds and their shareholders; (c) that applicants will receive from the SEC an exemption from section 17(a) of the Act for the Reorganization; and (d) if necessary, any approval from the relevant state securities administrator. Applicants agree not to make any material changes to the Reorganization without prior SEC approval.

Applicants' Legal Analysis

1. Section 17(a) of the Act generally prohibits an affiliated person of a registered investment company, or an affiliated person of such a person, acting as principal, from selling any security to, or purchasing any security from the company.

2. Section 2(a)(3) of the Act defines an "affiliated person of another person" to include any person directly or indirectly owning, controlling, or holding with power to vote 5% or more of the outstanding voting securities of such other person, and any person directly or indirectly controlling, controlled by or under common control with such other

person, and if such other person is an investment company, any investment adviser of that company.

3. Rule 17a-8 under the Act exempts from the prohibitions of section 17(a) mergers, consolidations, or purchases or sales of substantially all of the assets of registered investment companies that are affiliated persons solely by reason of having a common investment adviser, common directors, and/or common officers, provided that certain conditions set forth in the rule are satisfied.

4. Applicants believe that they may not rely on rule 17a-8 in connection with the Reorganization because the Funds may be deemed to be affiliated persons, or affiliated persons of an affiliated person, by reason other than having a common investment adviser, common directors, and/or common officers. The Acquiring Fund began to accept orders for the purchase of its shares beginning in April 1998. Applicants state, however, that PIMCO currently owns a substantial percentage of the Acquiring Fund's outstanding shares, consequently, it is possible that, as of the Exchange Date, PIMCO may own 5% or more, and possibly more than 25% of the outstanding voting securities of the Acquiring Fund.

5. Section 17(b) of the Act provides that the SEC may exempt a transaction from the provisions of section 17(a) if the terms of the proposed transaction, including the consideration to be paid, are reasonable and fair and do not involve overreaching on the part of any person concerned, and that the proposed transaction is consistent with the policy of each registered investment company concerned and with the general purposes of the Act.

6. Applicants submit that the Reorganization satisfies the standards of section 17(b). Applicants believe the terms of the Reorganization are fair and reasonable and do not involve overreaching. Applicants state that the Reorganization will be based on the relative net asset values of the Funds' shares. Applicants also state that the primary investment objective for each Fund is to seek high current income exempt from federal income tax, consistent with preservation of capital. It is a policy of each Fund that, under normal market conditions, at least 80% of its net assets will be invested in Municipal Bonds. Applicants also state that the Boards, including a majority of the independent trustees, have made the requisite determinations that the participation of the relevant Fund in the proposed Reorganization is in the best interests of the Fund, and that such

participation will not dilute the interests of shareholders of the Fund.

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

[Release No. 35-26880]

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

May 29, 1998.

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 under the Act. 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 is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by June 23, 1998, to the Secretary, Securities and Exchange Commission, Washington, DC 20549, 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 fact 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 23, 1998, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

WPS Resources Corporation (70-9179)

WPS Resources Corporation ("WPSR"), 700 North Adams Street, P.O. Box 19001, Green Bay, Wisconsin 54307-9001, an exempt public utility holding company under section 3(a)(1) of the Act, has filed an application under sections 9(a)(2) and 10 of the Act.

WPSR proposes to acquire all of the issued and outstanding voting securities the "Common Stock") of Upper

Peninsula Energy Corporation ("UPEN"), an exempt public-utility holding company under section 3(a)(1) of the Act, and its utility subsidiary, Upper Peninsula Power Company ("UPPCo")

WPSR and UPEN have entered into an Agreement and Plan of Merger, dated as of July 10, 1997, which provides, among other things, for the merger of UPEN with and into WPSR (the "Merger"). Following the Merger, the separate corporate existence of UPEN will cease, and WPSR will be the surviving corporation. Each share of UPEN Common Stock will be converted into the right to receive 0.9 shares of WPSR Common Stock.

The boards of directors of WPSR and UPEN approved the Merger at meetings held on July 10, 1997. The shareholders of UPEN approved the Merger at a special meeting held on January 29, 1998. WPSR states that shareholder approval of the Merger is not required.

WPSR's principal utility subsidiary, Wisconsin Public Service Corporation ("Public Service"), serves approximately 374,000 electric and 218,000 gas retail customers in northeastern Wisconsin and the southern portion of Michigan's upper peninsula.¹ UPPCo serves approximately 48,000 electric retail customers entirely in Michigan's upper peninsula. The service territories of Public Service and UPPCo are not contiguous, being separated by the service territory of Wisconsin Electric Power Company.

Public Service is subject to the retail ratemaking jurisdiction of both the Public Service Commission of Wisconsin and the Michigan Public Service Commission. UPPCo is also subject to the retail ratemaking jurisdiction of the Public Service Commission of Wisconsin.

WPSR has three direct nonutility subsidiaries, WPS Energy Services, Inc. ("ESI"), WPS Development, Inc. ("PDI"), and WPS Visions, Inc. ("Visions"). ESI offers electric and gas marketing, energy management, project management and energy consulting services to wholesale and retail customers. PDI offers acquisition and investment analysis, project development, engineering, management, operations and maintenance services for

the power generation industry. PDI also owns a 66⅔% interest in Mid-American Power LLC, an exempt wholesale generator. Visions serves a business research and development vehicle for WPSR.

In addition, Public Service has two nonutility subsidiaries, Wisconsin Valley Improvement Company ("WV") and Public Service Leasing, Inc. ("PS Leasing"). WV operates a system of dams and water reservoirs on the Wisconsin River and tributary streams, and charges water tolls to users, primarily power plant owners. PS Leasing is engaged in the financing of specific utility projects.

UPEN has two nonutility subsidiaries, Upper Peninsula Development Company, which holds title to UPPCo's corporate headquarters, and PENVEST, Inc., which explores investment opportunities in telecommunications, engineering services, and other non-regulated businesses.

WPSR states it intends to claim an exemption under rule 2 under the Act following the Merger.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-23226]

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

May 29, 1998.

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, 1998. 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 (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 23, 1998, 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. For further information, contact: Diane L. Titus, at (202) 942-0564, SEC, Division of Investment Management, Office of Investment Company Regulation, Mail Stop 5-6, 450 Fifth Street, N.W., Washington, DC 20549.

Farrell Alpha Strategies [File No. 811-9048]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On December 29, 1997, applicant completed a liquidating distribution to its shareholders at net asset value. Expenses incurred in connection with the liquidation were under \$5,000 and were paid by applicant's investment adviser, Farrell-Wako Global Investment Management, Inc.

Filing Dates: The application was filed on March 16, 1998, and amended on May 5, 1998.

Applicant's Address: 780 Third Avenue, 38th Floor, New York, New York 10017.

Franklin Templeton Japan Fund [File No. 811-6664]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On March 26, 1998, applicant made a liquidating distribution to its shareholders based on the net assets of applicant. Expenses incurred in connection with the liquidation totaled approximately \$49,379, and were borne equally by applicant and Templeton Investment Counsel, Inc., applicant's investment adviser.

Filing Dates: The application was filed on March 31, 1998 and amended on May 1, 1998.

Applicant's Address: 100 Fountain Parkway, P.O. Box 33030, St. Petersburg, Florida 33733-8030.

Panther Partners, L.P. [File No. 811-6559]

Summary: Applicant, a Delaware limited partnership, seeks an order declaring that it has ceased to be an investment company. On June 30, 1997, applicant distributed 97% of the amount in each partner's capital account to each partner in cash or in kind, based on that partner's election. The remaining 3% of each account was distributed in cash to all partners on September 15 and October 1, 1997 upon completion of the fund's final audit.

¹ WPSR also owns, through Public Service, approximately a 33% interest in Wisconsin River Power Company ("WRPC"), which is an electric utility company that sells the output of its generating resources at cost to its owners. The other owners of WRPC are Consolidated Water Power Company and Wisconsin Power & Light Company. WRPC is not subject to the ratemaking jurisdiction of the Public Service Commission of Wisconsin.