

## SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 21753; 811-5359]

### Dean Witter Managed Assets Trust; Notice of Application

February 15, 1996.

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

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

**APPLICANT:** Dean Witter Managed Assets 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 DATE:** The application was filed on January 26, 1996.

**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 11, 1996 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.

**ADDRESS:** Secretary, SEC, 450 5th Street, N.W., Washington, D.C. 20549. Applicant, c/o Sheldon Curtis, Two World Trade Center, New York, New York 10048.

**FOR FURTHER INFORMATION CONTACT:** Robert Robertson, 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 an open-end management investment company organized under the laws of the Commonwealth of Massachusetts pursuant to a Declaration of Trust. On October 12, 1987, applicant registered under the Act and filed a registration statement pursuant to section 8(b) of the

Act and the Securities Act of 1933. The registration statement became effective on April 25, 1988, and the initial public offering commenced on May 24, 1988.

2. On August 24, 1995, applicant's board of trustees approved an Agreement and Plan of Reorganization (the "Plan"). The Plan provided that applicant would transfer all of its assets to Dean Witter Strategist Fund ("Strategist").

3. Applicant and Strategist may be deemed to be affiliated persons of each other under the Act. In compliance with rule 17a-8, which governs mergers of certain affiliated investment companies, applicant's trustees determined that the reorganization was in the best interests of applicant and the interests of applicant's existing shareholders would not be diluted.<sup>1</sup>

4. Applicant filed its preliminary proxy materials on Form N-14 with the SEC on August 28, 1995 and filed definitive copies of its proxy materials on October 25, 1995. Applicant's shareholders approved the Plan at a meeting held on December 19, 1995.

5. On December 22, 1995, the reorganization was consummated. Applicant transferred all of its assets and liabilities to Strategist in exchange for shares of Strategist with an aggregate net asset value equal to the net asset value of applicant's assets transferred. Specifically, in exchange for \$322,451,283 assets transferred, Strategist issued 1,665,682 shares of beneficial interest.

6. All expenses incurred in the solicitation of proxies were borne by the applicant. Such expenses were approximately \$129,053. Applicant and Convertible Trust bore all of their respective other expenses associated with the reorganization.

7. At the time of filing the application, applicant had no assets, outstanding debts or liabilities. Applicant has no shareholders and is not a party to any litigation or administrative proceeding. Applicant is not presently engaged in, nor does it propose to engage in, any business activities other than those necessary for the winding up of its affairs.

<sup>1</sup> 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 each other solely by reason of having a common investment adviser, common directors, and/or common officers.

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

Margaret H. McFarland,

*Deputy Secretary.*

[FR Doc. 96-3984 Filed 2-21-96; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-21755; 812-9780]

### Harris & Harris Group, Inc.; Notice of Application

February 15, 1996.

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

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

**APPLICANT:** Harris & Harris Group, Inc.

**RELEVANT ACT SECTION:** Section 61(a)(3)(B).

**SUMMARY OF APPLICATION:** Applicant requests an order authorizing applicant to issue stock options to applicant's non-employee directors pursuant to applicant's Amended and Restated 1988 Stock Option Plan (the "Stock Option Plan").

**FILING DATES:** The application was filed on September 22, 1995 and amended on December 29, 1995 and on February 8, 1996.

**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 11, 1996 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 5th Street, N.W., Washington, D.C. 20549. Applicant, One Rockefeller Plaza, New York, New York 10020.

**FOR FURTHER INFORMATION CONTACT:** Sarah A. Buescher, Staff Attorney, at (202) 942-0573, or Robert A. Robertson, 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 business development company ("BDC") under the Act. Applicant's investment objective is long-term growth through capital appreciation primarily through investing in start-up companies and other investments. Applicant's investment portfolio includes companies ranging from software development to biotechnology.

Applicant may provide assistance to its portfolio companies in the form of product planning and development, raising capital, and establishing relationships with investment bankers and other professionals. In addition, several of applicant's officers serve on the boards of the portfolio companies.

2. Applicant requests an order authorizing it to grant options to purchase shares of applicant's common stock to each of its present non-employee directors ("Outside Directors") and to each Outside Director who may be elected or appointed to its board of directors in the future. In this regard, applicant's shareholders approved certain amendments to the Stock Option Plan on October 20, 1995. Applicant will implement the amendments subsequent to receiving an order from the SEC.

3. Under the Stock Option Plan, all Outside Directors who have not previously received options would receive options to purchase 20,000 shares of applicant's common stock, cumulatively vesting 20% each year for a five-year period commencing on the date of grant. Each option will have a term of not more than ten years. The exercise price of the options may not be less than the current market value of applicant's common stock on the date of grant. The options would not be transferable except by will or by the laws of descent and distribution.

4. Each Outside Director receives \$1,000 for each board meeting attended, \$500 for each committee meeting attended, and reimbursement for out of pocket expenses.

5. At the end of an Outside Director's service, an Outside Director may exercise options only with respect to the number of shares of stock that the Outside Director could have acquired by an exercise of the options immediately prior to cessation of service as an Outside Director.

6. In the event of an Outside Director's retirement, all of the Outside Director's unexercised options would immediately become exercisable for a period of three years following the date

of retirement, but in no event after the expiration date of the options. In the event of an Outside Director's death or disability, all the Outside Director's unexercised options would immediately become exercisable for a period of six months following the date of death or one year following the date of disability, but in no event after the expiration date of the options. If an Outside Director ceases to serve as Outside Director for any reason other than those mentioned above, any options held by the Outside Director shall be exercisable for 90 days after cessation of service, but in no event after the expiration date of the options.

7. The aggregate number of options to be granted to Outside Directors is limited to 200,000 shares, exclusive of any options outstanding on August 31, 1995. As of August 31, 1995, the total number of applicant's voting securities that would be issued as a result of the exercise of all options issued or currently issuable to applicant's directors, officers, and employees under the Amended 1988 Plan would be 1,391,763, of which 648,563 are fully vested. The options to purchase 1,391,763 shares, together with the 475,017 shares available for future awards and the 200,000 shares to be granted pursuant to the order sought hereby, comprise 2,066,780 shares reserved for the issuance of awards. Options granted to purchase 200,000 shares of applicant's common stock would currently represent 1.9% of applicant's 10,333,902 outstanding shares of common stock. None of the Outside Directors who previously received options will be eligible to receive additional options under the Stock Option Plan.<sup>1</sup> Applicant has no other warrants, options or rights to purchase its voting securities outstanding other than those granted to its directors, officers, and employees.

#### Applicant's Legal Analysis

1. Section 61(a)(3)(B) of the Act provides, in pertinent part, that a BDC may issue to its non-employee directors options to purchase its voting securities pursuant to an executive compensation plan, provided that certain conditions are met, including the options being approved by the company's shareholders and the SEC issuing an order approving the options on the basis that the proposal is fair and reasonable and does not involve overreaching of the company or its shareholders.

<sup>1</sup>See Harris & Harris Group, Inc., Investment Company Act Release Nos. 21174 (June 29, 1995) (notice) and 21250 (July 25, 1995) (order).

2. Applicant represents that the Stock Option Plan and the options to be granted to applicant's Outside Directors pursuant to the Stock Option Plan meet the requirements of section 61(a)(3)(B), other than SEC approval. Applicant believes that the terms of the Stock Option Plan and the options to be granted automatically to applicant's Outside Directors are fair and reasonable and do not involve any overreaching of applicant or its shareholders. Applicant also believes that the exercise of the options would not have a significant dilutive effect on applicant's existing shareholders.

3. Applicant states that its long-term success is tied to its ability to attract retain, and provide appropriate incentives to the Outside Directors. Applicant asserts that because the stock options granted to Outside Directors would vest in cumulative installments of 20% per year, the Stock Option Plan would provide Outside Directors with incentives to remain with applicant. In addition, applicant contends that because the options granted pursuant to the Stock Option Plan have no value unless the price of applicant's common stock exceeds the exercise price of the option, the interests of Outside Directors would be aligned with the interests of the Company's shareholders.

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

Margaret H. McFarland,

*Deputy Secretary.*

[FR Doc. 96-3983 Filed 2-21-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 21754; 811-8610]

#### TCW/DW Global Convertible Trust; Notice of Application

February 15, 1996.

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

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

**APPLICANT:** TCW/DW Global Convertible 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 DATE:** The application was filed on January 26, 1996.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the SEC orders a hearing.