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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 22936; 812–10882]

Mentor Funds, et al.; Notice of Application

December 10, 1997.

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

ACTION: Notice of application for exemption under section 6(c) of the Investment Company Act of 1940 (the ''Act'') from section 15(a) of the Act.

SUMMARY OF APPLICATION: Applicants seek an order to permit the implementation, without shareholder approval, of new investment advisory agreements (''New Agreements'') between Mentor Funds, Mentor Institutional Trust, Cash Resource Trust (collectively, the ''Trusts''), America's Utility Fund, Inc., and Mentor Income Fund, Inc. (collectively with the Trusts, the ''Funds''); and one or more of Mentor Investment Advisors, LLC (''Mentor Advisors''), Mentor Perpetual Advisors, LLC (''Mentor Perpetual'') (each, an ''Advisor''); Van Kampen American Capital Management, Inc. (''Van Kampen''), and Wellington, Management Company, LLP (''Wellington'') (each, a ''Sub-advisor''), for a period of up to 60 days following the date of consummation of a merger (but in no event later than March 31, 1998) (the ''Interim Period''). The order also would permit the Advisors and Sub-advisors to receive all fees earned under the New Agreements following shareholder approval.

Applicants: Funds, Advisors, and Sub-advisors.

FILING DATES: The application was filed on November 20, 1997. Applicants have agreed to file an amendment during the notice period, the substance of which is included in this notice.

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 December 30, 1997, and should be accompanied by proof of service on 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. Applicants: Mentor Funds, Mentor Institutional Trust, Cash Resource Trust, America's Utility Fund, Inc., Mentor Income Fund, Inc., Mentor Advisors, and Mentor Perpetual, 901 East Byrd Street, Richmond, VA 23219; Van Kampen, One Parkview Plaza, Oakbrook Terrace, IL 60181; Wellington, 75 State Street, Boston, MA 02109.

FOR FURTHER INFORMATION CONTACT: John K. Forst, Attorney Advisor, at (202) 942–0569, or Christine Y. Greenlees, Branch Chief, at (202) 942–0564 (Office of Investment Company Regulation, Division of Investment Management).

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, 450 Fifth Street, N.W., Washington, D.C. 20549 (tel. 202–942–8090).

Applicants' Representations

1. The Trusts, each a Massachusetts business trust, are registered under the Act as open-end management investment companies. America's Utility Fund, Inc., a Maryland corporation, is registered under the Act as an open-end management investment company. Mentor Income Fund, Inc., a Virginia corporation, is registered under the Act as a closed-end management investment company. The Funds currently offer twenty-three portfolios.[1]

2. The Advisors, investment advisers registered under the Investment Advisers Act of 1940 (the ''Advisers Act''), serve as investment adviser for the Funds pursuant to existing investment advisory agreements that comply with section 15 of the Act (with existing sub-advisory agreements, the ''Existing Agreements''). Mentor Perpetual serves as investment adviser to Mentor Perpetual Global Portfolio and Mentor Perpetual International Portfolio. Mentor Advisors serves as investment adviser to each of the other Funds. The Sub-advisors, investment advisers registered under the Advisers Act, serve as sub-advisers for certain of the Funds pursuant to the Existing Agreements. Van Kampen serves as Sub-advisor to the Mentor Municipal Income Portfolio. Wellington serves as Sub-advisor to the Mentor Income and Growth Portfolio.[2]

3. On August 20, 1997, Wheat First Butcher Singer, Inc. (''Wheat First''), the Advisors' parent, entered into an agreement and plan of merger with First Union Corporation (''First Union''), under which Wheat First will be merged into First Union (the ''Merger''). Upon consummation of the Merger (expected to occur on December 31, 1997), First Union will become the owner of a majority of the beneficial interest in Mentor Advisors and of one-half of the beneficial interest in Mentor Perpetual.

4. Applicants believe that the Merger will result in an assignment of the Existing Agreements. Applicants request an exemption to permit: (a) The implementation during the Interim Period, prior to obtaining shareholder approval, of the New Agreements; and (b) the Advisors and Sub-advisors to receive from each Fund, upon approval of that Fund's shareholders of the relevant New Agreement, any and all fees earned under the New Agreement during the applicable Interim Period. Applicants state that the New Agreements will have substantially the same terms and conditions as the respective Existing Agreements, except in each case for the effective date, termination date, and escrow provisions.

5. The boards of trustees of the Trusts and the boards of directors of Mentor Income Fund, Inc. and America's Utility Fund, Inc. (collectively, the ''Boards''), met on October 14, 1997, September 10, 1997, and November 19, 1997, respectively, to discuss the Merger and its implications for the Funds. At the meetings, the Boards, including a majority of the members who are not ''interested persons'' of any Fund, as

[1] Mentor Funds is comprised of eleven portfolios: Mentor Growth Portfolio, Mentor Capital Growth Portfolio, Mentor Strategy Portfolio, Mentor Income and Growth Portfolio, Mentor Perpetual Global Portfolio, Mentor Quality Income Portfolio, Mentor Municipal Income Portfolio, Mentor Short-Duration Income Portfolio, Mentor Balanced Portfolio, Mentor Institutional Money Market Portfolio, and Mentor Institutional U.S. Government Money Market Portfolio. Mentor Institutional Trust is comprised of five portfolios: Mentor U.S. Government Cash Management Portfolio, Mentor Intermediate Duration Portfolio, Mentor Fixed-Income Portfolio, Mentor Perpetual International Portfolio, and SNAP Fund. Cash Resource Trust is comprised of five funds: Cash Resource Money Market Fund, Cash Resource U.S. Government Money Market Fund, Cash Resource Tax-Exempt Money Market Fund, Cash Resource California Tax-Exempt Money Market Fund, and Cash Resource New York Tax-Exempt Money Market Fund. Each of America's Utility Fund, Inc. and Mentor Income Fund, Inc. constitutes a single portfolio.

[2] In each of the foregoing cases, whether acting as investment adviser or subadviser, each Advisor and Sub-Advisor is acting as an investment adviser within the meaning of section 2(a)(20) of the Act.

that term is defined in section 2(a)(19) of the Act (the ''Independent Board Members''), voted in accordance with section 15(c) of the Act to approve the New Agreements and to submit the New Agreements to the shareholders of each of the Funds at a meeting to be held on December 22, 1997 (the ''Meeting''). On December 8, 1997, the Boards of the Trusts met in person and approved the escrow provisions of each of the New Agreements in accordance with section 15(c) of the Act. The Boards of Mentor Income Fund, Inc. and America's Utility Fund, Inc. will meet in person prior to the commencement of the Interim Period to approve the escrow provisions of each of the New Agreements in accordance with section 15(c) of the Act.

6. Applicants state that proxy materials were mailed to the Funds' shareholders on or about November 25, 1997. Applicants submit that, while it is possible that shareholders of each of the Funds will approve the New Agreements at the Meeting, it also is possible that an insufficient number of votes will have been received by the date of the Meeting to act upon the New Agreements in respect of one or more Funds, and that it may be necessary to adjourn the Meeting to permit additional shareholders to vote their shares by proxy. Applicants believe that the requested relief is necessary to permit continuity of investment management of the Funds during the Interim Period so that services to each Fund would not be disrupted if the Meeting is adjourned as to that Fund.

7. Applicants propose to enter into an escrow arrangement with an unaffiliated financial institution. The fees payable to the Advisors and Sub-advisors during the Interim Period under the New Agreements will be paid into an interest-bearing escrow account maintained by the escrow agent. The escrow agent will release the amounts held in the escrow account (including any interest earned): (a) To the relevant Advisors or Sub-advisor only upon approval of the relevant New Agreement by the shareholders of the relevant Fund; or (b) to the relevant Fund if the Interim Period has ended and its New Agreement has not received the requisite shareholder approval. Before any such release is made, the Boards will be notified.

Applicants' Legal Analysis

1. Section 15(a) of the Act provides, in pertinent part, that it is unlawful for any person to serve as an investment adviser to a registered investment company, except pursuant to a written contract that has been approved by the vote of a majority of the outstanding voting securities of the investment company. Section 15(a) further requires the written contract to provide for its automatic termination in the event of its ''assignment.'' Section 2(a)(4) of the Act defines the term ''assignment'' to include any direct or indirect transfer of a contract by the assignor, or of a controlling block of the assignor's outstanding voting securities by a security holder of the assignor.

2. Applicants state that, following the Merger, First Union will own 100% of the voting securities of Wheat First. Applicants believe, therefore, that the Merger will result in an assignment of the Existing Agreements, and that the Existing Agreements will terminate by their terms upon consummation of the Merger.

3. Rule 15a–4 provides, in pertinent part, that if an investment advisory contract with a registered investment company is terminated by an assignment, the adviser may continue to serve for 120 days under a written contract that has not been approved by the company's shareholders, provided that (a) the new contract is approved by the company's board of directors (including a majority of the non-interested directors); (b) the compensation to be paid under the new contract does not exceed the compensation that would have been paid under the contract most recently approved by the company's shareholders; and (c) neither the adviser nor any controlling person of the adviser ''directly or indirectly receives money or other benefit'' in connection with the assignment. Applicants state that because the Advisors and their affiliates may be deemed to receive a benefit in connection with the Merger, applicants may not be entitled to rely on rule 15a–4.

4. Section 6(c) provides that the SEC may exempt any person, security, or transaction from any provision of the Act, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants believe that the requested relief meets this standard.

5. Applicants note that the terms and timing of the Merger were determined by Wheat First and First Union in response to a number of factors beyond the scope of the Act and unrelated to the Funds and the Advisors. Applicants believe that allowing the Advisors and Sub-advisors to continue to provide investment advisory services to the Funds during the Interim Period is in the best interests of the Funds and their shareholders to avoid any interruption in services to the Funds and is in keeping with the spirit of the provisions of rule 15a–4 and with the purposes of section 15 of the Act.

6. Applicants submit that the scope and quality of services provided to the Funds during the Interim Period will not be diminished. During the Interim Period, the Advisors and Sub-advisors would operate under the New Agreements, which would be substantially the same as the Existing Agreements, except for their effective dates, termination dates, and escrow provisions. The Advisors have advised the Boards that they are not aware of any material changes in the personnel who will provide investment management services during the Interim Period. Accordingly, the Funds should receive, during the Interim Period, the same advisory services, provided in the same manner, at the same fee levels, and by substantially the same personnel as they received before the Merger.

7. Applicants contend that the best interests of shareholders of the Funds would be served if the Advisors and Sub-advisors receive fees for their services during the Interim Period. Applicants submit that to deprive the Advisors and Sub-advisors of their customary fees during the Interim Period for no reason, other than the fact that the Merger may be deemed to result in an assignment of the Existing Agreements, would be an unduly harsh and unreasonable penalty. Applicants note that the fees to be paid during the Interim Period will be at the same rate as the fees that currently are being paid under the Existing Agreements, which have been approved by the Board and the shareholders of each Fund.

Applicants' Conditions

Applicants agree as conditions to the issuance of the exemptive order requested by the application that:

1. Each New Agreement will have substantially the same terms and conditions as the respective Existing Agreement, except for the effective date, termination date, and escrow provisions.

2. Advisory fees earned by an Advisor or Sub-advisor, as the case may be, during the Interim Period will be maintained in an interest-bearing escrow account, and amounts in the account (including interest earned on such amounts) will be paid (a) to the Advisor or Sub-advisor, as the case may be, in accordance with the relevant New Agreement, after the requisite shareholder approval is obtained, or (b)

to the Fund, in the absence of such approval.

3. Each of the Funds will hold a meeting of shareholders to vote on approval of the New Agreements on December 22, 1997, or within the 60 day period following the consummation of the Merger (but in no event later than March 31, 1998).

4. First Union or Mentor Advisors will bear the costs of preparing and filing the application, and First Union will bear any costs relating to the solicitation of shareholder approval necessitated by the Merger.

5. The Advisors and Sub-advisors will take all appropriate actions to ensure that the scope and quality of advisory and other services provided to the Funds during the Interim Period will be at least equivalent, in the judgment of the Boards, including a majority of the Independent Board Members, to the scope and quality of services previously provided. In the event of any material change in personnel providing services pursuant to the New Agreements caused by the Merger, the Advisors will apprise and consult with the Boards to assure that the Boards, including a majority of the Independent Board Members, are satisfied that the services provided will not be diminished in scope or quality.

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. 35–26792]

Filings Under the Public Utility Holding Company Act of 1935, as Amended (''Act'')

December 10, 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 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 January 5, 1998, to the Secretary, Securities and Exchange Commission, Washington, D.C. 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 shall 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 said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Northeast Utilities, et al.

(70–8875)

Northeast Utilities (''Northeast''), 174 Brush Hill Avenue, West Springfield, Massachusetts 01090–0010, a registered holding company, and its electric utility subsidiary companies, Western Massachusetts Electric Company, 174 Brush Hill Avenue, West Springfield, Massachusetts 01090–0010, The Connecticut Light and Power Company, 107 Selden Street, Berlin, Connecticut 06037, Holyoke Water Power Company, Canal Street, Holyoke, Massachusetts 01040, and Public Service Company of New Hampshire and North Atlantic Energy Corporation, both of 1000 Elm Street, Manchester, New Hampshire 03015, (collectively, ''Applicants'') have filed a post-effective amendment to their application-declaration filed under sections 6(a), 7, 9(a), 10 and 12(b) of the Act and rules 43, 45, and 54 under the Act.

By orders (''Orders'') dated February 11, 1997 and March 25, 1997 (HCAR Nos. 26665 and 26692), Applicants were authorized to, among other things, enter into an unsecured revolving credit facility (''Existing Facility'') with various lending institutions permitting borrowings aggregating up to $313.75 million. Among other Applicants, Northeast was authorized pursuant to the Orders to make short-term borrowings through December 31, 2000, evidenced by short-term notes issued to lending institutions through formal and informal lines of credit, including the Existing Facility. Under the Existing Facility, Northeast has a maximum borrowing limit of $150 million. Applicants state that Northeast is currently unable to borrow under the Existing Facility.

Northeast now proposes to issue and sell notes (''Notes'') through December 31, 2000 under a supplementary revolving credit facility (''Supplementary Revolver'') in the aggregate principal amount of up to $25 million. Under the Supplementary Revolver, the interest rate applicable to the Notes will be increased to an amount not to exceed the greater of (i) four percentage points over the London Interbank Offered Rate or (ii) three percentage points over the lender's base rate. In addition, the maximum annual fee payment for the issuance of the notes will be increased from 0.30% per annum to 1% per annum. Advances from the Supplementary Revolver will be used to meet Northeast's debt service requirements under its Employee Stock Option Plan and to support its other financial requirements until such time as Northeast begins to receive dividends from its subsidiaries again.

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

[Rel. No. IC–22934; International Series Release No. 1108/812–10646]

Toronto Dominion Holdings, Inc.; Notice of Application

December 10, 1997.

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

ACTION: Notice of application for exemption under section 6(c) of the Investment Company Act of 1940 (the ''Act'') from all provisions of the Act.

SUMMARY OF APPLICATION: Applicant Toronto Dominion Holdings (U.S.A.), Inc. (''Toronto Dominion'') requests an order that would permit it to sell certain debt securities and use the proceeds to finance the business activities of its parent company, The Toronto-Dominion Bank (''TD'') and other companies controlled by TD.

FILING DATES: The application was filed on May 9, 1997, and amended on November 12, 1997. Applicants have agreed to file an amendment to the application during the notice period, the substance of which is included in this notice.

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