

TEMPLETON DRAGON FUND INC  
Form SC 13D  
March 28, 2017

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
(Rule 13d-101)  
(Amendment No. )

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
RULE 13d-2(a)

Templeton Dragon Fund, Inc.  
(Name of Issuer)

Common Stock, par value \$.01 per share  
(Title of Class of Securities)

88018T101  
(CUSIP Number)

Barry Olliff  
c/o City of London Investment Management Company Limited  
77 Gracechurch Street, London, UK EC3V 0AS  
+44 207 711 0771  
(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

March 27, 2017  
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), (f) or (g), check the following box .

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information, which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act.

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NAMES OF REPORTING PERSONS

S.S. OR I.R.S. IDENTIFICATION

NOS. OF ABOVE PERSONS

1

City of London Investment Group PLC,  
(CLIG) a company incorporated under  
the laws of England and Wales.

CHECK THE APPROPRIATE BOX IF (a)  
A MEMBER OF A GROUP

2

(b)

SEC USE ONLY

3

SOURCE OF FUNDS\*

4

OO

CHECK BOX IF DISCLOSURE OF  
LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEM  
2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF  
ORGANIZATION

6

England and Wales

SOLE VOTING POWER

7

0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH:

SHARED VOTING POWER

8

10,529,472

SOLE DISPOSITIVE POWER

9

0

SHARED DISPOSITIVE POWER

10

10,529,472

11

AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

10,529,472

12

CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES

13

PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

30.7%

14

TYPE OF REPORTING PERSON\*  
HC

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NAMES OF REPORTING PERSONS

S.S. OR I.R.S. IDENTIFICATION

NOS. OF ABOVE PERSONS

1

City of London Investment  
Management Company Limited  
(CLIM), a company incorporated under  
the laws of England and Wales.

CHECK THE APPROPRIATE BOX IF (a)  
A MEMBER OF A GROUP

2

(b)

SEC USE ONLY

3

SOURCE OF FUNDS\*

4

WC

CHECK BOX IF DISCLOSURE OF  
LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEM  
2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF  
ORGANIZATION

6

England and Wales

SOLE VOTING POWER

7

0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH:

SHARED VOTING POWER

8

10,529,472

SOLE DISPOSITIVE POWER

9

0

SHARED DISPOSITIVE POWER

10

10,529,472

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

10,529,472

12 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

30.7%

14 TYPE OF REPORTING PERSON\*  
IA

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Item 1(a). Name of Issuer:

Templeton Dragon Fund, Inc.

Item 1(b). Address of Issuer's Principal Executive Offices:

The principal executive offices of the Fund are located at:

Templeton Dragon Fund, Inc.  
c/o Franklin Templeton Investments  
300 S.E. 2nd Street  
Fort Lauderdale, FL 33301

Item 2. Identity and Background.

(a). This statement is being filed by City of London Investment Group PLC ("CLIG") and City of London Investment Management Company Limited ("CLIM," and together with CLIG, the "Reporting Persons").

(b). The business address and principal executive offices of CLIG are 77 Gracechurch Street London, EC3V 0AS England. The directors and executive officers of CLIG, their business addresses and present principal occupation or employment are set forth on Annex A attached to this Schedule 13D. The business address and principal executive offices of CLIM are 77 Gracechurch Street London, EC3V 0AS England. The directors and executive officers of CLIM, their business addresses and present principal occupation or employment are set forth on Annex A attached.

(c). CLIM is primarily an emerging markets fund manager, which specializes in investing in closed-end investment companies and is a registered investment adviser under Section 203 of the Investment Advisers Act of 1940. CLIM is controlled by CLIG. CLIM is principally engaged in the business of providing investment advisory services to various public and private investment funds, including:

Emerging (BMI) Markets Country Fund ("BMI"), a private investment fund organized as a Delaware business trust;  
Emerging Markets Free Fund ("CF"), a private investment fund organized as a Delaware business trust;  
Emerging Markets Global Fund ("CG"), a private investment fund organized as a Delaware business trust;  
Emerging Markets Investable Fund ("CI"), a private investment fund organized as a Delaware business trust;  
Global Emerging Markets Fund ("EUREKA"), a private investment fund organized as a Delaware business trust;  
The Emerging World Fund ("EWF"), a Dublin, Ireland-listed open-ended investment company;  
Emerging Free Markets Country Fund ("FREE"), a private investment fund organized as a Delaware business trust;  
Emerging Markets Country Fund ("GBL"), a private investment fund organized as a Delaware business trust;  
Investable Emerging Markets Country Fund ("INV"), a private investment fund organized as a Delaware business trust;  
The EM Plus CEF Fund ("PLUS"), a private investment fund organized as a Delaware business trust;  
and unaffiliated third-party segregated accounts over which CLIM exercises discretionary voting and investment authority (the "Segregated Accounts").

The Shares to which this Schedule 13D relates are owned directly by the City of London Funds and the Segregated Accounts, collectively "the Funds".

(d). None of the Reporting Persons has, during the last five years, been convicted in any criminal proceeding.

(e). None of the Reporting Persons has, during the last five years, been a party to any civil proceeding commenced

before a judicial or administrative body of competent jurisdiction as a result of which it or he was or is now subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f). City of London Investment Group PLC, (CLIG) and City of London Investment Management Company Limited (CLIM) are companies incorporated under the laws of England and Wales.

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Item 3. Source and Amount of Funds or Other Considerations.

Beneficial ownership of the Shares to which this statement relates was acquired by the Reporting Persons with invested capital of the City of London Funds and the Segregated Accounts. The aggregate purchase price of the 10,529,472 Shares beneficially owned by the Reporting Persons was \$243,401,053, inclusive of brokerage commissions.

The aggregate purchase price of the 954,264 Shares owned directly by BMI was \$24,674,287, inclusive of brokerage commissions.

The aggregate purchase price of the 282,278 Shares owned directly by CF was \$7,023,031, inclusive of brokerage commissions.

The aggregate purchase price of the 904,970 Shares owned directly by CG was \$23,061,764, inclusive of brokerage commissions.

The aggregate purchase price of the 659,871 Shares owned directly by CI was \$16,546,978, inclusive of brokerage commissions.

The aggregate purchase price of the 658,984 Shares owned directly by EUREKA was \$15,269,119, inclusive of brokerage commissions.

The aggregate purchase price of the 325,181 Shares owned directly by EWF was \$7,713,758, inclusive of brokerage commissions.

The aggregate purchase price of the 626,938 Shares owned directly by FREE was \$15,269,252, inclusive of brokerage commissions.

The aggregate purchase price of the 1,020,525 Shares owned directly by GBL was \$23,576,977, inclusive of brokerage commissions.

The aggregate purchase price of the 167,443 Shares owned directly by INV was \$3,807,004, inclusive of brokerage commissions.

The aggregate purchase price of the 160,035 Shares owned directly by PLUS was \$3,381,546, inclusive of brokerage commissions.

The aggregate purchase price of the 4,768,983 Shares owned directly by the Segregated Accounts was \$103,077,337, inclusive of brokerage commissions.

Item 4. Purpose of Transaction.

The Reporting Persons first published City of London Investment Management Company Limited's publicly-available Statement on Corporate Governance and Voting Policy for Closed-End Funds in 1999. The document is now in its Tenth Edition, having been most recently updated in March, 2016. As a result of an imbalance between the supply and demand for emerging markets closed-end funds ("CEFs") many such CEFs, including the Issuer, can trade at price levels which reflect a wide discount (more than 10%) relative to their published net asset value (NAV). City of London intends to engage in discussions and other communications with the Boards of Directors of these CEFs, including the Issuer, following the parameters and guidelines set forth in City of London's Statement on Corporate Governance and Voting Policy for Closed-End Funds, to the extent deemed necessary or appropriate if it believes it is in the best interests of all shareholders to do so. City of London also intends to vote against Directors as per the parameters and guidelines in the above-mentioned document.

Item 5. Interests in Securities of the Issuer.

(a) and (b). As of the date hereof, CLIG, through its control of CLIM, and CLIM, in its capacity as investment adviser to the City of London Funds and the Segregated Accounts, have voting and dispositive power with respect to all 10,529,472 Shares owned directly by the City of London Funds and the Segregated Accounts, representing approximately 30.7% of the 34.271 million Shares outstanding as of March 24, 2017, as last reported by the Fund. As of the date hereof, BMI, CF, CG, CI, EUREKA, EWF, FREE, GBL, INV, PLUS, and the Segregated

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Accounts owned directly 954,264; 282,278; 904,970; 659,871; 658,984; 325,181; 626,938; 1,020,525; 167,443; 160,035; and 4,768,983 Shares, respectively, representing approximately 2.8%, 0.8%, 2.6%, 1.9%, 1.9%, 1.0%, 1.8%, 3.0%, 0.5%, 0.5% and 13.9% respectively, of the 34.271 million Shares outstanding as of March 24, 2017.

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(c). Information with respect to all transactions in the Shares beneficially owned by the Reporting Persons that were effected during the past 60 days is set forth below:

Portfolio	Tran Type	Trade Date	Par Values/Shares	Trade Price
Seg Acct	BUY	24-Jan-17	2,600	17.18
Seg Acct	BUY	25-Jan-17	15,000	17.34
Seg Acct	BUY	15-Mar-17	6,211	18.06
Seg Acct	BUY	16-Mar-17	7,982	18.17

(d). Other than disclosed herein, no other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such Shares.

(e). Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Except as set forth in Item 4 of this Schedule 13D, none of the Reporting Persons has any contract, arrangement, understanding or relationship (legal or otherwise) with any person with respect to any securities of the Fund including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any securities of the Fund, joint ventures, loan or option arrangements, puts or calls, guaranties of profits, division of profits or losses, or the giving or withholding of proxies.

Item 7. Materials to be Filed as Exhibits

None.



Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete, and correct.

March 27, 2017

CITY OF LONDON INVESTMENT GROUP PLC

/ s / Barry Olliff

Name: Barry Olliff

Title: Director

CITY OF LONDON INVESTMENT  
MANAGEMENT COMPANY LIMITED

/ s / Barry Olliff

Name: Barry Olliff

Title: Director

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ANNEX A

DIRECTORS AND EXECUTIVE OFFICERS

The names of the directors and executive officers of CLIG and their business addresses and present principal occupation or employment are set forth below. If no business address is given, the business address of such director or executive officer is c/o City of London Investment Group PLC, 77 Gracechurch Street, London EC3V 0AS, England.

David Cardale	Non-Executive Chairman
Barry Olliff	Chief Executive Officer
Allan Bufferd	Non-Executive Director
Mark Driver	Non-Executive Director
Barry Aling	Non-Executive Director
Mark Dwyer	Executive Director
Tracy Rodrigues	Executive Director
Thomas Griffith	Executive Director

The names of the directors and executive officers of CLIM and their business addresses and present principal occupation or employment are set forth below. If no business address is given, the business address of such director or executive officer is c/o City of London Investment Management Limited, 77 Gracechurch Street, London EC3V 0AS, England.

David Cardale	Non-Executive Chairman
Barry Olliff	Chief Executive Officer / Chief Investment Officer
Tracy Rodrigues	Finance Director
Thomas Griffith	Director
Mark Dwyer	Director