

Section 2(a)(35) further indicates that not treating such deductions as sales load is consistent with the policies of the 1940 Act.

23. Finally, Applicants submit that it is probably an historical accident that the exclusion of premium tax in subparagraph (c)(4)(v) of Rules 6e-2 and 6e-3(T) from the definition of "sales load" is limited to state premium taxes. When these Rules were each adopted and, in the case of Rule 6e-3(T), later amended, the additional Section 848 tax burden attributable to the receipt of premiums did not yet exist.

24. Applicants submit that the terms of the relief requested with respect to Other Contracts to be issued through Future Accounts are also consistent with the standards of Section 6(c). Without the requested relief, Guardian would have to request and obtain such exemptive relief for each Other Contract to be issued through a Future Account. Such additional requests for expensive relief would present no issues under the 1940 Act that have not already been addressed in this Application.

25. The requested relief is appropriate in the public interest because it would promote competitiveness in the variable life insurance market by eliminating the need for Guardian to file redundant exemptive applications regarding the federal tax charge, thereby reducing its administrative expenses and maximizing the efficient use of its resources. The delay and expense involved in having to repeatedly seek exemptive relief would impair Guardian's ability to effectively take advantage of business opportunities as they arise.

26. The requested relief is consistent with the purposes of the 1940 Act and the protection of investors for the same reasons. If Guardian were required to repeatedly seek exemptive relief with respect to the same issues regarding the federal tax charge addressed in this Application, investors would not receive any benefit or additional protection thereby and might be disadvantaged as a result of Guardian's increased overhead expenses.

27. Conditions for Relief:

a. Guardian will monitor the reasonableness of the charge to be deducted pursuant to the requested exemptive relief.

b. The registration statement for the Contracts, and for any Other Contracts under which the above-referenced federal tax charge is deducted, will: (a) disclose the charge; (b) explain the purpose of the charge; and (c) state that the charge is reasonable in relation to Guardian's increased federal tax burden under Section 848 of the Code.

c. The registration statement for the Contracts, and for such Other Contracts, providing for the above-referenced deduction will contain as an exhibit an actuarial opinion as to: (1) The reasonableness of the charge in relation to Guardian's increased federal tax burden under Section 848 of the Code resulting from the receipt of premiums; (2) the reasonableness of the rate of return on surplus that is used in calculating such charge; and (3) the appropriateness of the factors taken into account by Guardian in determining such targeted rate of return.

Conclusion

For the reasons and upon the facts set forth above, Applicants submit that the requested exemptions from Sections 2(a)(32), 2(a)(35), 22(c), 26(a)(1), 26(a)(2), 27(a)(1), 27(c)(1), 27(c)(2), 27(d), and 27(e) of the 1940 Act and paragraphs (b)(1), (b)(12), (b)(13)(i), (b)(13)(iii), (b)(13)(iv), (b)(13)(v), (b)(13)(vii), (c)(1), (c)(4) of Rule 6e-2, and Rules 6e-3(T)(c)(4)(v), 22c-1 and 27e-1 thereunder, are necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act and, therefore, satisfy the standards set forth in Section 6(c) of the 1940 Act.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-13893 Filed 6-6-95; 8:45 am]

BILLING CODE 8010-01-M

This determination shall be reported to the Congress immediately and published in the **Federal Register**.

Dated: May 12, 1995.

Peter Tarnoff,

Acting Secretary of State.

[FR Doc. 95-13837 Filed 6-6-95; 8:45 am]

BILLING CODE 4710-10-M

Bureau of Political-Military Affairs

[Public Notice 2217]

Imposition of Chemical and Biological Weapons Proliferation Sanctions On Foreign Persons

AGENCY: Bureau of Political-Military Affairs, Department of State.

ACTION: Notice.

SUMMARY: The United States Government has determined that two companies have engaged in chemical weapons proliferation activities that require the imposition of sanctions pursuant to the Arms Export Control Act and the Export Administration Act of 1979 (the authorities of which were most recently continued by Executive Order 12924 of August 19, 1994), as amended by the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991.

EFFECTIVE DATE: May 19, 1995.

FOR FURTHER INFORMATION CONTACT:

Vann H. Van Diepen, Office of Chemical, Biological and Missile Nonproliferation, Bureau of Political-Military Affairs, Department of State (202-647-4930).

SUPPLEMENTARY INFORMATION: Pursuant to Sections 81(a) and 81(b) of the Arms Export Control Act (22 U.S.C. 2798(a), 2798(b)), Sections 11C(a) and 11C(b) of the Export Administration Act of 1979 (50 U.S.C. app. 2410c(a), 2410c(b)), Section 305 of the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 (P.L. 102-182), Executive Order 12851 of June 11, 1993, and State Department Delegation of Authority No. 145 of February 4, 1980, as amended, the United States Government determined that the following foreign persons have engaged in chemical weapons proliferation activities that require the imposition of the sanctions described in Section 81(c) of the Arms Export Control Act (22 U.S.C. 2798(c)) and Section 11C(c) of the Export Administration Act of 1979 (50 U.S.C. app. 2410c(c)):

1. GE Plan (Austria)

2. Mainway Limited (Germany)

Accordingly, the following sanctions are being imposed:

DEPARTMENT OF STATE

Office of the Secretary

[Public Notice 2214]

Determination Under Section 620(f) of the Foreign Assistance Act of 1961, As Amended

Pursuant to section 620(f)(2) of the Foreign Assistance Act (FAA) of 1961, as amended (22 U.S.C. 2370(f)(2)), and section 1-201(a)(12) of Executive Order No. 12163, as amended, I hereby determine that the removal of Laos from the application of section 620(f) of the FAA is important to the national interest of the United States. I therefore direct that Laos be henceforth removed, for an indefinite period, from the application of section 620(f) of the FAA, as amended.