

52(a) after the Acquisition. The Nonutility Subsidiaries will finance their capital needs through the issuance of securities under Rule 52(b).

M. Intra-System Service Transactions

1. *AGL Services*: AGL Resources requests authorization to form a service company, AGL Services, to provide a variety of services to the companies in the AGL System. AGL Services would offer system-wide coordination and strategy services, oversight services and other services where economies can be captured by centralization of services. Applicants anticipate that the following services would be offered by AGL Services to system companies: corporate compliance, internal auditing, strategic planning, public affairs, gas supply and capacity management (regulated subsidiaries), legal services, marketing and sales, financial services, information system services, executive, investor relations, customer services, purchasing, risk management, telecommunications, employee services, engineering and technical services.

2. *Other Services*: The Utility Subsidiaries will need authorization to provide services to affiliated and unaffiliated gas marketing companies and charge fees under approved tariffs that may not be "at cost."

N. Nonutility Reorganizations

1. *Intermediate Subsidiaries*: AGL Resources requests authorization to acquire, directly or indirectly, through purchase of capital shares, partnership interests, member interests in limited liability companies, trust certificates or other forms of equity interests, the equity securities of one or more intermediate subsidiaries ("Intermediate Subsidiaries") organized exclusively for the purpose of acquiring, financing, and holding the securities of one or more existing or future nonutility subsidiaries. Intermediate Subsidiaries may also provide management, administrative, project development, and operating services to these entities. These subsidiaries would engage only in businesses to the extent the AGL System is authorized, whether by statute, rule, regulation or order, to engage in those businesses. AGL Resources does not seek authorization to acquire an interest in any nonassociate company as part of the authority requested in this application and states that the reorganization will not result in the entry by the AGL System into a new, unauthorized line of business.

The Intermediate Subsidiaries would be organized for the purpose of acquiring, holding and/or financing the acquisition of the securities of or other

interest in one or more EWGs, FUCOs, Rule 58 Subsidiaries, ETCs or other non-exempt nonutility subsidiaries. Intermediate Subsidiaries may also engage in development activities ("Development Activities") and administrative activities ("Administrative Activities") relating to the permitted businesses of the nonutility subsidiaries.

Intermediate Subsidiaries request authority to expend up to \$300 million during the Authorization Period on all Development Activities. Administrative Activities will include ongoing personnel, accounting, engineering, legal, financial, and other support activities necessary to manage AGL Resources' investments in Nonutility Subsidiaries.

An Intermediate Subsidiary may be organized to facilitate the making of bids or proposals to develop or acquire an interest in any EWG, FUCO, Rule 58 Subsidiary, ETC or other non-exempt nonutility subsidiary; to facilitate closing on the purchase or financing of an acquired company after the award of a bid proposal; to effect an adjustment in the respective ownership interests in the business held by AGL Resources and non affiliated investors; to facilitate the sale of ownership interests in one or more acquired nonutility companies; to comply with applicable laws of foreign jurisdictions limiting or otherwise relating to the ownership of domestic companies by foreign nationals; as a part of tax planning in order to limit AGL Resources' exposure to U.S. and foreign taxes; as a means to further insulate AGL Resources and the Utility Subsidiaries from operational or other business risks that may be associated with investments in nonutility companies or for other lawful business purposes.

2. *Intermediate Holding Company Guarantees*: To the extent that AGL Resources provides funds or guarantees directly or indirectly to an Intermediate Subsidiary that are used for the purpose of making an investment in any EWG or FUCO or a rule 58 Subsidiary, the amount of these funds or guarantees will be included in AGL Resources' "aggregate investment" in those entities, as calculated in accordance with Rule 53 or Rule 58, as applicable.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-21877 Filed 8-25-00; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-24603; File No. 812-12118]

The Equitable Life Assurance Society of the United States, et al.

August 21, 2000.

AGENCY: The Securities and Exchange Commission ("Commission").

ACTION: Notice of application for an order pursuant to section 26(b) of the Investment Company Act of 1940 ("1940 Act") approving certain substitutions of securities, and pursuant to Section 17(b) of the 1940 Act exempting related transaction from section 17(a) of the 1940 Act.

Summary of Application: Applicants request an order to permit certain registered unit investment trusts to substitute securities issued by the EQ Advisors Trust's ("EQ Trust") Alliance Equity Index Portfolio ("Alliance Portfolio") for securities issued by the EQ Trust's BT Equity 500 Index Portfolio ("BT Portfolio"), currently held by those unit investment trusts, and to permit certain in-kind redemptions of portfolio securities in connection with the substitution ("In-Kind Transaction") and the consolidation of certain subaccounts by certain of those unit investment trust following the substitution.

Applicants: The Equitable Life Assurance Society of the United States ("Equitable"), Separate Account No. 301 of Equitable ("SA 301"), Separate Account No. 45 of Equitable ("SA 45"), Separate Account No. 49 of Equitable ("SA 49"), and Separate Account FP of Equitable ("SA FP," and together with SA 301, SA 45, and SA 49, the "Equitable Accounts").

Filing Date: The application was filed on May 25, 2000. Applicants represent that they will file an amended application during the notice period to conform to the representations set forth herein.

Hearing Or Notification Of Hearing: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Secretary of the Commission and serving Applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on September 15, 2000, 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 may request notification of a hearing by writing to the Secretary of the Commission.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-0609. Applicants: c/o Peter D. Noris, Executive Vice President and Chief Investment Officer, The Equitable Life Assurance Society of the United States, 1290 Avenue of the Americas, New York, New York 10104.

FOR FURTHER INFORMATION CONTACT: Jane G. Heinrichs, Senior Counsel, at (202) 942-0696, or Keith E. Carpenter, Branch Chief, at (202) 942-0679, Office of Insurance Products, Division of Investment Management.

SUPPLEMENTARY INFORMATION: The following is a summary of the application; the complete application may be obtained for a fee from the Public Reference Branch of the Commission, 450 5th Street, N.W., Washington, D.C. 20549-0102 (tel. (202) 942-8090).

Applicants' Representations

1. Equitable is a New York stock life insurance company authorized to sell life insurance and annuities in all fifty states, the District of Columbia, Puerto Rico, and the Virgin Islands. Equitable is the depositor and sponsor of SA 301, SA 45, SA 49 and SA FP, each a separate investment account established under New York law.

2. Equitable is a wholly owned subsidiary of AXA Financial, Inc., a member of the global AXA Group, which is a holding company for an international group of insurance and related financial services companies.

3. Each of the Equitable Accounts is registered with the Commission under the 1940 Act as a unit investment trust. The assets of the Equitable Accounts support certain variable annuity contracts and variable life insurance policies (collectively, "Contracts"). The variable annuity contracts issued by the Applicant include flexible premium deferred variable annuity contracts and single premium immediate variable annuity contracts. Some of the variable annuity contracts are issued as group contracts, while the remaining annuity contracts are issued to or on behalf of individuals. The variable life insurance policies issued by the Applicants include individual flexible premium, individual modified single premium and second to die variable life insurance contracts.

4. EQ Advisors Trust ("EQ Trust") is organized as a Delaware business trust. It is registered as an open-end

management investment company under the 1940 Act and its shares are registered under the 1933 Act on Form N-1A. EQ Trust is a series investment company, as defined by Rule 18f-2 under the 1940 Act, and currently offers 41 separate portfolios of shares. EQ Trust sells shares to the Equitable Accounts in connection with the Contracts. EQ Trust currently offers two classes of shares, Class IA and Class IB shares, which differ only in that Class IB shares are subject to a distribution plan adopted and administered pursuant to Rule 12b-1 under the 1940 Act.

5. Equitable currently serves as investment manager ("Manager") of each of the 41 current portfolios of EQ Trust pursuant to an investment management agreement between EQ Trust and Equitable. Pursuant to the investment management agreement, the Manager is responsible for the overall supervisory responsibility for the general management of EQ Trust, including selecting the investment advisers for each of EQ Trust's portfolios. Alliance Capital Management L.P. ("Alliance") is the adviser for the Alliance Portfolio and Bankers Trust Company ("BT") is the adviser for the BT Portfolio.

6. EQ Trust has received an exemptive order from the Commission ("Multi-Manager Order") that permits the Manager, or any entity controlling, controlled by, or under common control (within the meaning of section 2(a)(9) of the 1940 Act) with the Manager, subject to certain conditions, including approval of the Board of Trustees of EQ Trust, and without the approval of shareholders to: (i) Select a new or additional investment advisers for each Portfolio; (ii) enter into new Advisory Agreements and/or materially modify the terms of any existing Advisory Agreement;¹ (iii) terminate any existing Adviser and replace the Adviser; and (iv) continue the employment of an existing Adviser on the same contract terms where the Advisory Agreement has been assigned because of a change of control of the Adviser.² In such

¹ The Manager will not enter into an Advisory Agreement with an Adviser that is an "affiliated person" (as defined in section 2(a)(3) of the 1940 Act) of the Portfolio or the Manager, other than by reason of serving as an Adviser to a Portfolio, without the Advisory Agreement, including the compensation to be paid thereunder, being approved by the shareholders of the applicable Portfolio (or, if the Portfolio serves as a funding medium for any sub-account of a registered separate account, then pursuant to voting instructions by the unit holders of the sub-account).

² See EQ Advisors Trust and EQ Financial Consultants, Inc., Investment Company Act Rel. Nos. 23128 (April 24, 1998) (order) and 23093

circumstances, Contract owners would receive notice of any such action, including all information concerning any new Adviser or Advisory Agreement that normally is provided in proxy materials.

7. Applicants assert that each of the Contracts expressly reserve Equitable's right, subject to compliance with applicable law, to substitute shares of another open-end management investment company for shares of an open-end management investment company held by a sub-account. In addition, the prospectuses describing the Contracts contain appropriate disclosure of this right.

8. Applicants propose to substitute Class IB Shares of the Alliance Portfolio for Class IB Shares of the BT Portfolio ("Substitution").³ The Applicants represent that the Substitution is part of a continuing and overall business plan by Equitable to make the Contracts more competitive and attractive to potential customers and Contract owners. The Applicants assert that the Substitution will benefit Contract owners by: (a) Facilitating Contract owner understanding of the underlying investment options for the Contracts and reducing the potential for Contract owners to be confused by two separate underlying investment options (*i.e.*, the Alliance Portfolio and the BT Portfolio), both of which attempt to replicate the performance of the Standard & Poor's 500 Composite Stock Price Index ("S&P 500") and have substantially similar investment strategies and anticipated risks; (b) consolidating the assets attributable to the Alliance Portfolio and the BT Portfolio in a single portfolio, thereby eliminating duplicative Portfolios, which may make the Contracts more efficient to administer and may provide economies of scale that could benefit Contract owners; and (c) providing Contract owners who have their Contract values currently allocated to the BT Portfolio with a Portfolio that has the same investment management fees and expenses as the BT Portfolio but lower total expense ratios than the BT Portfolio.

9. As demonstrated in the chart below, the Applicants represent that the Alliance Portfolio has, and will continue to have, investment objectives, investment strategies and anticipated risk that are substantially similar in all material respects to those of the BT Portfolio:

(March 30, 1998) (notice). An investment company that has received such an order is commonly referred to as a "multi-manager" investment company.

³ The BT Portfolio does not have any Class IA shares issued and outstanding.

| Current portfolio | Investment objective | New portfolio | Investment objective |
|-------------------|--|--------------------|---|
| BT Portfolio | Seeks to replicate as closely as possible (before deduction of Portfolio expenses) the total return of the S&P 500 Index | Alliance Portfolio | Seeks a total return before expenses that approximates the total return performance of the S&P 500 Index, including reinvestment of dividends, at a risk level consistent with that of the S&P 500 Index. |

10. As demonstrated in the chart below, it is also expected that: (a) The investment management fees (i.e., the total management fees paid to the Manager⁴ with respect to the Alliance Portfolio will be the same as the

investment management fees with respect to the BT Portfolio; and (b) the total expense ratio of the Alliance Portfolio will be less than the total expense ratio of the BT Portfolio. The chart below shows the estimated

management fees and total expense of Class IB shares of the BT Portfolio and the Alliance Portfolio as if the current Management agreement has been in effect for the year ended December 31, 1999.⁵

| Portfolio | Advisory fees (as percentage of average daily net assets) | 12b-1 fees (percent) | Total expenses (as percentage of average daily net assets) |
|---------------------------------|---|----------------------|--|
| Alliance Portfolio | 0.25 | 0.25% | 0.54 |
| BT Portfolio ⁶ | 0.25 | 0.25% | 0.68 |

11. Applicants state that they have provided their respective Contract owners and participants with disclosure of the Substitution through prospectuses or prospectus supplements, as appropriate. Such disclosure described the alliance Portfolio and the BT Portfolio and disclosed the impact of the Substitution on fees and expenses at the underlying fund level. If the Commission approves the application, existing Contract owners and participants will be sent, on or about the date of approval, a supplement to the relevant Contract prospectus that discloses to such Contract owners and participants that the application has been approved. Together with this disclosure, such existing Contract owners and participants who have not previously received a prospectus for the Alliance Portfolio will be sent a prospectus and/or supplement containing disclosure that the Commission has issued an order approving the Substitution, as well as a prospectus for the Alliance Portfolio. The Contract prospectus and/or supplement and the prospectus for the EQ Trust, including the Alliance Portfolio, will be delivered to purchasers of new Contracts in accordance with all applicable legal requirements.

12. Applicants also state that Contract owners and participants will be sent a notice of the Substitution. All such notices will be mailed to affected

Contract owners and participants before the date the Substitution is effected ("Substitution Date"). The notice will inform Contract owners and participants that the Substitution will be effected on the Substitution Date and that they may transfer assets from the BT Portfolio to another investment option available under their Contract without the imposition of any fee, charge, or other penalty that might otherwise be imposed through a date at least thirty (30) days following the Substitution Date. Confirmation of the Substitution will be mailed to affected Contract owners and participants within five (5) days after the Substitution Date.

13. Applicants assert that the significant terms of the Substitution described above include:

a. The Alliance Portfolio will have investment objectives, investment strategies, and anticipated risks that are substantially similar in all material respects, to those of the BT Portfolio.

b. The fees and expenses of the Alliance Portfolio will be the same as or less than those of the BT Portfolio, assuming that the assets of the Alliance Portfolio do not decrease significantly from its present asset levels.

c. Contract owners and participants may transfer assets from the Alliance Portfolio or the BT Portfolio to another investment option available under their Contract without the imposition of any fee, charge, or other penalty that might otherwise be imposed from the date of

the initial notice through a date at least thirty (30) days following the Substitution Date.

d. The Substitution will be effected at the net asset value of the respective shares of the BT Portfolio and the Alliance Portfolio in conformity with Section 22(c) of the 1940 Act and Rule 22c-1 thereunder, without the imposition of any transfer or similar charge by Applicants, and with no change in the amount of any Contract owner's or participant's Contract value or in the dollar value of his or her investment in such Contract.

e. Contract owners and participants will not incur any fees or charges as a result of the Substitution, nor will their rights or Equitable's obligations under the Contracts be altered in any way. Equitable will bear all expenses incurred in connection with the Substitution and related filings and notices, including legal, accounting and other fees and expenses. The Substitution will not cause the Contract fees and charges currently being paid by existing Contract owners to be greater after the Substitution than before the Substitution.

f. The Substitution will be effected by redeeming the shares of the BT Portfolio in-kind. Those assets will then be contributed in-kind to the Alliance Portfolio to purchase its shares. Redemptions in-kind and contributions in-kind will be done in a manner consistent with the investment

⁴ The investment advisory fees are paid to each Adviser by the Manager from its investment management fees.

⁵ Estimated management fees and total expenses of Class IB shares of the Alliance Portfolio and the

BT Portfolio are presented on a *pro forma* basis and are based upon the audited financial statements of EQ Trust for the year ended December 31, 1999.

The current management agreement, which became effective on May 1, 2000, reduced the management

fee of the Alliance Portfolio from 0.30% of average daily net assets to 0.25% of average daily net assets. The management fee of the BT Portfolio remained unchanged.

objectives, policies and diversification requirements of the BT Portfolio and the Alliance Portfolio, and the Manager will review the In-Kind Transaction to assure that the assets are suitable for the Alliance Portfolio. Consistent with Rule 17a-7(d) under the 1940 Act, no brokerage commissions, fees (except customary transfer fees) or other remuneration will be paid in connection with the In-Kind Transaction.

g. The Substitution will not be counted as a new investment selection in determining the limit, if any, on the total number of Portfolios that Contract owners and participants can select during the life of a Contract.

h. The Substitution will not alter in any way the annuity or life benefits, tax benefits or any contractual obligations of Applicants under the Contracts.

i. Contract owners and participants may withdraw amounts under the Contracts or terminate their interest in a Contract, under the conditions that currently exist, including payment of any applicable withdrawal or surrender charge.

j. Contract owners and participants affected by the Substitution will be sent written confirmation of the Substitution that identify the substitutions made on behalf of that Contract owner or participant within five (5) days following the Substitution Date.

14. Applicants state that they will not complete the Substitution unless all of the following conditions are met:

a. The Commission will have issued an order approving the Substitution under Section 26(b) of the 1940 Act.

b. The Commission will have issued an order exempting the in-kind transactions from the provisions of section 17(a) of the 1940 Act, to the extent necessary to carry out the Substitution as described herein.

c. The amendments to the registration statements for the Contracts describing the substitution shall have become effective.

d. Each Contract owner or participant will have been mailed initial disclosure of the Substitution and will have been mailed a prospectus for the Alliance Portfolio and an amended and/or supplemental prospectus for the applicable Contracts before the Substitution Date. In addition, in conjunction with this mailing, each Contract owner or participant will have been sent a notice that describes the terms of the Substitution and Contract owners' and participants' rights in connection with them.

e. Applicants will have satisfied themselves, based on advice of counsel familiar with insurance laws, that the Contracts allow the substitution of

portfolios as described therein under applicable insurance laws and under the various Contracts.

f. Applicants will have complied with any regulatory requirements they believe are necessary to complete the transactions in each jurisdiction where the Contracts are qualified for sale.

Applicants' Legal Analysis and Conditions

1. Section 26(b) of the 1940 Act provides that it shall be unlawful for any depositor or trustee of a registered unit investment trust holding the security of a single issuer to substitute another security for such security unless the Commission shall have approved such substitution; and the Commission shall issue an order approving such substitution if the evidence establishes that it is consistent with the protection of investors and the purposes fairly intended by the policies and provisions of the 1940 Act.

2. Section 26(b) protects the expectation of investors that the unit investment trust will accumulate shares of a particular issuer and is intended to insure that unnecessary or burdensome sales loads, additional reinvestment costs or other charges will not be incurred due to unapproved substitutions of securities.

3. Applicants submit that the Contracts expressly reserve to the Applicants the right, subject to compliance with applicable law, to substitute shares of Alliance Portfolio for shares of the BT Portfolio held by the Equitable Accounts. The Applicants assert that they have reserved this right of substitution both to protect themselves and their Contract owners in situations where either might be harmed or disadvantaged by events affecting the issuer of the securities held by an Equitable Account and to preserve the opportunity to replace such shares in situations where a substitution could benefit themselves and their Contract owners and participants.

4. The applicants submit that the proposed substitutions meet the standards that the Commission and its staff generally have applied to other substitutions that have been approved. In addition, the Applicants contend that the Substitution is not the type of substitution that section 26(b) was designed to prevent. Unlike traditional unit investment trusts, the Contracts provide each Contract owner with the right to exercise his own judgment and transfer Contract values into any other available variable and/or fixed investment option. Additionally, the Substitution will not, in any manner, reduce the nature or quality of the

available investment options. Contract owners who do not want their assets allocated to the Alliance Portfolio would be able to transfer assets to any one of the other sub accounts available under their Contract without charge until thirty days after the Substitution Date.

5. Applicants assert that the Substitution will not result in any change in the amount of any Contract owner's or participant's Contract value or in the dollar value of his or her investment in such Contract, or the annuity or life benefits, tax benefits or any contractual obligation of the Applicants under the Contracts. Contract owners will not incur any fees, expenses or charges as a result of the proposed transactions. Furthermore, the proposed transactions will not result in any change to the Contract fees and charges currently being paid by existing Contract owners. The Applicants assert, therefore, that the Substitution will not result in the type of costly forced redemption that Section 26(b) was designed to prevent.

6. Applicants assert that the Substitution will benefit Contract owners by: (1) Facilitating Contract owner understanding of the underlying investment options for the Contracts and reducing the potential for Contract owners to be confused by two separate underlying investment options (i.e., the Alliance Portfolio and the BT Portfolio), both of which attempt to replicate the performance of the S&P 500 and have substantially similar investment strategies and anticipated risks; (2) consolidating the assets attributable to the Alliance Portfolio and the BT Portfolio in a single portfolio, thereby eliminating duplicative Portfolios, which may make the Contracts more efficient to administer and may provide economies of scale that could benefit Contract owners; and (3) providing Contract owners who have their Contract values currently allocated to the BT Portfolio with a Portfolio that has the same investment management fees and expenses as the BT Portfolio but lower total expense ratios than the BT Portfolio.

7. Section 17(a)(1) of the 1940 Act prohibits any affiliated person or an affiliate of an affiliated person, of a registered investment company, from selling any security or other property to such registered investment company. Section 17(a)(2) of the 1940 Act prohibits such affiliated persons from purchasing any security or other property from such registered investment company.

8. Section 17(b) of the 1940 Act authorizes the Commission to issue an

order exempting a transaction from section 17(a) if: (a) the terms of the proposed transaction are fair and reasonable and do not involve overreaching on the part of any person concerned; (b) the proposed transaction is consistent with the policy of each registered investment company concerned; and (c) the proposed transaction is consistent with the general purposes of the 1940 Act.

9. Applicants request an order pursuant to section 17(b) of the 1940 Act exempting them from the provisions of Section 17(a) to the extent necessary to permit them to: (a) carry out the In-Kind Transaction; and (b) consolidate each subaccount of SA FP and SA 45 currently investing in the BT Portfolio with the corresponding subaccount of SA FP and SA 45, respectively, currently investing in the Alliance Portfolio (collectively, "Consolidations").

10. Applicants assert that the In-Kind Transaction, including the consideration to be paid and received, is reasonable and fair and does not involve overreaching on the part of any person concerned. The In-Kind Transaction will be effected at the respective net asset values of the BT Portfolio and the Alliance Portfolio, as determined in accordance with the procedures disclosed in the registration statement of EQ Trust and as required by Rule 22c-1 under the 1940 Act. The In-Kind Transaction will not change the dollar value of any participant's or Contract owner's investment in any of the Equitable Accounts, the value of any Contract, the accumulation value or other value credited to any Contract, or the death benefit payable under any Contract. After the proposed In-Kind Transaction, the value of an Equitable Account's investment in the Alliance Portfolio will equal the value of its investment in the BT Portfolio before the In-Kind Transaction. Applicants also state that the transactions will conform substantially to the conditions of Rule 17a-7. To the extent that the In-Kind Transaction does not comply fully with the provisions of paragraphs (a) and (b) Rule 17a-7, Applicants assert that the terms of the In-Kind Transaction provide the same degree of protection to the participating companies and their shareholders as if the In-Kind Transaction satisfied all of the conditions enumerated in Rule 17a-7. Applicants also assert that the

proposed In-Kind Transactions by Applicants do not involve overreaching on the part of any person concerned. Furthermore, Applicants represents that the proposed substitutions will be consistent with the policies of the BT Portfolio and Alliance Portfolio, as recited in EQ Trust's current registration statement.

11. Applicants assert that the In-Kind Transaction is consistent with the general purposes of the 1940 Act and that the In-Kind Transaction does not present any of the conditions or abuses that the 1940 Act was designed to prevent.

12. Applicants assert that the terms of the Consolidations are reasonable and fair and do not involve overreaching. Combining the assets of the relevant subaccounts would have no impact on the Alliance Portfolio. The terms and conditions of the Consolidations would not affect the contract values of Contract owners and participants. The transfers would be made at the relative values of each subaccount. The aggregate Contract value of each affected Contract owner would be the same after the Consolidations as before the Consolidations. From the Contract owner's perspective, no dilution of, or increase in, their Contract value or annuity value would occur as a result of a Consolidation. The transfer would not result in any change in charges, costs, fees or expenses borne by Contract owners or participants. No charge would be assessed on the Consolidations.

13. The purpose of each Consolidation is to consolidate into a single subaccount two basically identical separate subaccounts that fund the Contracts, and, after the Substitution, will invest in the same underlying portfolio. This aggregation would allow for administrative efficiencies and cost savings on Equitable's part because Equitable would save the administrative, compliance, accounting, and auditing expense associated with separate subaccounts.

14. Applicants assert that the Consolidations are consistent with the general purposes of the 1940 Act and that the Consolidations do not present any of the conditions or abuses that the 1940 Act was designed to prevent.

Conclusion

Applicants assert that, for the reasons summarized above, the Substitution is

consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-21843 Filed 8-25-00; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following meetings during the week of August 28, 2000.

A closed meeting will be held on Thursday, August 31, 2000 at 11:00 a.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(4), (8), (9)(A) and (10) and 17 CFR 200.402(a)(4), (8), (9)(A) and (10), permit consideration for the scheduled matters at the closed meeting.

The subject matters of the closed meeting scheduled Thursday, August 31, 2000 will be:

- Institution and settlement of injunctive actions; and
- Institution and settlement of administrative proceedings of an enforcement nature

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942-7070.

Dated: August 23, 2000.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-22015 Filed 8-24-00; 8:45 am]

BILLING CODE 8010-01-M