

owners. The recapture provisions do not, on balance, diminish the overall value of the bonus credit provisions and are fully disclosed in the prospectus for the Contracts.

12. Applicants assert that the bonus credit recapture provisions are necessary if Hartford Life or Hartford L&A are to offer the bonus credits. It would be unfair to Hartford Life or Hartford L&A to permit owners to keep their bonus credits upon their exercise of the Contracts' right to examine provision. Because no CDSC applies to the exercise of the right to examine provision, the owner could obtain a quick profit in the amount of the bonus credit at Hartford Life's or Hartford L&A's expense by exercising that right. Likewise, because no additional CDSC applies upon death of an owner or annuitant or upon annuitization, and no CDSC applies during a confinement period, such a death, annuitization or confinement period surrender or withdrawal shortly after the award of bonus credits would afford an owner or a beneficiary a similar profit. In the event of such profits to owners or beneficiaries, Hartford Life and Hartford L&A could not recover the cost of granting the bonus credits. This is because Hartford Life and Hartford L&A both intend to recoup the costs of providing the bonus credits through the charges under the Contract, particularly the daily mortality and expense risk charge and the daily administrative charge. If the profits described above are permitted, certain owners could take advantage of them, greatly reducing the base from which the daily charges are deducted and greatly increasing the amount of bonus credits that Hartford Life and Hartford L&A must provide. Therefore, the recapture provisions are the price of offering the bonus credits. Hartford Life and Hartford Life and Hartford L&A simply cannot offer the proposed bonus credits without the ability to recapture those credits in the limited circumstances described herein.

13. Applicants assert that the Commission's authority under Section 6(c) of the Act to grant exemptions from various provisions of the Act and rules thereunder is broad enough to permit orders of exemption that cover classes of unidentified persons. Applicants request an order of the Commission that would exempt them, Future Accounts and Future Underwriters from the provisions of sections 2(a)(32), 22(c) and 27(i)(2)(A) of the Act and Rule 22c-1 thereunder. The exemption of these classes of persons is 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 because all of the potential members of the class could obtain the foregoing exemptions for themselves on the same basis as the Applicants, but only at a cost to each of them that is not justified by any public policy purpose. The Commission has previously granted exemptions to classes of similarly situated persons in various contexts and in a wide variety of circumstances, including future exemptions for recapturing bonus credits under variable annuity contracts.

14. Applicants represent that Future Contracts will be substantially similar in all material respects to the Contracts and that each factual statement and representation about the bonus credit provisions of the Contracts will be equally true of Future Contracts. Applicants also represent that each material representation made by them about Hartford Life and Hartford L&A, each Account and HSDCI will be equally true of Future Accounts and Future Underwriters, to the extent that such representations relate to the issues discussed in this application.

Conclusion

Applicants request that the Commission issue an order pursuant to section 6(c) of the Act exempting them as well as Future Accounts and Future Underwriters from the provisions of sections 2(a)(32), 22(c) and 27(i)(2)(A) of the Act and Rule 22c-1 thereunder, to the extent necessary to permit the recapture of certain credits applied to purchase payments made in consideration of the Contracts and Future Contracts.

Applicants assert, based on the grounds summarized above, that their exemptive request meets the standards set out in section 6(c) of the 1940 Act, namely, that the exemptions requested are 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.

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

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 September 18, 2000.

An open meeting will be held on Wednesday, September 20, 2000 at 9 a.m., in Room 1C30.

The Commission will hold public hearings on its proposed rule amendments concerning auditor independence. The purpose of the hearings is to give the Commission the benefit of the views of the interested members of the public regarding the issues raised and questions posed in the Proposing Release (33-7870). For further information, contact: John M. Morrissey, Deputy Chief Accountant or W. Scott Bayless, Associate Chief Accountant, Office of the Chief Accountant at (202) 942-4400.

A closed meeting will be held on Thursday, September 21, 2000 at 11 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, September 21, 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: September 13, 2000.

Margaret H. McFarland,

Deputy Secretary.

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