

“applicable percentage” (currently 85 percent) of the annual rate of interest determined by the Secretary of the Treasury on amounts invested conservatively in long-term investment grade corporate bonds for the month preceding the beginning of the plan year for which premiums are being paid (the “premium payment year”). Thus, the required interest rate to be used in determining variable-rate premiums for premium payment years beginning in September 2006 is 5.19 percent (*i.e.*, 85 percent of the 6.11 percent composite corporate bond rate for August 2006 as determined by the Treasury).

The following table lists the required interest rates to be used in determining variable-rate premiums for premium payment years beginning between October 2005 and September 2006.

For premium payment years beginning in:	The required interest rate is:
October 2005	4.62
November 2005	4.83
December 2005	4.91
January 2006	4.86
February 2006	4.80
March 2006	4.87
April 2006	5.01
May 2006	5.25
June 2006	5.35
July 2006	5.36
August 2006	5.36
September 2006	5.19

Multiemployer Plan Valuations Following Mass Withdrawal

The PBGC’s regulation on Duties of Plan Sponsor Following Mass Withdrawal (29 CFR part 4281) prescribes the use of interest assumptions under the PBGC’s regulation on Allocation of Assets in Single-Employer Plans (29 CFR part 4044). The interest assumptions applicable to valuation dates in October 2006 under part 4044 are contained in an amendment to part 4044 published elsewhere in today’s **Federal Register**. Tables showing the assumptions applicable to prior periods are codified in appendix B to 29 CFR part 4044.

Issued in Washington, DC, on this 11th day of September 2006.

Vincent K. Snowbarger,

Interim Director, Pension Benefit Guaranty Corporation.

[FR Doc. E6-15313 Filed 9-14-06; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Proposed Collections; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extensions: Schedule 14D-1F; OMB Control No. 3235-0376; SEC File No. 270-338; Schedule 14D-9F; OMB Control No. 3235-0382; SEC File No. 270-339

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) the Securities and Exchange Commission (“Commission”) is soliciting comments on the collections of information summarized below. The Commission plans to submit these existing collections of information to the Office of Management and Budget for approval.

Schedule 14D-1F (17 CFR 240.14d-102) may be used by any person making a cash tender or exchange offer for securities of any issuer incorporated or organized under the laws of Canada or any Canadian province or territory that is a foreign private issuer, where less than 40% of the outstanding class of such issuer’s securities that is the subject of the offer is held by U.S. holders. Schedule 14D-1F is designed to facilitate cross-border transactions in securities of Canadian issuers. The information required to be filed with the Commission is intended to permit verification of compliance with the securities law requirements and assures the public availability of such information. Schedule 14D-1F takes approximately 2 hours per response to prepare and is filed by 5 respondents annually for a total reporting burden of 10 hours.

Schedule 14D-9F (17 CFR 240.14d-103) is used by any issuer incorporated or organized under the laws of Canada or any Canadian province or territory that is a foreign private issuer, or by any director or officer of such issuer, where the issuer is the subject of a cash tender or exchange offer for a class of securities filed on Schedule 14D-1F. The information required to be filed with the Commission is intended to permit verification of compliance with the securities law requirements and assures the public availability of such information. Schedule 14D-9F takes approximately 2 hours per response to prepare and is filed by 5 respondents annually for a total reporting burden of 10 hours.

Written comments are invited on: (a) Whether these proposed collections of information are necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency’s estimate of the burden imposed by the collections of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Please direct your written comments to R. Corey Booth, Director/Chief Information Officer, Securities and Exchange Commission, c/o Shirley Martinson, 6432 General Green Way, Alexandria, Virginia 22312; or send an e-mail to: PRA_Mailbox@sec.gov.

Dated: September 6, 2006.

Nancy M. Morris,
Secretary.

[FR Doc. E6-15319 Filed 9-14-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-27478; File No. 812-13022]

IDS Life Insurance Company, et al., Notice of Application

September 8, 2006.

AGENCY: Securities and Exchange Commission (“Commission”).

ACTION: Notice of an application for an order pursuant to Section 6(c) of the Investment Company Act of 1940, as amended (“1940 Act”) granting exemptions from the provisions of Sections 2(a)(32), 22(c) and 27(i)(2)(A) of the 1940 Act and Rule 22c-1 thereunder.

Applicants: IDS Life Insurance Company (“IDS Life”), IDS Life Insurance Company of New York (“IDS Life of New York”), American Enterprise Life Insurance Company (“American Enterprise Life”), American Centurion Life Assurance Company (“American Centurion Life”) (each, an “Insurance Company” and collectively, the “Insurance Companies”), Ameriprise Financial Services, Inc.¹ (“Ameriprise Financial Services”), IDS

¹ Formerly American Express Financial Advisors Inc.

Life Variable Account 10 ("IDS Life Account"), IDS Life of New York Variable Annuity Account ("IDS Life of New York Account"), American Enterprise Variable Annuity Account ("American Enterprise Life Account") and ACL Variable Annuity Account 2 ("American Centurion Life Account") (each, an "Account" and collectively, the "Accounts") (collectively, the "Applicants").

Summary of Application: Applicants seek an order ("2006 Order") to amend Existing Orders (described below) to grant exemptions from the provisions of Sections 2(a)(32), 22(c) and 27(i)(2)(A) of the 1940 Act and Rule 22c-1 thereunder to the extent necessary to permit Applicants to recapture certain credits applied to purchase payments made under: (i) Certain additional new or enhanced deferred variable annuity contracts (including certain data pages and endorsements) that the Insurance Companies propose to issue through the Accounts ("2006 Contracts"); and; (ii) certain additional, amended contracts (including certain data pages and endorsements) that the Insurance Companies may in the future issue through the Accounts or any future accounts ("2006 Future Accounts") that are substantially similar in all material respects to the 2006 Contracts described in the Application for 2006 Order ("2006 Future Contracts" and, together with the 2006 Contracts, the "2006 New Contracts"). Applicants also request that the 2006 Order being sought extend to the "Affiliated Broker-Dealers," as defined in the applications for the Existing Orders (described below) ("Prior Applications") and to any successors in interest to Applicants.²

Filing Date: The application was filed on May 15, 2006 and amended and restated on August 21, 2006.

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 on October 3, 2006 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 Secretary of the Commission.

ADDRESSES: Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549. Applicants, Mary Ellyn Minenko, Vice President and Group Counsel, American Express Financial Advisors Inc., 50607 AXP Financial Center, Minneapolis, MN 55474.

FOR FURTHER INFORMATION CONTACT: Mark A. Cowan, Senior Counsel, or Zandra Y. Bailes, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 551-6795.

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application is available for a fee from the Public Reference Branch of the Commission, 100 F Street, NE., Washington, DC 20549 (202-551-8090).

Applicant's Representations

1. On January 19, 2000, the Commission issued an order pursuant to Section 6(c) of the 1940 Act exempting certain transactions of Applicants from the provisions of Sections 2(a)(32), 22(c) and 27(i)(2)(A) of the 1940 Act and Rule 22c-1 thereunder ("January 2000 Order").³ The January 2000 Order specifically permits the recapture, under specified circumstances, of certain Credits⁴ applied to the initial or subsequent additional payments ("Purchase Payments") made under the contracts ("2000 Contracts") or future contracts ("2000 Future Contracts") as defined in the application for the January 2000 Order.⁵ Specifically, the January 2000 Order permits the recapture of Credits: (a) If the owner returns a contract for a refund during the free look period; (b) if the Credits were applied within twelve months preceding the date of death that results

in a lump sum death benefit; or (c) if the Credits were applied within twelve months preceding a request for a surrender or withdrawal due to one of the following Contingent Events: (i) Confinement to a nursing home or hospital; (ii) terminal illness; (iii) disability; or (iv) unemployment.

2. On February 20, 2004, the Commission issued an amended order exempting certain additional transactions of Applicants from the provisions of Sections 2(a)(32), 22(c) and 27(i)(2)(A) of the 1940 Act and Rule 22c-1 thereunder ("February 2004 Order"⁶ and, together with the January 2000 Order, the "Existing Orders"). The February 2004 Order specifically permits the recapture, under specified circumstances, of certain Credits applied to Purchase Payments under the amended contracts ("2004 Contracts") or future amended contracts ("2004 Future Contracts") as defined in the application for the February 2004 Order⁷ (the 2000 Contracts, 2004 Contracts, 2000 Future Contracts and 2004 Future Contracts are collectively the "Contracts Covered by Existing Orders" and the 2000 Future Contracts and 2004 Future Contracts are collectively the "Future Contracts Covered by Existing Orders"). Specifically, the February 2004 Order permits the recapture of Credits under the same circumstances and under the additional circumstance of the owner's full or partial settlement under an annuity payout plan.

3. Applicants seek this 2006 Order to grant exemptions from the provisions of Sections 2(a)(32), 22(c) and 27(i)(2)(A) of the 1940 Act and Rule 22c-1 thereunder to the extent necessary to permit Applicants to recapture certain Credits applied to Purchase Payments made under the 2006 Contracts. IDS Life and IDS Life of New York offer two new 2006 Contracts under which Credits will be available, RiverSource Retirement Advisor 4 AdvantageSM Variable Annuity ("RAVA 4 Advantage") and RiverSource Retirement Advisor 4 SelectSM Variable Annuity ("RAVA 4 Select"). RAVA 4 Advantage and RAVA 4 Select currently permit the recapture of Credits under the circumstances described in the Prior Applications. IDS Life and IDS Life of New York propose to recapture Credits applied within twelve months preceding the date of death that results in any death benefit under those 2006 Contracts in addition

³ *IDS Life Insurance Company, et al.*, Investment Company Act Release No. 24257 (Jan. 19, 2000) (File No. 812-11818).

⁴ Contracts Covered by Existing Orders (defined below) issued by IDS Life and IDS Life of New York offer Credits of up to 3% of Purchase Payments received (limited to Purchase Payments received in the first contract year under certain contracts covered by Existing Orders) depending on the surrender charge schedule selected and the amount of the initial purchase payment. Contracts Covered by Existing Orders issued by American Enterprise Life offer Credits of up to 6% of the net current payment (current Purchase Payment less the amount of partial withdrawals that exceed all prior Purchase Payments). The percentage amount of the Credit could change for enhanced versions of the Contracts Covered by Existing Orders.

⁵ *IDS Life Insurance Company, et al.*, Investment Company Act Release No. 24220 (Dec. 23, 1999) (File No. 812-11818).

⁶ *IDS Life Insurance Company, et al.*, Investment Company Act Release No. 26354 (Feb. 20, 2004) (File No. 812-13022).

⁷ *IDS Life Insurance Company, et al.*, Investment Company Act Release No. 26338 (Jan. 22, 2004) (File No. 812-13022).

² Successors in interest is defined as any entity or entities that result from a reorganization, a merger, a change in control or a change in the type of business organization.

to recapturing Credits under the same circumstances described in the Prior Applications. American Enterprise Life currently offers two contracts that constitute Contracts Covered by Existing Orders, Wells Fargo Advantage® Builder Select Variable Annuity (“Wells Fargo Select”) and RiverSource Signature One SelectSM Variable Annuity (“Signature One Select”). Wells Fargo Select and Signature One Select currently permit the recapture of Credits under the same circumstances described in the Prior Applications. American Enterprise Life proposes to recapture Credits applied within twelve months preceding the date of death that results in any death benefit payment as a 2006 Contract enhancement to Wells Fargo Select and Signature One Select.

4. The respective Accounts will fund the variable benefits available under the 2006 Contracts. Units of interest in the Accounts under the 2006 Contracts they fund will be registered under the Securities Act of 1933. The Insurance Companies may issue 2006 Future Contracts through the Accounts. The Insurance Companies also may issue 2006 Future Contracts through Future Accounts. That portion of the respective assets of the Accounts that is equal to the reserves and other 2006 Contract liabilities with respect to the Accounts is not chargeable with liabilities arising out of any other business of the Insurance Companies. Any income, gains or losses, realized or unrealized, from assets allocated to the Accounts are, in accordance with the 2006 Contracts of the respective Accounts, credited to or charged against the Accounts, without regard to other income, gains or losses of the Insurance Companies. The same will be true of any Future Account of the Insurance Companies.

5. The 2006 Contracts reflect certain differences from the Contracts Covered by Existing Orders. However, these

differences have no impact on the Credits applied or potentially recaptured under the 2006 Contracts. For this reason, Applicants believe that the 2006 Contracts are substantially similar in all material respects relevant to the Existing Orders such that they constitute Future Contracts Covered by Existing Orders. Nevertheless, in view of certain differences from the Contracts Covered by Existing Orders and in light of Applicants’ request to extend the relief under the Existing Orders to the recapture of Credits applied within twelve months preceding the date of death that results in any death benefit payment, Applicants filed the application for a 2006 Order. To avoid any uncertainty regarding the availability of such relief with respect to the recapture of Credits under the 2006 Contracts under the same circumstances described in Prior Applications and under the one additional circumstance described in the application for a 2006 Order, Applicants note the following differences between the Contracts Covered by Existing Orders and the 2006 Contracts:

a. Recapture of Credits

Under the Contracts Covered by Existing Orders, the Insurance Companies allocate Credits up to a total of 6% to the owner’s account when they receive Purchase Payments. The Insurance Companies currently are permitted to recapture Credits from an owner under the following circumstances: (i) Any Credits applied if the owner returns a Contract Covered by Existing Orders for a refund during the free look period; (ii) Credits applied within twelve months preceding the date of death that results in a lump sum death benefit; (iii) Credits applied within twelve months preceding a request for a surrender or withdrawal due to the following Contingent Events: Confinement of the owner, owner’s spouse or annuitant, as applicable, to a

nursing home or hospital and terminal illness;⁸ and (iv) the owner’s full or partial settlement of the Contract Covered by Existing Orders under an annuity payout plan. The amount the Insurance Companies pay under these circumstances will always equal or exceed the surrender or withdrawal value. Under the 2006 Contracts, the Insurance Companies intend to recapture Credits up to a total of 6% under the same circumstances described above for the Contracts Covered by Existing Orders and propose to recapture Credits applied within twelve months preceding the date of death that results in a death benefit payment of any kind.⁹

b. Investment Funds

The 2006 Contracts will add subaccounts to their respective Accounts that will invest in some Investment Funds (as defined in the Prior Applications) not currently offered under the Contracts Covered by Existing Orders. The Insurance Companies, at a later date, may decide to substitute the Investment Funds in which the subaccounts invest. The Insurance Companies also may create additional subaccounts to invest in any additional Investment Funds as may now or in the future be available. The Insurance Companies, from time to time, also may combine or eliminate subaccounts, or transfer assets to and from subaccounts. Similarly, 2006 Future Contracts may offer additional or different subaccounts.

c. Mortality and Expense Risk Fees

The mortality and expense risk fees for RAVA 4 Advantage and RAVA 4 Select are higher than the fees for the earlier generations of RAVA 4 Advantage and RAVA 4 Select which are Contracts Covered by Existing Orders. The mortality and expense risk fees are as follows:

	Earlier generations of RAVA 4 advantage (percent)	Earlier generations of RAVA 4 select (percent)	RAVA 4 advantage	RAVA 4 select
Nonqualified Annuities	0.95	1.20	1.05%	1.30%.
Qualified Annuities	0.75	1.00	0.85%	1.10%.
Band 3 Annuities (described below)	0.55	0.75	No separate fee: 1.05% for non-qualified annuities and 0.85% for qualified annuities.	No separate fee: 1.30% for non-qualified annuities and 1.10% for qualified annuities.

⁸ Under the Existing Orders, the Insurance Companies also have the authority to recapture Credits from an owner under the disability or unemployment Contingent Events.

⁹ IDS Life, IDS Life of New York and American Enterprise Life do not assess surrender or withdrawal charges (contingent deferred sales

charges) on death benefits available under the Contracts Covered by the 2006 Contracts.

d. Band 3 Annuities

Some of the earlier generations of RAVA 4 Advantage and RAVA 4 Select offer Band 3 annuities which are available to current or retired employees of Ameriprise Financial and their spouses; current or retired Ameriprise Financial advisors and their spouses; or individuals who, with the approval of IDS Life or IDS Life of New York, as applicable, invest an initial purchase payment of \$1,000,000 or more. Under RAVA 4 Advantage and RAVA 4 Select, Band 3 annuities will be available to current or retired employees of Ameriprise Financial and their spouses or domestic partners; current or retired Ameriprise Financial advisors and their spouses or domestic partners; or individuals who, with the approval of IDS Life or IDS Life of New York, as applicable, invest an initial purchase payment of \$1,000,000 or more.

e. Living Benefits

Both the Contracts Covered by Existing Orders and the 2006 Contracts offer a number of optional living benefit riders that owners can purchase for an additional fee. The Contracts Covered by Existing Orders issued by American Enterprise Life offer three different optional guaranteed income benefit ("Income Benefit") riders. The Income Benefit riders guarantee minimum income regardless of the volatility inherent in the Investment Funds. The Contracts Covered by Existing Orders also offer an optional guaranteed accumulation benefit ("Accumulation Benefit" rider). The Accumulation Benefit rider may provide a one-time adjustment to the contract value at the end of the specified waiting period on the benefit date. The Contracts Covered by Existing Orders also offer an optional guaranteed minimum withdrawal benefit ("Withdrawal Benefit") rider. The Withdrawal Benefit initially gives the owner the right to take limited partial withdrawals in each contract year that over time will total an amount equal to Purchase Payments plus any Credits.

In addition to the same optional living benefit riders described above, the 2006 Contracts introduce a new optional guaranteed minimum withdrawal benefit for life ("Withdrawal Benefit for Life") rider. The Withdrawal Benefit for Life guarantees that the owner will be able to withdraw up to a certain amount each year from the 2006 Contract, regardless of investment performance, before the annuity payouts begin, until the owner has recovered, at a minimum, all Purchase Payments plus any Credits. Under certain limited circumstances

defined in the rider, the owner has the right to take a specified amount of partial withdrawals in each contract year until death, even if the contract value is zero. The Insurance Companies reserve the right to add new or enhanced living benefits to the Contracts Covered by Existing Orders and/or 2006 New Contracts.

f. Asset Allocation Programs

Both the Contracts Covered by Existing Orders and the 2006 Contracts offer asset allocation programs. Owners are required to participate in these asset allocation programs if they elect one of the optional living benefits riders described above. In this case, there is no separate charge for the asset allocation program. Owners may choose to participate in the standalone asset allocation program if they do not elect a living benefit. Under the Contracts Covered by Existing Orders issued by American Enterprise Life, there is no charge for this standalone asset allocation program. With respect to the Contracts Covered by Existing Orders issued by IDS Life and IDS Life of New York, owners may purchase the optional standalone asset allocation rider for an additional fee. The current fee is 0.10% (not to exceed 0.20%) as a percentage of contract value charged annually. Under the 2006 Contracts issued by IDS Life and IDS Life of New York, the standalone asset allocation program is available at no additional charge.

g. Annuity Payout Plans

Both the Contracts Covered by Existing Orders and the 2006 Contracts offer a number of annuity payout plans with payouts available under a fixed or variable basis or a combination of both. These annuity payout plans include the following: (A) Life annuity—no refund; (B) life annuity with five, ten, 15 years or 20 years certain; (C) life annuity—installment refund; (D) joint and last survivor life annuity—(i) no refund; or (ii) with 20 years certain; and (E) payouts for a specified period. The Insurance Companies also may agree to other payout arrangements. The 2006 Contracts introduce an additional annuity payout plan available in connection with the Withdrawal Benefit for Life. This payout plan is available on a fixed basis only.

6. Applicants submit that their request for an order that applies to the Accounts or any Future Accounts, in connection with the issuance of 2006 Contracts described herein and 2006 Future Contracts that are substantially similar in all material respects to the 2006 Contracts and underwritten or distributed by IDS Life, Ameriprise

Financial Services or Affiliated Broker-Dealers is appropriate in the public interest for the same reasons as those given in support of the Existing Orders.

Applicants' Legal Analysis

1. Section 6(c) of the 1940 Act authorizes the Commission to exempt any person, security or transaction, or any class or classes of persons, securities or transactions from the provisions of the 1940 Act and the rules promulgated thereunder 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 1940 Act.

2. Applicants request that the Commission issue an order pursuant to Section 6(c) of the 1940 Act, granting exemptions from the provisions of Sections 2(a)(32), 22(c) and 27(i)(2)(A) of the 1940 Act and Rule 22c-1 thereunder, to the extent necessary to permit Applicants to recapture Credits under the 2006 Contracts under the same circumstances covered by the Existing Orders and also to recapture Credits applied within twelve months preceding the date of death that results in any death benefit payment.

3. Applicants submit that the provisions for recapture of any Credit applied within twelve months preceding the date of death that results in any death benefit payment under the 2006 New Contracts does not, and will not, violate Sections 2(a)(32) and 27(i)(2)(A) of the 1940 Act. Subsection (i) of Section 27 of the 1940 Act provides that Section 27 does not apply to any registered separate account funding variable insurance contracts, or to the sponsoring insurance company and principal underwriter of such account, except as provided in paragraph (2) of the subsection. Paragraph (2) provides that it shall be unlawful for such a separate account or sponsoring insurance company to sell a contract funded by the registered separate account unless such contract is a redeemable security. Section 2(a)(32) defines "redeemable security" as any security, other than short-term paper, under the terms of which the holder, upon presentation to the issuer, is entitled to receive approximately his or her proportionate share of the issuer's current net assets, or the cash equivalent thereof.

4. Applicants assert that the recapture of the Credit amount in the circumstances set forth in the application for 2006 Order would not deprive an owner of his or her proportionate share of the issuer's

current net assets. An owner's interest in the Credit amounts allocated to his or her 2006 New Contract within twelve months preceding the date of death is not vested. Applicants argue that until the right to recapture has expired and any Credit amount is vested, the Insurance Companies retain the right and interest in the Credit amount, although not in the earnings attributable to that amount. Therefore, when the Insurance Companies recapture any Credit, they are merely retrieving their own assets, and the owner has not been deprived of a proportionate share of the applicable Account's assets because his or her interest in the Credit amount has not vested.

5. Applicants submit that the recapture of Credit amounts within twelve months preceding the date of death is designed to provide the Insurance Companies with a measure of protection against anti-selection. The anti-selection risk is that an owner can collect a Credit shortly before death thereby leaving the Insurance Companies little time to recover the cost of the Credit. As noted earlier, the amounts recaptured equal the Credits provided by the Insurance Companies from their general account assets, and any gain would remain a part of the owner's contract value.

6. Section 22(c) of the 1940 Act authorizes the Commission to make rules and regulations applicable to registered investment companies and to principal underwriters of, and dealers in, the redeemable securities of any registered investment company to accomplish the same purposes as contemplated by Section 22(a). Rule 22c-1 thereunder prohibits a registered investment company issuing any redeemable security, a person designated in such issuer's prospectus as authorized to consummate transactions in any such security, and a principal underwriter of, or dealer in, such security, from selling, redeeming, or repurchasing any such security except at a price based on the current net asset value of such security which is next computed after receipt of a tender of such security for redemption or of an order to purchase or sell such security.

7. The Insurance Companies' recapture of the Credit might arguably be viewed as resulting in the redemption of redeemable securities for a price other than one based on the current net asset value of the Accounts. Applicants contend, however, that the recapture of the Credit does not violate Section 22(c) and Rule 22c-1. The recapture of the Credit does not involve either of the evils that Rule 22c-1 was

intended to eliminate or reduce as far as reasonably practicable, namely: (i) The dilution of the value of outstanding redeemable securities of registered investment companies through their sale at a price below net asset value or redemption or repurchase at a price above it, and (ii) other unfair results, including speculative trading practices.

8. Applicants assert that the proposed recapture of the Credit does not pose such a threat of dilution. To effect a recapture of a Credit, the Insurance Companies will redeem interests in an owner's account at a price determined on the basis of the current net asset value of that account. The amount recaptured will equal the amount of the Credit that the Insurance Companies paid out of their general account assets. Although the owner will be entitled to retain any investment gain attributable to the Credit, the amount of that gain will be determined on the basis of the current net asset value of the Account. Therefore, no dilution will occur upon the recapture of the Credit. Applicants also submit that the second harm that Rule 22c-1 was designed to address, namely speculative trading practices calculated to take advantage of backward pricing, will not occur as a result of the recapture of the Credit.

9. For the foregoing reasons, Applicants submit that the provisions for recapture of any Credit applied within twelve months preceding the date of death that results in any death benefit payment under the 2006 New Contracts does not and will not violate Sections 2(a)(32), 22(c) and 27(i)(2)(A) of the 1940 Act and Rule 22c-1 thereunder, and that the requested relief therefrom is consistent with the exemptive relief provided under the Existing Orders.

Conclusion

Applicants submit, based on the grounds summarized above, that their exemptive requests meet 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 1940, and that, therefore, an amended order should be granted.

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

J. Lynn Taylor,

Assistant Secretary.

[FR Doc. E6-15298 Filed 9-14-06; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meetings

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, 2006:

An Open Meeting will be held on Wednesday, September 20, 2006 at 10 a.m. in the Auditorium, Room LL-002 and Closed Meetings will be held on Wednesday, September 20, 2006 at 11 a.m., Thursday, September 21, 2006 at 2 p.m. and Friday, September 22, 2006 at 2:30 p.m.

Commissioners, Counsels to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meetings. 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)(3), (5), (7), (8), (9)(B) and (10) and 17 CFR 200.402(a)(3), (5), (7), (8), (9)(ii), and (10) permit consideration of the scheduled matters at the Closed Meetings.

Commissioner Nazareth, as duty officer, voted to consider the items listed for the closed meetings in closed session.

The subject matter of the Open Meeting scheduled for Wednesday, September 20, 2006 will be:

The Commission will hear oral argument on an appeal by The Rockies Fund, Inc., a closed-end investment company, and its directors Stephen Calandrella, Charles Powell, and Clifford Thygesen (collectively "Respondents"). The matter is on remand to the Commission from the United States Court of Appeals for the District of Columbia Circuit.

The Court of Appeals affirmed the Commission's findings that Respondents violated antifraud provisions of the Securities Exchange Act of 1934 by filing quarterly and annual reports containing material misrepresentations between June 30, 1994 and December 31, 1995; that the Fund violated provisions of the Exchange Act and Calandrella, Powell, and Thygesen aided and abetted and were a cause of reporting violations by filing reports that were not in compliance with Generally Accepted Accounting Principles and that contained material misrepresentations. The Court of Appeals directed the Commission on remand to reconsider the sanctions in light of its determination to vacate some of the violations found by the Commission.

Among the issues likely to be argued are:

1. Whether it is in the public interest to prohibit Calandrella, Powell, or