

from the requirements of 10 CFR 50.68(b)(1) for the loading, unloading, and handling of the components of the HI-STORM 100 dual-purpose dry cask storage system at DCCP. Any changes to the cask system design features affecting criticality or its supporting criticality analyses will invalidate this exemption.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this exemption will not have a significant effect on the quality of the human environment (69 FR 2012).

This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 30th day of January 2004.

For the Nuclear Regulatory Commission.

Ledyard B. Marsh,

Director, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-26340; File No. 812-12999]

MetLife Investors Insurance Company, et al.; Notice of Application

January 29, 2004.

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

ACTION: Notice of application for an order pursuant to Section 26(c) of the Investment Company Act of 1940 (the "Act") approving certain substitutions of securities and an order of exemption pursuant to Section 17(b) of the Act.

Applicants: MetLife Investors Insurance Company ("MetLife Investors"), MetLife Investors Variable Annuity Account One ("VA Account One"), MetLife Investors Variable Life Account One ("VL Account One"), First MetLife Investors Insurance Company ("First MetLife Investors"), First MetLife Investors Variable Annuity Account One ("First VA Account One"), MetLife Investors Insurance Company of California ("MetLife Investors of California"), MetLife Investors Variable Annuity Account Five ("VA Account Five"), MetLife Investors Variable Life Account Five ("VL Account Five"), MetLife Investors USA Insurance Company ("MetLife Investors USA"), MetLife Investors USA Separate Account A ("Separate Account A"), General American Life Insurance Company ("General American"), General American Separate Account Eleven ("Separate Account Eleven"), New England Life Insurance Company

("New England"), New England Variable Life Separate Account ("NEVL Separate Account"), Metropolitan Life Insurance Company ("MetLife") (together with MetLife Investors, First MetLife Investors, MetLife Investors of California, MetLife Investors USA, General American and New England, the "Insurance Companies"), Metropolitan Life Separate Account UL ("Separate Account UL"), Metropolitan Life Separate Account E ("Separate Account E"), Security Equity Separate Account Thirteen ("Separate Account Thirteen") (together with VA Account One, VL Account One, First VA Account One, VA Account Five, VL Account Five, Separate Account A, Separate Account Eleven, NEVL Separate Account, Separate Account UL, and Separate Account E, the "Separate Accounts"), Met Investors Series Trust ("MIST") and Metropolitan Series Fund, Inc. ("Met Series Fund") (MIST and Met Series Fund are the "Investment Companies"). The Insurance Companies and the Separate Accounts are the "Substitution Applicants." The Insurance Companies, the Separate Accounts and the Investment Companies are the "Section 17 Applicants."

Filing Date: The application was filed on August 5, 2003, and amended on January 22, 2004.

Summary of Application: The Substitution Applicants request an order pursuant to Section 26(c) of the Act to permit certain unit investment trusts to substitute shares of certain portfolios of MIST and Met Series Fund (collectively, the "Replacement Funds") for shares of certain portfolios of the AIM Variable Insurance Funds ("AIM Fund"), the Alger American Fund ("Alger Fund"), the AllianceBernstein Variable Products Series Fund, Inc. ("AllianceBernstein Fund"), the American Century Variable Portfolios, Inc. ("American Century Fund"), Dreyfus Variable Investment Fund ("Dreyfus Fund"), Federated Insurance Series ("Federated Fund"), Variable Insurance Products Fund ("Variable Fund"), Franklin Templeton Variable Insurance Products Trust ("Franklin Templeton Fund"), Goldman Sachs Variable Insurance Trust ("Goldman Sachs Fund"), INVESCO Variable Investment Funds, Inc. ("INVESCO Fund"), MFS Variable Insurance Trust ("MFS Fund"), Liberty Variable Investment Trust ("Liberty Fund"), Oppenheimer Variable Account Funds ("Oppenheimer Funds"), Putnam Variable Trust ("Putnam Funds"), Scudder Variable Series I ("Scudder I Fund"), Scudder Variable Series II ("Scudder II Fund"), and Van Kampen

Life Investment Trust ("Van Kampen Fund") (collectively, the "Existing Funds") currently held by those unit investment trusts. The shares are held by the unit investment trusts to fund certain group and individual variable annuity contracts and variable life insurance policies (collectively, the "Contracts") issued by the Insurance Companies. The Section 17 Applicants request an order of the Commission pursuant to Section 17(b) of the Act exempting them from Section 17(a) of the Act to the extent necessary to permit the Investment Companies to carry out certain substitutions by the in-kind purchases and sales of shares of the Replacement Fund.

Hearing or Notification of Hearing: An order granting the amended and restated 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 February 23, 2004, 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, NW., Washington, DC 20549-0609. Applicants, Richard C. Pearson, Esq., MetLife Investors Insurance Company, 22 Corporate Plaza Drive, Newport Beach, California 92660. Copy to Robert N. Hickey, Esq., Sullivan & Worcester LLP, 1666 K Street, NW., Washington, DC 20006.

FOR FURTHER INFORMATION CONTACT: Thu Ta, Senior Counsel, or Lorna J. MacLeod, Branch Chief, at 202-942-0670, 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 Fifth Street, NW., Washington, DC 20549 (tel. (202) 942-8090).

Applicants' Representations

1. MetLife Investors is a stock life insurance company organized in 1981 under the laws of Missouri. MetLife Investors is an indirect wholly owned subsidiary of MetLife. MetLife Investors

is the depositor and sponsor of VA Account One and VL Account One. MetLife Investors Distribution Company, an affiliate of MetLife, is the distributor of contracts issued by MetLife Investors.

2. VA Account One is a segregated asset account of MetLife Investors, established under Missouri law in 1987. VA Account One is registered under the Act as a unit investment trust. The assets of VA Account One support certain Contracts. Security interests in the Contracts have been registered under the Securities Act of 1933. VA Account One is currently divided into 94 sub-accounts, 30 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 64 of which reflect the performance of registered investment companies managed by advisers that are not affiliated with VA Account One (except, that, in some instances, VA Account One may own more than 5% of such investment company).

3. VA Account One is administered and accounted for as part of the general business of MetLife Investors. The income, gains, or losses of VA Account One are credited to or charged against the assets of VA Account One in accordance with the terms of the Contracts, without regard to the income, gains, or losses of MetLife Investors.

4. VL Account One is a segregated asset account of MetLife Investors, established under Missouri law in 1991. VL Account One is registered under the Act as a unit investment trust. The assets of VL Account One support certain Contracts. Security interests in the Contracts have been registered under the Securities Act of 1933. VL Account One is currently divided into 64 sub-accounts, 26 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 38 of which reflect the performance of registered investment companies managed by advisers that are not affiliated with VL Account One (except, that, in some instances, VL Account One may own more than 5% of such investment company).

5. VL Account One is administered and accounted for as part of the general business of MetLife Investors. The income, gains, or losses of VL Account One are credited to or charged against the assets of VL Account One in accordance with the terms of the Contracts, without regard to the income, gains, or losses of MetLife Investors.

6. First MetLife Investors is a stock life insurance company organized in 1992 under the laws of New York. First MetLife Investors is an indirect wholly owned subsidiary of MetLife. First

MetLife Investors is the depositor and sponsor of First VA Account One. MetLife Investors Distribution Company, an affiliate of MetLife, is the distributor of contracts issued by First MetLife Investors.

7. First VA Account One is a segregated asset account of First MetLife Investors, established under New York law in 1992. First VA Account One is registered under the Act as a unit investment trust. The assets of First VA Account One support certain Contracts. Security interests in the Contracts have been registered under the Securities Act of 1933. First VA Account One is currently divided into 82 sub-accounts, 30 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 52 of which reflect the performance of registered investment companies managed by advisers that are not affiliated with First VA Account One (except, that, in some instances, First VA Account One may own more than 5% of such investment company).

8. First VA Account One is administered and accounted for as part of the general business of First MetLife Investors. The income, gains, or losses of First VA Account One are credited to or charged against the assets of First VA Account One in accordance with the terms of the Contracts, without regard to the income, gains, or losses of First MetLife Investors.

9. MetLife Investors of California is a stock life insurance company organized in 1972 under the laws of California. MetLife Investors of California is an indirect wholly owned subsidiary of MetLife. MetLife Investors of California is the depositor and sponsor of VA Account Five and VL Account Five. MetLife Investors Distribution Company, an affiliate of MetLife, is the distributor of contracts issued by MetLife Investors of California.

10. VA Account Five is a segregated asset account of MetLife Investors of California, established under California law in 1992. VA Account Five is registered under the Act as a unit investment trust. The assets of VA Account Five support certain Contracts. Security interests under the Contracts have been registered under the Securities Act of 1933. VA Account Five is currently divided into 77 sub-accounts, 29 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 48 of which reflect the performance of registered investment companies managed by advisers that are not affiliated with VA Account Five (except, that, in some instances, VA

Account Five may own more than 5% of such investment company).

11. VA Account Five is administered and accounted for as part of the general business of MetLife Investors of California. The income, gains, or losses of VA Account Five are credited to or charged against the assets of VA Account Five in accordance with the terms of the Contracts, without regard to the income, gains, or losses of MetLife Investors of California.

12. VL Account Five is a segregated asset account of MetLife Investors of California, established under California law in 1992. VL Account Five is registered under the Act as a unit investment trust. The assets of VL Account Five support certain Contracts. Security interests in the Contracts have been registered under the Securities Act of 1933. VL Account Five is currently divided into 64 sub-accounts, 26 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 38 of which reflect the performance of registered investment companies managed by advisers that are not affiliated with VL Account Five (except, that, in some instances, VL Account Five may own more than 5% of such investment company).

13. VL Account Five is administered and accounted for as part of the general business of MetLife Investors of California. The income, gains, or losses of VL Account Five are credited to or charged against the assets of VL Account Five in accordance with the terms of the Contracts, without regard to the income, gains, or losses of MetLife Investors of California.

14. MetLife Investors USA is a stock life insurance company organized in 1960 under the laws of Delaware. MetLife Investors USA is an indirect wholly owned subsidiary of MetLife. MetLife Investors USA is the depositor and sponsor of Separate Account A. MetLife Investors Distribution Company, an affiliate of MetLife, is the distributor of contracts issued by MetLife Investors USA.

15. Separate Account A is a segregated asset account of MetLife Investors USA, established under Delaware law in 1980. Separate Account A is registered under the Act as a unit investment trust. The assets of Separate Account A support certain Contracts. Security interests under the Contracts have been registered under the Securities Act of 1933. Separate Account A is currently divided into 44 sub-accounts, 18 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 26 of which reflect the

performance of registered investment companies managed by advisers that are not affiliated with Separate Account A (except, that, in some instances, Separate Account A may own more than 5% of such investment company).

16. Separate Account A is administered and accounted for as part of the general business of MetLife Investors USA. The income, gains, or losses of Separate Account A are credited to or charged against the assets of Separate Account A in accordance with the terms of the Contracts, without regard to the income, gains, or losses of MetLife Investors USA.

17. General American is a stock life insurance company organized in 1933 under the laws of Missouri. General American is an indirect wholly owned subsidiary of MetLife. General American is the depositor and sponsor of Separate Account Eleven. General American Distributors, Inc., an affiliate of MetLife, is the distributor of Contracts issued by New England.

18. Separate Account Eleven is a segregated asset account of General American, established under Missouri law in 1985. Separate Account Eleven is registered under the Act as a unit investment trust. The assets of Separate Account Eleven support certain Contracts. Security interests under the Contracts have been registered under the Securities Act of 1933. Separate Account Eleven is currently divided into 47 sub-accounts, 27 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 20 of which reflect the performance of registered investment companies managed by advisers that are not affiliated with Separate Account Eleven (except, that in some instances, Separate Account Eleven may own more than 5% of such investment company).

19. Separate Account Eleven is administered and accounted for as part of the general business of General American. The income, gains, or losses of Separate Account Eleven are credited to or charged against the assets of Separate Account Eleven in accordance with the terms of the Contracts, without regard to the income, gains, or losses of General American.

20. New England is a stock life insurance company organized in 1980 under the laws of Delaware and re-domesticated in 1996 in Massachusetts. New England is an indirect wholly owned subsidiary of MetLife. New England is the depositor and sponsor of NEVL Separate Account. New England Securities Corporation, an affiliate of MetLife, is the distributor of Contracts issued by New England.

21. NEVL Separate Account is a segregated asset account of New England, established under Delaware law in 1992 and re-domesticated in Massachusetts in 1996. NEVL Separate Account is registered under the Act as a unit investment trust. The assets of NEVL Separate Account support certain Contracts. Security interests under the Contracts have been registered under the Securities Act of 1933. NEVL Separate Account is currently divided into 43 sub-accounts, 36 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 7 of which reflect the performance of registered investment companies managed by advisers that are not affiliated with NEVL Separate Account (except, that in some instances, NEVL Separate Account may own more than 5% of such investment company).

22. NEVL Separate Account is administered and accounted for as part of the general business of New England. The income, gains, or losses of NEVL Separate Account are credited to or charged against the assets of NEVL Separate Account in accordance with the terms of the Contracts, without regard to the income, gains, or losses of New England.

23. MetLife is a stock life insurance company organized in 1868 under the laws of New York. MetLife is a leading provider of insurance and financial products and services to individual and group customers. MetLife is a wholly owned subsidiary of MetLife, Inc., a publicly traded company. MetLife is the depositor and sponsor of Separate Account UL, Separate Account E, and Separate Account Thirteen. MetLife is the distributor of contracts issued by MetLife.

24. Separate Account UL is a segregated asset account of MetLife, established under New York law in 1988. Separate Account UL is registered under the Act as a unit investment trust. The assets of Separate Account UL support certain Contracts. Security interests under the Contracts have been registered under the Securities Act of 1933. Separate Account UL is currently divided into 56 sub-accounts, 41 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 15 of which reflect the performance of registered investment companies managed by advisers that are not affiliated with Separate Account UL (except, that in some instances, Separate Account UL may own more than 5% of such investment company).

25. Separate Account UL is administered and accounted for as part of the general business of MetLife. The

income, gains, or losses of Separate Account UL are credited to or charged against the assets of Separate Account UL in accordance with the terms of the Contracts, without regard to the income, gains, or losses of MetLife.

26. Separate Account E is a segregated asset account of MetLife, established under New York law in 1983. Separate Account E is registered under the Act as a unit investment trust. The assets of Separate Account E support certain Contracts. Security interests under the Contracts have been registered under the Securities Act of 1933. Separate Account E is currently divided into 51 sub-accounts, 40 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 11 of which reflect the performance of registered investment companies managed by advisers that are not affiliated with Separate Account E (except that in some instances, Separate Account E may own more than 5% of such investment company).

27. Separate Account E is administered and accounted for as part of the general business of MetLife. The income, gains, or losses of Separate Account E are credited to or charged against the assets of Separate Account E in accordance with the terms of the Contracts, without regard to the income, gains, or losses of MetLife.

28. Separate Account Thirteen is a segregated asset account of MetLife, established under New York law in 1994. Separate Account Thirteen is registered under the Act as a unit investment trust. The assets of Separate Account Thirteen support certain Contracts. Security interests under the Contracts have been registered under the Securities Act of 1933. Separate Account Thirteen is currently divided into 18 sub-accounts, 2 of which reflect the investment performance of a corresponding series of MIST or Met Series Fund and 16 of which reflect the performance of a registered investment companies managed by advisers that are not affiliated with Separate Account Thirteen (except that in some instances, Separate Account 13 may own more than 5% of such investment company).

29. Separate Account Thirteen is administered and accounted for as part of the general business of MetLife. The income, gains, or losses of Separate Account Thirteen are credited to or charged against the assets of Separate Account Thirteen in accordance with the terms of the Contracts, without regard to the income, gains, or losses of MetLife.

30. MIST is registered under the Act as an open-end management investment company of the series type, and its

securities are registered under the Securities Act of 1933. MIST currently offers 21 separate investment portfolios, nine of which would be involved in the proposed substitutions. Each MIST series involved in the proposed substitutions offers up to three classes of shares, two of which (Class A and Class B) are involved in the proposed substitutions. Some of the proposed substitutions involve only one class of shares; others involve both Class A and Class B shares. MIST series Class A Shares have not adopted a plan pursuant to Rule 12b-1 under the Act. Each MIST series Class B shares has adopted a Rule 12b-1 distribution plan whereby up to .50% of a Fund's assets attributable to the Class B shares may be used to finance the distribution of the Fund's shares. Currently, the 12b-1 fees for the Class B shares of each MIST series are .25%.

31. MetLife Investors Distribution Company, an affiliate of MetLife, is the principal underwriter for MIST. Met Investors Advisory LLC, an affiliate of MetLife, serves as the investment adviser to each portfolio of MIST. Pursuant to an exemptive order issued to New England Funds Trust I, *et al.*, Met Investors Advisory LLC is authorized to enter into and amend sub-advisory agreements without shareholder approval under certain conditions (the "Multi-Manager Order").

32. The following Replacement Funds are portfolios of MIST: Lord Abnett Growth and Income Portfolio (sub-advised by Lord Abnett & Co. LLC ("Lord Abnett")); Third Avenue Small Cap Value Portfolio (sub-advised by Third Avenue Management, LLC); MFS Research International Portfolio (sub-advised by Massachusetts Financial Services Company ("MFS")); Oppenheimer Capital Appreciation Portfolio (sub-advised by Oppenheimer Funds, Inc.); T. Rowe Price Mid-Cap Growth Portfolio (sub-advised by T. Rowe Price Associates, Inc. ("T. Rowe Price")); Lord Abnett Bond Debenture Portfolio (sub-advised by Lord Abnett); PIMCO Total Return Portfolio (sub-advised by Pacific Investment Management LLC); Lord Abnett Mid-Cap Value Portfolio (sub-advised by Lord Abnett); and Janus Aggressive Growth Portfolio (sub-advised by Janus Capital Management LLC).

33. Met Investors Advisory LLC has entered into agreement with MIST whereby, for the period ended April 30, 2004 and any subsequent year in which the agreement is in effect, the total annual operating expenses of the following Replacement Funds (excluding interest, taxes, brokerage

commissions and Rule 12b-1 fees) will not exceed the amounts stated. These expense caps may be extended by the investment adviser from year to year as follows:

Third Avenue Small Cap Value Portfolio	1.00%
MFS Research International Portfolio	1.10%
Oppenheimer Capital Appreciation Portfolio	0.75%
Lord Abnett Bond Debenture Portfolio	0.75%
T. Rowe Price Mid-Cap Growth Portfolio	0.95%
Janus Aggressive Growth Portfolio	0.90%

34. Met Series Fund is registered under the Act as an open-end management investment company of the series type, and its securities are registered under the Securities Act of 1933. Met Series Fund currently offers 36 separate investment portfolios, six of which would be involved in the proposed substitutions. Each Met Series Fund series involved in the proposed substitutions has up to three classes of shares, two of which (Class A and Class B) are involved in the proposed substitutions. Some of the proposed substitutions involve only one class of shares; others involve both Class A and Class B shares. Met Series Fund series Class A Shares have not adopted a plan pursuant to Rule 12b-1 under the Act. Each Met Series Fund series Class B shares has adopted a Rule 12b-1 distribution plan whereby up to .50% of a Fund's assets attributable to the Class B shares may be used to finance the distribution of the Fund's shares. Currently, the 12b-1 fees for the Class B shares of each Met Series Fund series are .25%.

35. MetLife is the principal underwriter for Met Series Fund. MetLife Advisers, LLC, an affiliate of MetLife, serves as the investment adviser to each portfolio of Met Series Fund. Pursuant to the Multi-Manager Order, MetLife Advisers, LLC is authorized to enter into and amend sub-advisory agreements without shareholder approval under certain conditions.

36. The following Replacement Funds are portfolios of Met Series Fund: T. Rowe Price Small Cap Growth Portfolio (sub-advised by T. Rowe Price); MFS Total Return Portfolio (sub-advised by MFS); State Street Research Money Market Portfolio (sub-advised by State Street Research and Management Company); T. Rowe Price Large Cap Growth Portfolio (sub-advised by T. Rowe Price); Salomon Brothers Strategic Bond Opportunities Portfolio (sub-advised by Salomon Brothers Asset Management Inc.); and State Street

Research Bond Income (sub-advised by State Street Research & Management Company).

37. The annuity contracts are group and individual flexible premium fixed and variable deferred and immediate annuity contracts. Many of the annuity contracts provide that a maximum of 12 transfers can be made every year without charge or that a \$10 contractual limit charge will apply or that no transfer charge will apply. During the accumulation period, Contract owners may transfer between the variable account options or from the variable account options to the fixed account option. Some of the Contracts have no contractual limitation on transfers during the accumulation period. Some Contract owners may make transfers from the fixed account option subject to certain minimum transfer amounts (\$500 or the total interest in the account) and maximum limitations. Some of the Contracts impose Contract withdrawal charges upon the transfer of any amounts from the fixed account to the variable account or have additional restrictions on transfers from the fixed account to the variable account. During the income period or under the immediate annuity, Contract owners may currently make unlimited transfers among investment portfolios and from investment portfolios to the fixed account option. No fees or other charges are currently imposed on transfers for most of the Contracts. Under certain annuity contracts, the Insurance Companies reserve the right to impose additional restrictions on transfers. All transfer limits will be suspended in connection with the substitutions.

38. Under the life insurance policies, policy owners may allocate account value among the General Account and the available investment portfolios. All or part of the account value may be transferred from any investment portfolio to another investment portfolio, or to the General Account. The minimum amount that can be transferred is the lesser of the minimum transfer amount (which currently ranges from \$1 to \$500), or the total value that is an investment portfolio or the General Account. Certain policies provide that twelve transfers in a policy year can be made without charge. A transfer fee of \$25 is payable for additional transfers in a policy year, but these fees are not currently charged. Other policies do not currently limit the number of transfers; however, the Insurance Companies reserve the right to limit transfers to four or twelve (depending on the policy) per policy year and to impose a \$25 charge on transfers in excess of 12 per year or on any transfer. Under the policies, the

Insurance Companies reserve the right to impose additional restrictions on transfers. All transfer limits will be suspended in connection with the substitutions.

39. Under most of the Contracts, the Insurance Companies reserve the right to substitute shares of one fund with shares of another, including a fund of a different registered investment company. Certain variable annuity contracts issued by MetLife Investors USA provide, however, that the Insurance Company cannot substitute investment options without the approval of a majority in interest of owners of Contracts who have allocated funds to the investment option to be replaced. The substitutions affected by this requirement are Separate Account A's investments in: AIM V.I. Balanced Fund, AIM V.I. Premier Equity Fund, Alger American Small Capitalization Portfolio, Federated American Leaders Fund II, Federated Equity Income Fund II, Federated High Income Bond Fund II, Federated Growth Strategy Fund II, VIP Asset Manager Portfolio, MFS Research Series, Oppenheimer Strategic Bond Fund/VA, Oppenheimer Main Street Fund/VA, Oppenheimer Bond Fund/VA, Oppenheimer Money Fund/VA, Oppenheimer Main Street Small Cap Growth Fund/VA and Growth and Income Portfolio. The Substitution Applicants represent that they will seek the requisite approval of Contract owners (as described below).

40. Each Insurance Company, on its behalf and on behalf of the Separate Accounts, proposes to make certain substitutions of shares of the Existing Funds held in sub-accounts of its respective Separate Accounts for shares of the Replacement Funds. The proposed substitutions involve only Class A shares (or their equivalent), unless otherwise indicated. The proposed substitutions are as follows:

(a) Shares of MFS Total Return Portfolio for shares of AIM V.I. Balanced Fund; (b) shares of MFS Total Return Portfolio for shares of VIP Asset Manager Portfolio; (c) shares of Lord Abnett Growth and Income Portfolio for shares of AIM V.I. Premier Equity Fund (Class A and Class B shares); (d) shares of Lord Abnett Growth and Income Portfolio for shares of AllianceBernstein Value Portfolio (Class B shares only); (e) shares of Lord Abnett Growth and Income Portfolio for shares of VP Income and Growth Fund; (f) shares of Lord Abnett Growth and Income Portfolio for shares of Federated American Leaders Fund II; (g) shares of Lord Abnett Growth and Income Portfolio for shares of Federated Equity Income Fund II; (h) shares of Lord

Abnett Growth and Income Portfolio for shares of Goldman Sachs Growth and Income Fund; (i) shares of Lord Abnett Growth and Income Portfolio for shares of Mutual Shares Securities Fund (Class A and Class B shares); (j) shares of Lord Abnett Growth and Income Portfolio for shares of Oppenheimer Main Street Fund/VA; (k) shares of Lord Abnett Growth and Income Portfolio for shares of Putnam VT New Value Fund (Class A and Class B shares); (l) shares of Lord Abnett Growth and Income Portfolio for shares of SVS Dreman High Return Equity Portfolio; (m) shares of Lord Abnett Growth and Income Portfolio for shares of Growth and Income Portfolio; (n) shares of T. Rowe Price Small Cap Growth Portfolio for shares of Alger American Small Capitalization Portfolio; (o) shares of T. Rowe Price Small Cap Growth Portfolio for shares of Franklin Small Cap Fund (Class A and Class B shares); (p) shares of T. Rowe Price Small Cap Growth Portfolio for shares of Oppenheimer Main Street Small Cap Growth Fund/VA; (q) shares of Janus Aggressive Growth Portfolio for shares of AllianceBernstein Premier Growth Portfolio (Class A and Class B shares); (r) shares of Third Avenue Small Cap Value Portfolio for shares of AllianceBernstein Small Cap Value Portfolio (Class B shares only); (s) shares of MFS Research International Portfolio for shares of VP International Fund; (t) shares of MFS Research International Portfolio for shares of Goldman Sachs International Equity Fund; (u) shares of MFS Research International Portfolio for shares of Newport Tiger Fund; (v) shares of MFS Research International Portfolio for shares of Putnam VT International New Opportunities Fund (Class A and Class B shares); (w) shares of MFS Research International Portfolio for shares of International Portfolio (Class A and Class B shares); (x) shares of Lord Abnett Mid-Cap Value Portfolio for shares of VP Value Fund; (y) shares of Oppenheimer Capital Appreciation Portfolio for shares of Appreciation Portfolio (Class A and Class B shares); (z) shares of Oppenheimer Capital Appreciation for shares of Disciplined Stock Portfolio (Class A and Class B shares); (aa) shares of Oppenheimer Capital Appreciation Portfolio for shares of Federated Growth Strategy Fund II; (bb) shares of Oppenheimer Capital Appreciation Portfolio for shares of MFS Research Series (Class A and Class B shares); (cc) shares of Lord Abnett Bond Debenture Portfolio for shares of Federated High Income Bond Fund II; (dd) shares of Lord Abnett Bond Debenture Portfolio for shares of INVESCO VIF'High Yield Fund; (ee)

shares of Lord Abnett Bond Debenture Portfolio for shares of Oppenheimer High Income Fund/VA; (ff) shares of T. Rowe Price Large Cap Growth Portfolio for shares of Franklin Large Cap Growth Securities Fund (Class A and Class B shares); (gg) shares of T. Rowe Price Large Cap Growth Portfolio for shares of MFS Emerging Growth Series (Class A and Class B shares); (hh) shares of T. Rowe Price Mid-Cap Growth Portfolio for shares of INVESCO VIF'Dynamics Fund; (ii) shares of PIMCO Total Return Portfolio for shares of MFS Bond Series; (jj) shares of PIMCO Total Return Portfolio for shares of Oppenheimer Strategic Bond Fund/VA; (kk) shares of PIMCO Total Return Portfolio for shares of Templeton Global Income Securities Fund (Class A and Class B shares); (ll) shares of State Street Research Money Market Portfolio for shares of Oppenheimer Money Fund/VA; (mm) shares of Salomon Brothers Strategic Bond Opportunities Portfolio for shares of MFS Strategic Income Series (Class A and Class B shares); and (nn) shares of State Street Research Bond Income Portfolio for shares of Oppenheimer Bond Fund/VA.

41. AIM V.I. Balanced Fund and AIM V.I. Premier Equity Fund are portfolios of the AIM Fund. AIM Advisors, Inc. serves as the adviser to each of the AIM Fund portfolios. Alger American Small Capitalization Portfolio is a portfolio of the Alger Fund. Fred Alger Management, Inc. serves as the adviser to the Alger Fund portfolio. AllianceBernstein Premier Growth Portfolio, AllianceBernstein Value Portfolio, and AllianceBernstein Small Cap Value Portfolio are portfolios of the AllianceBernstein Fund. Alliance Capital Management L.P. serves as the adviser to each of the AllianceBernstein Fund portfolios. VP Income and Growth Fund, VP International Fund, and VP Value Fund are portfolios of the American Century Fund. American Century Investment Management Inc. serves as the adviser to each of the American Century Fund portfolios. Appreciation Portfolio and Disciplined Stock Portfolio are portfolios of Dreyfus Fund. The Dreyfus Corporation serves as the adviser to each of the Dreyfus Fund portfolios. Faye Sarofin & Co serves as the sub-adviser to the Appreciation Portfolio. Federated American Leaders Fund II, Federated Equity Income Fund II, Federated High Income Bond Fund II, and Federated Growth Strategy Fund II are portfolios of Federated Fund. Federated Investment Management Company serves as the adviser to each of the Federated Fund portfolios. VIP Asset Manager Portfolio

is a portfolio of the Variable Fund. Fidelity Management & Research Company serves as adviser to the Variable Fund portfolio. Franklin Large Cap Growth Securities Fund, Franklin Small Cap Fund, Mutual Shares Securities Fund, and Templeton Global Income Securities Fund are portfolios of the Franklin Templeton Fund. Franklin Mutual Advisers, Inc. serves as the adviser to each of the Franklin Templeton Fund portfolios. Goldman Sachs Growth and Income Fund and Goldman Sachs International Equity Fund are portfolios of the Goldman Sachs Fund. Goldman Sachs Asset Management serves as the adviser to the Goldman Sachs Growth and Income Fund. Goldman Sachs Asset Management International serves as the adviser to the Goldman Sachs International Equity Fund. INVESCO VIF-Dynamics Fund and INVESCO VIF-High Yield Fund are portfolios of the INVESCO Fund. INVESCO Funds Group, Inc. serves as the adviser to each of the INVESCO Fund portfolios. MFS Bond Series, MFS Emerging Growth Series, MFS Research Series, and MFS Strategic Income Series are portfolios of the MFS Fund. Massachusetts Financial Services Company serves as the adviser to each of the MFS Fund portfolios. Newport Tiger Fund is a portfolio of the Liberty Fund. Liberty Advisory Services Corp. serves as the adviser to the Newport Tiger Fund. Newport Fund Management, Inc. serves as the sub-adviser to the Newport Tiger Fund. Oppenheimer Strategic Bond Fund/VA, Oppenheimer Main Street Fund/VA, Oppenheimer High Income Fund/VA, Oppenheimer Bond Fund/VA, Oppenheimer Main Street Small Cap Growth Fund/VA and Oppenheimer Money Fund/VA are portfolios of the Oppenheimer Fund. Oppenheimer

Funds, Inc. serves as the adviser to each of the Oppenheimer Fund portfolios. Putnam VT New Value Fund and Putnam VT International New Opportunities Fund are portfolios of the Putnam Fund. Putnam Investment Management, LLC serves as the adviser to each of the Putnam Fund portfolios. International Portfolio is a portfolio of the Scudder I Fund. Deutsche Investment Management Americas, Inc. serves as adviser to the International Portfolio. Deutsche Asset Management Investment Services Ltd. serves as the sub-adviser to the International Portfolio. SVS Dremman High Return Equity Portfolio is a portfolio of the Scudder II Fund. Deutsche Investment Management Americas, Inc. serves as adviser to the SVS Dremman High Return Equity Portfolio. Dremman Value Management LLC serves as the sub-adviser to the SVS Dremman High Return Equity Portfolio. Growth and Income Portfolio is a portfolio of the Van Kampen Fund. Van Kampen Asset Management, Inc. serves as the adviser to the Van Kampen Fund portfolio.

42. The substitutions are expected to provide significant benefits to Contract owners, including improved selection of portfolio managers and simplification of fund offerings through the elimination of overlapping offerings. The Substitution Applicants believe that the sub-advisers to the Replacement Funds overall are better positioned to provide consistent above-average performance for their Funds than are the advisers or sub-advisers of the Existing Funds. At the same time, Contract owners will continue to be able to select among a large number of funds, with a full range of investment objectives, investment strategies, and managers.

43. In addition, many of the Existing Funds are smaller than their respective

Replacement Funds. Specifically, in all but two of the proposed substitutions, the Replacement Fund has a greater asset base than the Existing Fund. Moreover, a substantial number of Existing Funds are no longer available as investment options under Contracts previously or currently offered by the Insurance Companies, or, if available, are available only for additional contributions and/or transfers from other investment options under Contracts not currently offered. Thus, there is little likelihood that significant additional assets, if any, will be allocated to those Existing Funds. (More detailed information regarding the amount of each Fund's assets can be found in the Application.)

44. Because the Replacement Funds generally have a larger asset base than their corresponding Existing Funds, various costs such as legal, accounting, printing and trustee fees are spread over a larger base with each Contract owner bearing a smaller portion of the cost than would be the case if the Fund were smaller in size. In addition, there will be significant savings to Contract owners because certain other costs, such as the costs of printing and mailing lengthy periodic reports and prospectuses for the Existing Funds, will be substantially reduced.

45. The Applicants believe that the Replacement Funds have investment objectives, policies, and risk profiles that are the same as, or sufficiently similar to, the corresponding Existing Funds to make those Replacement Funds appropriate candidates as substitutes. Set forth below is a description of the investment objectives and principal investment policies of each Existing Fund and its corresponding Replacement Fund.

Existing fund	Replacement fund
AIM V.I. Balanced Fund—seeks to achieve as high a total return as possible, consistent with preservation of capital. The Fund normally invests a minimum of 50% and a maximum of 70% of its total assets in equity securities and a minimum of 30% and a maximum of 70% of its total assets in non-convertible debt securities. The Fund may invest up to 25% of its total assets in convertible securities and up to 25% of its assets in foreign securities. VIP Asset Manager Portfolio—seeks to obtain high total return with reduced risk over the long term by allocating its assets among stocks, bonds and short-term instruments. Stocks can range from 30% to 70% of the Portfolio; bonds can range from 20% to 60%; and short-term money market instruments can range from 0% to 50%. Normally the Portfolio's assets are allocated approximately 50% to stocks, 40% to bonds and 10% to money market instruments. The portfolio may also invest foreign securities.	MFS Total Return Portfolio—seeks a favorable total return through an investment in a diversified portfolio. The Series normally invests at least 40%, but not more than 75% of net assets in common stocks and related securities. The Series focus on equity securities of large cap companies. At least 25% of the Series' net assets is normally invested in non-convertible fixed-income securities. The Series may invest up to 20% of its net assets in foreign securities and up to 20% of its net assets in non-investment grade debt securities.

Existing fund	Replacement fund
AIM V.I. Premier Equity Fund—seeks to achieve long-term growth of capital. Income is a secondary objective. The Fund normally invests at least 80% of its net assets in equity securities. The Fund may also invest in preferred stocks and debt instruments that have prospects for growth of capital and may invest up to 25% of its total assets in foreign securities. The portfolio managers focus on undervalued equity securities.	Lord Abbett Growth and Income Portfolio—seeks long-term growth of capital and income without excessive fluctuation in market value. The Portfolio primarily purchases equity securities of large, (at least \$5 billion of market capitalization) seasoned U.S. and multinational companies that are believed to be undervalued.
AllianceBernstein Value Portfolio—seeks long-term growth of capital. The Portfolio invests in equity of market securities of large market capitalization companies that are believed to be undervalued. Up to 15% of the Portfolio's total assets may be invested in foreign securities and up to 20% of its total assets in convertible securities.	
VP Income and Growth Fund—seeks to achieve capital growth by investing in common stocks. Income is a secondary objective. The portfolio managers select stocks primarily from the largest 1,500 publicly traded U.S. companies. Securities are ranked by their value as well as growth potential. The Fund seeks to provide better returns than the S&P 500 without taking on significant additional risks. The portfolio managers attempt to create a dividend yield for the Fund that will be greater than that of the S&P 500.	
Federated American Leaders Fund II—seeks long-term growth of capital. The Fund's secondary objective is to provide income. The Fund uses the value style of investing to select primarily equity securities of large capitalization companies that are in the top 25% of their industry sectors in terms of revenues, are characterized by sound management and have the ability to finance expected growth. Up to 20% of the Fund's assets may be invested in American Depository Receipts.	
Federated Equity Income Fund II—seeks to provide above average income and capital appreciation. The Fund invests primarily in income-producing equity securities including securities convertible into common stocks. The Fund may also purchase securities for their superior growth prospects regardless of dividend. The Fund's holdings ordinarily will be in large and mid-cap companies. The Fund's investment adviser ordinarily uses a "blend" style of investing.	
Goldman Sachs Growth and Income Fund—seeks long-term growth of capital and growth of income. Normally, the Fund invests at least 65% of its total assets in equity securities that have favorable prospects for capital appreciation and/or dividend-paying ability. Up to 25% of the Fund's assets may be invested in foreign securities including securities of issues in emerging market countries. The Fund may invest up to 35% of its total assets in fixed income securities.	
Mutual Shares Securities Fund—seeks capital appreciation. Income is a secondary goal. The Fund invests at least 65% of its assets in equity securities believed to be undervalued. The Fund invests primarily in medium and large capitalization companies. The Fund may invest up to 25% of its assets in foreign securities.	
Oppenheimer Main Street Fund/VA—seeks high total return from equity and debt securities. The Fund currently invests mainly in common stocks of U.S. companies of different capitalization ranges, presently focusing on large capitalization issuers. The Fund does not currently emphasize investments in debt securities.	
Putnam VT New Value Fund—seeks long-term capital appreciation. The Fund invests mainly in common stocks of U.S. companies, with a focus on value stocks. Investments are mainly on mid-sized and large companies.	
SVS Dreman High Return Equity Portfolio—seeks a high rate of total return. The Portfolio invests at least 80% of its assets in equity securities. The Portfolio focuses on stocks of large U.S. companies and may at times emphasize the financial services sector or other sectors. The Portfolio's manager looks for companies that are undervalued. Up to 20% of the Portfolio's assets may be invested in ADRs and the securities of companies traded outside the U.S.	
Growth and Income Portfolio—seeks long-term growth of capital and income. Normally, the Portfolio invests primarily in income-producing equity securities including common stocks and convertible securities. Investments may also be made in non-convertible preferred stocks and debt securities. The Portfolio focuses primarily on the security's potential for capital growth and income. The Portfolio's adviser may focus on larger capitalization companies that it believes possesses characteristics for improved evaluation. Up to 25% of the Portfolio's total assets may be invested in foreign securities.	

Existing fund	Replacement fund
Alger American Small Capitalization Portfolio—seeks long-term capital appreciation. The Portfolio invests primarily in equity securities of small capitalization companies that are believed to be fast-growing.	T. Rowe Price Small Cap Growth Portfolio—seeks long-term growth. The Portfolio invests at least 80% of its assets in a diversified group of small capitalization growth companies (i.e., those within the range of, or smaller than, the market capitalization of the small 100 companies in the S&P 500 Index).
Franklin Small Cap Fund—seeks long-term capital growth. The fund invests at least 80% of its assets in small capitalization companies. The Fund's manager pursues a growth strategy. The Fund may invest substantially in the technology sector.	
Oppenheimer Main Street Small Cap Growth Fund/VA—seeks capital appreciation. The Fund invests at least 80% of its assets in common stock of small capitalization U.S. companies that the investment manager believes have favorable business trends or prospects. Investments may include both growth and value stocks.	
AllianceBernstein Premier Growth Portfolio—seeks growth of capital by pursuing aggressive investment policies. The Portfolio invests primarily in the securities of a small number of U.S. companies. The Portfolio looks for companies with superior growth prospects. The Portfolio may invest up to 20% of its assets in foreign securities and up to 20% of it assets in convertible securities that may be below investment grade.	Janus Aggressive Growth Portfolio—seeks long-term growth of capital. The Portfolio invests primarily in common stocks selected for their growth potential. Investments may be made in companies of any size. The Portfolio may invest without limit in foreign securities and up to 35% of its assets in high yield/high risk debt securities. In fact, however, Janus does not invest more than 10% of its assets in foreign securities, and invests only a minimal amount in high yield/high risk debt securities.
AllianceBernstein Small Cap Value Portfolio—seeks long-term growth of capital. The Portfolio invests at least 80% of its net assets in equity securities of small market capitalization companies that are believed to be undervalued. Up to 15% of the Portfolio's total assets may be invested in foreign securities and up to 20% of its total assets in convertible securities.	Third Avenue Small Cap Value Portfolio—seeks long-term capital appreciation. Normally, the Portfolio, which is non-diversified, invests at least 80% of its net assets in equity securities of small companies. The Portfolio seeks to acquire common stocks of well-financed companies at a substantial discount to what the investment adviser believes is their true value.
VP International Fund—seeks capital growth. The portfolio managers look for companies with earnings and revenue growth. The Fund's assets will be primarily invested in common stocks companies in at least three developed countries (excluding the U.S.).	MFS Research International Portfolio—seeks capital appreciation. Normally, at least 65% of the Portfolio's net assets are invested in common stocks and related securities of foreign companies (including up to 25% of its net assets in emerging market issuers) located in at least five countries. The Portfolio seeks companies of any size with favorable growth prospects and attractive valuations.
Goldman Sachs International Equity Fund—seeks long-term capital appreciation. Normally, at least 80% of the Fund's net assets will be invested in equal investments of foreign companies with market capitalizations that are larger than \$1 billion. Investments will be made in at least three foreign countries. Investments may be made in the securities of issuers located in developed and emerging market countries. Up to 20% of the Fund's net assets may be invested in fixed-income securities.	
Newport Tiger Fund—seeks capital appreciation. Normally, the Fund invests at least 80% of its assets in stocks of companies located in the ten Tiger countries of Asia. In selecting investments, the Fund typically purchases stocks of quality growth companies.	
Putnam VT International New Opportunities Fund—seeks long-term capital appreciation. The Fund invests mainly in common stocks of companies outside the U.S. The Fund invests in growth stocks of companies of any size located in developed and emerging market countries.	
International Portfolio—seeks long-term growth of capital primarily through diversified holdings of marketable foreign equity securities. The Portfolio invests primarily in common stocks of established companies, listed on foreign exchanges, which are believed to have favorable growth characteristics. The Portfolio will invest in companies in at least three different countries, excluding the U.S.	
VP Value Fund—seeks long-term capital growth. Income is a secondary objective. Normally, at least 65% of the Fund's assets are invested in U.S. equity securities believed to be undervalued. The Fund may invest a portion of its assets in convertible debt securities (which may be rated below investment grade), equity equivalent securities, foreign securities and investment grade debt securities of companies and governments. The VP Value Fund is best characterized as a multi-cap value fund that has historically correlated with mid-cap value indices.	Lord Abbett Mid-Cap Value Portfolio—seeks capital appreciation through investments, primarily in equity securities, which are believed to be undervalued in the marketplace. The Portfolio invests at least 80% of its assets in mid-sized companies with capitalizations of roughly \$500 million to \$10 billion. The Portfolio invests primarily in common stocks, including convertible securities, of companies with good prospects for improvement in earning trends or asset values that are not yet fully recognized.
Appreciation Portfolio—seeks long-term capital growth consistent with the preservation of capital; current income is a secondary objective. The Portfolio focuses on investing in the common stocks of "blue chip" established companies with market capitalization of more than \$5 billion, including multinational companies. The Portfolio looks primarily for growth companies.	Oppenheimer Capital Appreciation Portfolio—seeks capital appreciation. The Portfolio mainly invests in common stocks of growth companies of any market capitalization. The Portfolio currently focuses on the securities of mid-cap and large-cap companies. The Portfolio may also purchase the securities of foreign issuers. Although income is not a stated objective of the Oppenheimer Capital Appreciation Portfolio, over 60% of the Portfolio's assets are invested in dividend paying securities.

Existing fund	Replacement fund
Disciplined Stock Portfolio—seeks investment returns (consisting of capital appreciation and income) that are greater than the total return performance of stocks represented by the S&P 500. The Portfolio normally invests at least 80% of its assets in a blended portfolio of growth and value stocks. The Portfolio is structured so that its sector weightings and risk characteristics, such as growth, size and yield, are similar to those of the S&P 500.	
Federated Growth Strategy Fund II—seeks capital appreciation. The Fund invests primarily in common stock (including American Depository Receipts) of companies with market capitalization above \$100 million that offer superior growth prospects.	
MFS Research Series—seeks to provide long-term growth of capital and future income. The Series invests at least 80% of its net assets in common stocks and related securities. The Series focuses on companies believed to have favorable prospects for long-term growth, attractive valuations and superior management. The Series may invest in companies of any size, in debt securities rated below investment grade, and in foreign securities, including emerging market securities.	
Federated High Income Bond Fund II—seeks high current income. The Fund invests primarily in a diversified portfolio of high yield, lower rated corporate securities rated below A (including junk bonds) by a nationally recognized rating service. The Fund invests in dollar denominated debt securities issued by U.S. or foreign businesses. There is no minimal acceptable rating for a security to be purchased or held by the Fund and the Fund may purchase and hold unrated securities and securities whose issuers are in default.	Lord Abbett Bond Debenture Portfolio—seeks to provide high current income and the opportunity for capital appreciation to produce a high total return. The Portfolio normally invests substantially all of its net assets in high yield and investment grade debt securities. Up to 80% of the Portfolio's total assets may be invested in junk bonds. At least 20% of the Portfolio's assets must be invested in any combination of investment grade debt securities, U.S. government securities and cash equivalents. Up to 20% of the Portfolio's assets may be invested in foreign securities.
INVESCO VIF—High Yield Fund—seeks to provide a high level of current income by investing in bonds and other debt securities. The Fund also seeks capital appreciation. The Fund normally invests at least 80% of its assets in a diversified portfolio of high yield corporate bonds and preferred stock with below investment grade ratings. There are no limitations on the maturities of the securities assets must be held by the Fund.	
Oppenheimer High Income Fund/VA—seeks a high level of current income from investment in high yield fixed income securities. Under normal market conditions, the Fund invests at least 65%, and may invest without limit, in junk bonds. Investments include fixed income securities of domestic and foreign issuers including issuers in emerging market countries.	
Franklin Large Cap Growth Securities Fund—seeks capital appreciation. Normally, the Fund invests at least 80% of its net assets in the equity securities of large cap companies. The Fund invests in companies that have above-average growth in earnings and revenues. Currently, the Fund may invest between 10% and 15% of its assets in foreign securities and up to 20% of its net assets in investments in small and medium capitalization companies.	T. Rowe Price Large Cap Growth Portfolio—seeks long-term growth of capital and, secondarily, dividend income. Normally, the Portfolio invests at least 80% percent of its assets in the common stocks and other securities of large capitalization companies (i.e., those within the market capitalization range of the Russell 1000 Index). The investment adviser seeks companies that have the ability to pay increasing dividends through strong cash flow.
MFS Emerging Growth Series—seeks to provide long-term growth of capital. Normally the Series invests at least 65% of its net assets in common stocks and related securities of emerging growth companies of any size. The Series may invest in foreign securities including emerging market securities.	
INVESCO VIF-Dynamics Fund—seeks long-term capital growth. The Fund invests at least 65% of its assets in common stock of mid-sized companies. The core of the Fund's portfolio is invested in securities of established companies that are leaders in attractive growth markets with a history of strong returns.	T. Rowe Price Mid-Cap growth. Growth Portfolio—seeks long-term growth of capital. The portfolio invests at least 80% of its net assets in the common stocks of mid-cap companies whose earnings are expected to grow at a faster rate than the average company. While most of the Portfolio's assets will be invested in U.S. common stocks, the Portfolio may also purchase foreign securities.

Existing fund	Replacement fund
MFS Bond Series—seeks to provide as high a level of current income as is believed to be consistent with prudent risk. The Series' secondary objective is to protect shareholders capital. The Series invests at least 80% of its net assets in debt obligations issued by U.S. and foreign (including emerging market) corporations, U.S. government securities and mortgage-backed and asset-backed securities. While the Series may purchase junk bonds, it focuses on investment grade bonds. Oppenheimer Strategic Bond Fund/VA—seeks a high level of current income principally derived from interest on debt securities. The Fund invests in debt securities of issuers in three market sectors: foreign governments and companies (including emerging market issuers); U.S. government securities; and lower-grade, high yield securities of U.S. and foreign companies. The Fund may invest in securities of any maturity and may invest without limit in junk bonds. Templeton Global Income Securities Fund—seeks high current income, consistent with the preservation of capital. Capital appreciation is a secondary objective. Normally, the Fund invests at least 65% of its total assets in debt securities of governments and their subdivisions and agencies, supranational organizations and companies located anywhere in the world. The Fund focuses on investment grade debt securities, but may invest up to 30% of its net assets in junk bonds (including emerging market issuers and up to 10% of its assets in debt securities that are in default). The average maturity of the Fund's debt securities ranges from approximately 5 to 15 years. Oppenheimer Money Fund/VA—seeks maximum current income from investments in money market securities consistent with low capital risks and the maintenance of liquidity. Investment include U.S. government securities, foreign and domestic bank obligations, commercial paper of foreign and domestic companies and short-term corporate obligations. MFS Strategic Income Series—seeks high current income by investment in fixed income securities. Significant capital appreciation is the secondary objective. At least 65% of its assets are invested in U.S. government securities, foreign government securities, mortgage- and asset-backed securities, corporate bonds (including up to 100% of its assets in junk bonds) and emerging market securities. Oppenheimer Bond Fund/VA—mainly seeks a high level of current income. As a secondary objective, the Fund seeks capital appreciation consistent with its primary objective. Normally, at least 80% of the Fund's total assets are invested on investment grade debt securities, U.S. governmental securities and money market investments. The Fund may invest in debt securities of any maturity and may invest up to 35% of the total assets in junk bonds.	PIMCO Total Return Portfolio—seeks maximum total return, consistent with the preservation of capital and prudent investment management. The Portfolio normally invests at least 65% of its assets in a diversified portfolio of fixed income instruments of varying maturities. The Portfolio invests primarily in investment grade debt obligations, U.S. government securities and commercial paper and other short-term obligations. Up to 20% of the Portfolio's net assets may be invested in securities denominated in foreign currencies and the Portfolio may invest beyond that limit in U.S. dollar-denominated securities of foreign issuers. State Street Research Money Market Portfolio—seeks a high level of current income, consistent with preservation of capital. The Portfolio invests in the highest quality money market obligations including commercial paper and asset-backed securities. The Portfolio may also invest in U.S. dollar-denominated securities issued by foreign companies or banks or their U.S. affiliates. Salomon Brothers Strategic Bond Opportunities Portfolio—seeks a high level of total return consistent with preservation of capital. Under normal circumstances, at least 80% of the Portfolio's assets are invested in U.S. investment grade securities (including U.S. government obligations), U.S. and foreign (including emerging markets) high yield debt, and foreign government securities. Up to 100% of the Portfolio's assets may be invested in high yield debt securities. State Street Research Bond Income Portfolio—seeks a competitive total return primarily from investing in fixed income securities. Under normal circumstances, the Portfolio invests at least 80% of its assets in fixed income securities including investment grade fixed income securities, obligations of the U.S. Treasury or any governmental agency, mortgage-backed and asset-backed securities, corporate debt securities of U.S. and foreign issuers, and cash equivalents. Up to 20% of the Portfolio's assets may be invested in high yield securities, up to 20% in foreign securities and up to 10% in the securities of emerging market issuers. No combination of investments in high yield securities, foreign securities or emerging market securities will exceed 30% of the Portfolio's assets.

46. The following tables compare the total operating expenses of the Existing Fund and the Replacement Fund for each proposed substitution. The comparative fund expenses are generally based on actual expenses,

including waivers, for the year ended December 31, 2002. In some cases, the expense caps for certain Replacement Funds were increased effective May 1, 2003. In such cases, the expenses of those Funds have been restated to

reflect the expense cap in effect as of May 1, 2003. Where a Fund has multiple classes of shares involved in the proposed substitution, the expenses of each class are presented.

	AIM V.I. balanced fund (percent)	MFS total return portfolio (percent)
Management Fee	0.75	0.50
12b-1 Fee		
Other Expenses	0.42	0.16
Total Expenses	1.17	0.66
Waivers		
Net Expenses	1.17	0.66

	AIM V.I. premier equity fund (percent)		Lord Abbett growth and income portfolio (percent)	
	Class I	Class II	Class A	Class B
Management Fee	0.61	0.61	0.58	0.58
12b-1 Fee		0.25		0.25
Other Expenses	0.24	0.24	0.09	0.10
Total Expenses	0.85	1.10	0.67	0.93
Waivers				
Net Expenses	0.85	1.10	0.67	0.93

	Alger American small capitalization portfolio (percent)	T. Rowe Price small cap growth portfolio (percent)
Management Fee	0.85	0.52
12b-1 Fee		
Other Expenses	0.12	0.09
Total Expenses	0.97	0.61
Waivers		
Net Expenses	0.97	0.61

	AllianceBernstein premier growth portfolio (percent)		Janus aggressive growth portfolio (percent)	
	Class A	Class B	Class A	Class B
Management Fee	1.00	1.00	0.80	0.80
12b-1 Fee		0.25		0.25
Other Expenses	0.05	0.06	0.63	0.64
Total Expenses	1.05	1.31	1.43	1.69
Waivers			0.53	0.54
Net Expenses	1.05	1.31	0.90	1.15

	AllianceBernstein value portfolio (percent)	Lord Abbett growth and income portfolio (percent)
Management Fee	0.75	0.58
12b-1 Fee	0.25	0.25
Other Expenses	0.43	0.10
Total Expenses	1.43	0.93
Waivers	0.22	
Net Expenses	1.21	0.93

	AllianceBernstein small cap value portfolio (percent)	Third Avenue small cap value portfolio (percent)
Management Fee	1.00	0.75
12b-1 Fee	0.25	0.25
Other Expenses	0.45	0.69
Total Expenses	1.70	1.69
Waivers	0.37	0.44
Net Expenses	1.43	1.25

	VP income and growth fund (percent)	Lord Abbett growth and income portfolio (percent)
Management Fee	0.70	0.58
12b-1 Fee		
Other Expenses		0.09
Total Expenses	0.70	0.67
Waivers		
Net Expenses	0.70	0.67

	VP international fund (percent)	MFS research international portfolio (percent)
Management Fee	1.30	0.80
12b-1 Fee .....	.....	.....
Other Expenses	0.01	1.06
Total Expenses	1.31	1.86
Waivers .....	.....	0.76
Net Expenses	1.31	1.10

	VP value fund (percent)	Lord Abbett mid-cap value portfolio (percent)
Management Fee	0.95	0.70
12b-1 Fee .....	.....	.....
Other Expenses .....	.....	0.20
Total Expenses	0.95	0.90
Waivers .....	.....	.....
Net Expenses	0.95	0.90

	Appreciation portfolio (percent)		Oppenheimer capital appreciation portfolio (percent)	
	Service class	Initial class	Class B	Class A
Management Fee	0.75	0.75	0.65	0.65
12b-1 Fee	0.25	.....	0.25	.....
Other Expenses	0.13	0.03	0.32	0.34
Total Expenses	1.13	0.78	1.22	0.99
Waivers	0.03	.....	0.22	0.24
Net Expenses	1.10	0.78	1.00	0.75

	Disciplined stock portfolio (percent)		Oppenheimer capital appreciation portfolio (percent)	
	Service class	Initial class	Class B	Class A
Management Fee	0.75	0.75	0.65	0.65
12b-1 fee	0.25	.....	0.25	.....
Other Expenses	0.06	0.08	0.32	0.34
Total Expenses	1.06	0.83	1.22	0.99
Waivers	0.06	.....	0.22	0.24
Net Expenses	1.00	0.83	1.00	0.75

	Federated American leaders fund II (percent)	Lord Abbett growth and income portfolio (percent)
Management Fee	0.75	0.58
12b-1 Fee .....	.....	.....
Other Expenses	0.38	0.09
Total Expenses	1.13	0.67
Waivers	0.25	.....
Net Expenses	0.88	0.67

	Federated equity fund II (percent)	Lord Abbett growth and income portfolio (percent)
Management Fee	0.75	0.58
12b-1 Fee .....	.....	.....
Other Expenses	0.58	0.09
Total Expenses	1.33	0.67
Waivers	0.26	.....
Net Expenses	1.07	0.67

	Federated high income bond fund II (percent)	Lord Abbett bond debenture portfolio (percent)
Management Fee	0.60	0.60
12b-1 Fee		
Other Expenses	0.42	0.17
Total Expenses	1.02	0.77
Waivers	0.25	0.02
Net Expenses	0.77	0.75

	Federated growth strategy fund II (percent)	Oppenheimer capital appreciation portfolio (percent)
Management Fee	0.75	0.65
12b-1 Fee		
Other Expenses	0.58	0.34
Total Expenses	1.33	0.99
Waivers	0.26	0.24
Net Expenses	1.07	0.75

	VIP asset manager portfolio (percent)	MFS total return portfolio (percent)
Management Fee	0.53	0.50
12b-1 Fee		
Other Expenses	0.10	0.06
Total Expenses	0.63	0.56
Waivers		
Net Expenses	0.63	0.56

	Franklin large cap growth securities fund (percent)		T. Rowe Price large cap growth portfolio (percent)	
	Class 2	Class 1	Class B	Class A
Management Fee	0.75	0.75	0.63	0.63
12b-1 Fee	0.25		0.25	
Other Expenses	0.05	0.05	0.14	0.14
Total Expenses	1.05	0.80	1.02	0.77
Waivers				
Net Expenses	1.05	0.80	1.02	0.77

	Franklin small cap fund (percent)		T. Rowe Price small cap growth portfolio (percent)	
	Class 1	Class 2	Class A	Class B
Management Fee	0.53	0.53	0.52	0.52
12b-1 Fee		0.25		0.25
Other Expenses	0.31	0.31	0.09	0.09
Total Expenses	0.84	1.09	0.61	0.86
Waivers	0.05	0.05		
Net Expenses	0.79	1.04	0.61	0.86

	Goldman Sachs growth and income fund (percent)	Lord Abbett growth & income (percent)
Management Fee	0.75	0.58
12b-1 Fee		
Other Expenses	0.46	0.09
Total Expenses	1.21	0.67
Waivers	0.17	
Net Expenses	1.04	0.67

	Goldman Sachs international equity fund (percent)	MFS research international portfolio (percent)
Management Fee	1.00	0.80
12b-1 Fee .....	.....	.....
Other Expenses	1.77	1.06
Total Expenses	2.77	1.86
Waivers	1.38	0.76
Net Expenses	1.39	1.10

	Invesco VIF-dy- namics fund (percent)	T. Rowe Price mid-cap growth portfolio (percent)
Management Fee	0.75	0.75
12b-1 Fee .....	.....	.....
Other Expenses	0.37	0.45
Total Expenses	1.12	1.20
Waivers .....	.....	0.25
Net Expenses	1.12	0.95

	Invesco VIF high yield fund (percent)	Lord Abbett bond debenture portfolio (percent)
Management Fee	0.60	0.60
12b-1 Fee .....	.....	.....
Other Expenses	0.45	0.17
Total Expenses	1.05	0.77
Waivers .....	.....	0.02
Net Expenses	1.05	0.75

	Mutual shares securities fund (percent)		Lord Abbett growth and income portfolio (percent)	
	Class 1	Class 2	Class A	Class B
Management Fee	0.60	0.60	0.58	0.58
12b-1 Fee .....	.....	0.25	.....	0.25
Other Expenses	0.21	0.21	0.09	0.10
Total Expenses	0.81	1.06	0.67	0.93
Waivers	0.01	0.01	.....	.....
Net Expenses	0.80	1.05	0.67	0.93

	MFS bond series (percent)	PIMCO total re- turn portfolio (percent)
Management Fee	0.60	0.50
12b-1 Fee .....	.....	.....
Other Expenses	0.32	0.15
Total Expenses	0.92	0.65
Waivers	0.17	.....
Net Expenses	0.75	0.65

	MFS emerging growth series (percent)		T. Rowe Price large cap growth portfolio (percent)	
	Initial class	Service class	Class A	Class B
Management Fee	0.75	0.75	0.63	0.63
12b-1 Fee .....	.....	0.25	.....	0.25
Other Expenses	0.11	0.11	0.14	0.14
Total Expenses	0.86	1.11	0.77	1.02
Waivers .....	.....	.....	.....	.....
Net Expenses	0.86	1.11	0.77	1.02

	MFS research series (percent)		Oppenheimer capital ap- preciation portfolio (percent)	
	Initial class	Service class	Class A	Class B
Management Fee	0.75	0.75	0.65	0.65
12b-1 Fee .....	.....	0.25	.....	0.25
Other Expenses	0.12	0.12	0.34	0.32
Total Expenses	0.87	1.12	0.99	1.22
Waivers .....	.....	.....	0.24	0.22
Net Expenses	0.87	1.12	0.75	1.00

	MFS strategic income series (percent)		Salomon brothers stra- tegic bond opportunities portfolio (percent)	
	Initial class	Service class	Class A	Class B
Management Fee	0.75	0.75	0.65	0.65
12b-1 Fee .....	.....	0.25	.....	0.25
Other Expenses	0.35	0.35	0.20	0.20
Total Expenses	1.10	1.35	0.85	1.10
Waivers	0.20	0.20	.....	.....
Net Expenses	0.90	1.15	0.85	1.10

	Newport Tiger fund (percent)	MFS research international port- folio (percent)
Management Fee	0.90	0.80
12b-1 Fee .....	.....	.....
Other Expenses	0.37	1.06
Total Expenses	1.27	1.86
Waivers .....	.....	0.76
Net Expenses	1.27	1.10

	Oppenheimer strategic bond fund/VA (percent)	PIMCO total return portfolio (percent)
Management Fee	0.74	0.50
12b-1 Fee .....	.....	.....
Other Expenses	0.05	0.15
Total Expenses	0.79	0.65
Waivers	0.01	.....
Net Expenses	0.78	0.65

	Oppenheimer Main Street fund/VA (percent)	Lord Abbett growth and in- come portfolio (percent)
Management Fee	0.68	0.58
12b-1 Fee .....	.....	.....
Other Expenses	0.01	0.09
Total Expenses	0.69	0.67
Waivers .....	.....	.....
Net Expenses	0.69	0.67

	Oppenheimer high income fund/VA (percent)	Lord Abbett bond debenture portfolio (percent)
Management Fee	0.74	0.60
12b-1 Fee .....	.....	.....
Other Expenses	0.03	0.17
Total Expenses	0.77	0.77
Waivers .....	.....	0.02
Net Expenses	0.77	0.75

	Oppenheimer bond fund/VA (percent)	State Street re- search bond in- come portfolio (percent)
Management Fee	0.71	0.40
12b-1 Fee		
Other Expenses	0.02	0.11
Total Expenses	0.73	0.51
Waivers		
Net Expenses	0.73	0.51

	Oppenheimer money fund/VA (percent)	State Street re- search money market portfolio (percent)
Management Fee	0.45	0.35
12b-1 fee		
Other Expenses	0.02	0.08
Total Expenses	0.47	0.43
Waivers		
Net Expenses	0.47	0.43

	Oppenheimer Main Street small cap growth fund/VA (percent)	T. Rowe Price small cap growth portfolio (percent)
Management Fee	0.75	0.52
12b-1 Fee		
Other Expenses	0.25	0.09
Total Expenses	1.00	0.61
Waivers		
Net Expenses	1.00	0.61

	Putnam VT new value fund (percent)		Lord Abbett growth and income portfolio (percent)	
	Class 1B	Class 1A	Class B	Class A
Management Fee	0.69	0.69	0.58	0.58
12b-1 Fee	0.25		0.25	
Other Expenses	0.09	0.09	0.10	0.09
Total Expenses	1.03	0.78	0.93	0.67
Waivers				
Net Expenses	1.03	0.78	0.93	0.67

	Putnam VT international new opportunities fund (percent)		MFS Research fund inter- national portfolio (percent)	
	Class 1B	Class 1A	Class B	Class A
Management Fee	1.00	1.00	0.80	0.80
12b-1 Fee	0.25		0.25	
Other Expenses	0.27	0.27	1.02	1.06
Total Expenses	1.52	1.27	2.07	1.86
Waivers			0.72	0.76
Net Expenses	1.52	1.27	1.35	1.10

	International portfolio (percent)		MFS research inter- national portfolio (percent)	
	Class B	Class A	Class B	Class A
Management Fee	0.87	0.87	0.80	0.80
12b-1 Fee	0.25		0.25	
Other Expenses	0.31	0.16	1.02	1.06
Total Expenses	1.43	1.03	2.07	1.86
Waivers			0.72	0.76
Net Expenses	1.43	1.03	1.35	1.10

	SVS Dreman high return equity portfolio (percent)	Lord Abbett growth and income portfolio (percent)
Management Fee	0.73	0.58
12b-1 Fee		
Other Expenses	0.06	0.09
Total Expenses 0.79	0.67	0.67
Waivers		
Net Expenses	0.79	0.67

	Templeton global income securities fund (percent)		PIMCO total return portfolio (percent)	
	Class 1	Class 2	Class A	Class B
Management Fee	0.63	0.63	0.50	0.50
12b-1 Fee		0.25		0.25
Other Expenses	0.10	0.10	0.15	0.15
Total Expenses	0.73	0.98	0.65	0.90
Waivers				
Net Expenses	0.73	0.98	0.65	0.90

	Growth and income portfolio (percent)	Lord Abbett growth and income portfolio (percent)
Management Fee	0.60	0.58
12b-1 Fee		
Other Expenses	0.11	0.09
Total Expenses	0.71	0.67
Waivers		
Net Expenses	0.71	0.67

47. The share classes of the Existing Funds and the Replacement Funds are identical with respect to the imposition of Rule 12b-1 fees currently imposed. While each Replacement Fund's Class B Rule 12b-1 fees can be raised to 0.50% of net assets by the Fund's Board of Trustees/Directors, the Rule 12b-1 fees of 0.25% of the Existing Funds' shares cannot be raised by the Fund's Board of Trustees, without shareholder approval, except as follows:

AllianceBernstein Premier Growth Portfolio—Can Be Raised by Board Up to 0.50%
AllianceBernstein Value Portfolio—Can Be Raised by Board Up to 0.50%
AllianceBernstein Small Cap Value Portfolio—Can Be Raised by Board Up to 0.50%
Franklin Large Cap Growth Securities Fund—Can Be Raised by Board Up to 0.35%
Franklin Small Cap Fund—Can Be Raised by Board Up to 0.35%
Mutual Shares Securities Fund—Can Be Raised by Board Up to 0.35%
Putnam VT New Value Fund—Can Be Raised by Board Up to 0.35%
Putnam VT International New Opportunities Fund—Can Be Raised by Board Up to 0.35%

Met Series Fund and MIST represent that, except as set forth in the following sentence, Rule 12b-1 fees for the Replacement Funds' Class B shares issued in connection with the proposed substitutions will not be raised above 0.25% of net assets without the approval of a majority in interest of those Contract owners whose shares were involved in the proposed substitutions. The foregoing representation shall apply to the following substitutions only if the Rule 12b-1 fees for the Replacement Funds' Class B shares exceed 0.35% or 0.50% of net assets as indicated: AllianceBernstein Premier Growth Portfolio/Janus Aggressive Growth Portfolio—0.50%; AllianceBernstein Value Portfolio/Lord Abbett Growth and Income Portfolio—0.50%; AllianceBernstein Small Cap Value Portfolio/Third Avenue Small Cap Value Portfolio—0.50%; Franklin Large Cap Growth Securities Fund/T. Rowe Price Large Cap Portfolio—0.35%; Franklin Small Cap Fund/T. Rowe Price Small Cap Growth Portfolio—0.35%; Mutual Shares Securities Fund/Lord Abbett Growth and Income Portfolio—0.35%; Putnam VT New Value Fund/Lord Abbett Growth and Income Portfolio—0.35%; Putnam VT

International New Opportunities Fund/MFS Research International Portfolio—0.35%.

48. Further, in addition to any Rule 12b-1 fees, the investment advisers or distributors of the Existing Funds pay the Insurance Companies or one of the affiliates from 5 to 30 basis points for Class A shares (or their equivalent) sold to the Separate Accounts and, for Class B shares (or their equivalent), Rule 12b-1 fees of 25 basis points plus additional amounts ranging from 5 to 25 basis points. Following the substitutions, these payments will not be made on behalf of the Existing Funds. Rather, only 25 basis points in Rule 12b-1 fees (with respect to Class B shares) and profit distributions to members, if any, from the Replacement Funds' advisers will be available to the Insurance Companies or the Replacement Funds' distributors.

49. The Insurance Companies considered the performance history of each Fund and determined that no Contract owners would be materially adversely affected as a result of the substitutions. More detailed information regarding the Funds' comparative performance histories can be found in the Application.

50. The process for accomplishing the transfer of assets from each Existing Fund to its corresponding Replacement Fund will be determined on a case-by-case basis. In most cases, it is expected that the substitutions will be effected by redeeming shares of an Existing Fund for cash and using the cash to purchase shares of the Replacement Fund.

51. In certain other cases, it is expected that the substitutions will be effected by redeeming the shares of an Existing Fund in-kind; those assets will then be contributed in-kind to the corresponding Replacement Fund to purchase shares of that Fund. All in-kind redemptions from an Existing Fund of which any of the Substitution Applicants is an affiliated person will be effected in accordance with the conditions set forth in the Commission's no-action letter issued to *Signature Financial Group, Inc.* (available December 28, 1999).

52. The proposed substitutions will take place at relative net asset value with no change in the amount of any Contract owner's Contract value, cash value, or death benefit or in the dollar value of his or her investment in the Separate Accounts. Contract owners will not incur any fees or charges as a result of the proposed substitutions, nor will their rights or an Insurance Company's obligations under the Contracts be altered in any way. All expenses incurred in connection with the proposed substitutions, including brokerage, legal, accounting, and other fees and expenses, will be paid by the Insurance Companies. In addition, the proposed substitutions will not impose any tax liability on Contract owners. The proposed substitutions will not cause the Contract fees and charges currently being paid by existing Contract owners to be greater after the proposed substitutions than before the proposed substitutions. No fees will be charged on the transfers made at the time of the proposed substitutions because the proposed substitutions will not be treated as a transfer for the purpose of assessing transfer charges or for determining the number of remaining permissible transfers in a Contract year.

53. The Substitution Applicants agree that, to the extent that the annualized expenses of each Replacement Fund exceed, for each fiscal period (such period being less than 90 days) during the twenty-four months following the substitutions, the 2002 net expense level of the corresponding Existing Fund, the Insurance Companies will, for each Contract outstanding on the date of the proposed substitutions, make a corresponding reduction in separate

account (or sub-account) expenses on the last day of such fiscal period, such that the amount of the Replacement Fund's net expenses, together with those of the corresponding separate account (or sub-account) will, on an annualized basis, be no greater than the sum of the net expenses of the Existing Fund and the expenses of the separate account (or sub-account) for the 2002 fiscal year of the Insurance Companies, as applicable.

54. The Substitution Applicants further agree that the Insurance Companies will not increase total separate account charges (net of any reimbursements or waivers) for any existing owner of the Contracts involved in the proposed substitution on the date of the substitutions for a period of two years from the date of the substitutions.

55. By a supplement to the prospectuses for the Contracts and the Separate Accounts, each Insurance Company will notify all owners of the Contracts of its intention to take the necessary actions, including seeking the order requested by this application and to substitute shares of the funds as described herein. The supplement will advise Contract owners that from the date of the supplement until the date of the proposed substitution, owners are permitted to make one transfer of Contract value (or annuity unit exchange) out of the Existing Fund sub-account, to another sub-account without the transfer (or exchange) being treated as one of a limited number of permitted transfers (or exchanges) or a limited number of transfers (or exchanges) permitted without a transfer charge. The supplement also will inform Contract owners that the Insurance Company will not exercise any rights reserved under any Contract to impose additional restrictions on transfers until at least 30 days after the proposed substitutions, except that the Insurance Company may impose restrictions on transfers to prevent or limit "market timing" activities by Contract owners or agents of Contract owners. The supplement will further advise Contract owners that for at least 30 days following the proposed substitutions, the Insurance Companies will permit Contract owners affected by the substitutions to make one transfer of Contract value (or annuity unit exchange) out of the Replacement Fund sub-account to another sub-account without the transfer (or exchange) being treated as one of a limited number of permitted transfers (or exchanges) or a limited number of transfers (or exchanges) permitted without a transfer charge.

56. In addition, in accordance with the Contract provisions and/or

prospectus disclosure for Contracts issued by MetLife Investors USA, MetLife Investors USA will seek approval of the substitutions proposed for Separate Account A from MetLife Investors USA contract owners. Such approval will be sought from the owners of each class of MetLife Investors USA Contracts voting as a separate group, and the substitutions will be carried out for each class of Contracts whose owners approve them. A class of Contracts refers to a Contract type distinguishable from other types by the product (marketing) designation and, in most cases, by its contract form as approved for sale in each jurisdiction. Contracts of the same class have the same features and charge structure.

57. Approval is obtained by the affirmative vote of a majority of the class's outstanding interests in the Existing Fund sub-account of Separate Account A (measured by the dollar value of accumulation units or annuity unit reserves). MetLife Investors USA will solicit approval of MetLife Investors USA contract owners by sending them written voting forms accompanied by a voting information statement and other disclosure documents in a manner consistent with applicable requirements of Regulation 14A under the Securities Exchange Act of 1934. In particular, the relevant information will disclose, in substance, the information required by applicable items of Form N-14. Any beneficial financial interest that MetLife Investors USA may have in Separate Account A is immaterial in relation to the interests of contract owners, and MetLife Investors USA will not cast any votes.

58. Finally, within five business days after the proposed substitutions, Contract owners will be sent a written notice informing them that the substitutions were carried out and that they may make one transfer of all Contract value or cash value under a Contract invested in any one of the sub-accounts on the date of the notice to another sub-account available under their Contract at no cost and without regard to any limits on the frequency of transfers. The notice will also reiterate that the Insurance Company will not exercise any rights reserved by it under the Contracts to impose additional restrictions on transfers or to impose any charges on transfers (other than with respect to "market timing" activities) until at least 30 days after the proposed substitutions. The Insurance Companies will also send each Contract owner current prospectuses for the Replacement Funds involved.

Applicants' Legal Analysis

1. Section 26(c) of the Act requires the depositor of a registered unit investment trust holding the securities of a single issuer to obtain Commission approval before substituting the securities held by the trust. Specifically, Section 26(c) states:

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. 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 policy and provision of this title.

2. The Substitution Applicants state that the proposed substitutions appear to involve substitutions of securities within the meaning of Section 26(c) of the Act. The Substitution Applicants, therefore, request an order from the Commission pursuant to Section 26(c) approving the proposed substitutions.

3. Some of the Contracts expressly reserve to the applicable Insurance Company the right, subject to compliance with applicable law, to substitute shares of another investment company for shares of an investment company held by a sub-account of the Separate Accounts. The prospectuses for these Contracts and the Separate Accounts contain appropriate disclosure of this right. Certain Contracts issued by MetLife Investors USA provide, however, that approval of a majority of Contract owners who have allocated premiums to a particular Separate Account must be obtained prior to any substitution.

4. Applicants request an order of the Commission pursuant to Section 26(c) of the Act approving the proposed substitutions by the Insurance Companies. The Applicants assert that the proposed substitutions are consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

5. The Substitution Applicants represent that the proposed Replacement Fund for each Existing Fund has an investment objective that is at least substantially similar to that of the Existing Fund. Moreover, the principal investment policies of the Replacement Funds are similar to those of the corresponding Existing Funds. The Insurance Companies believe that the new sub-adviser will, over the long-term, be positioned to provide at least comparable performance to that of the Existing Fund's sub-adviser.

6. In addition, a substantial number of the Existing Funds are currently either not available as investment options under any Contract previously or currently offered by the Insurance Companies or, if available, are available only for additional contributions and/or transfers from other investment options under Contracts not currently offered. The Substitution Applicants submit that, with respect to those Existing Funds with limited or no current availability, there is little likelihood additional significant assets, if any, will be allocated to such Funds, and, therefore, because of the costs of maintaining such Funds as investment options under the Contracts, it is in the interest of shareholders to substitute the applicable Replacement Funds which are currently being offered as investment options by the Insurance Companies.

7. The Substitution Applicants anticipate that Contract owners will be better off with the array of sub-accounts offered after the proposed substitutions than they have been with the array of sub-accounts offered prior to the substitutions. The proposed substitutions retain for Contract owners the investment flexibility that is a central feature of the Contracts. If the proposed substitutions are carried out, all Contract owners will be permitted to allocate purchase payments and transfer Contract values and cash values between and among approximately the same number of sub-accounts as they could before the proposed substitutions. Moreover, the elimination of the costs of printing and mailing prospectuses and periodic reports of the Existing Funds will benefit Contract owners.

8. The Substitution Applicants assert that none of the proposed substitutions is of the type that Section 26(c) was designed to prevent. Unlike traditional unit investment trusts where a depositor could only substitute an investment security in a manner which permanently affected all the investors in the trust, the Contracts provide each Contract owner with the right to exercise his or her own judgment and transfer Contract or cash values into other sub-accounts. Moreover, the Contracts will offer Contract owners the opportunity to transfer amounts out of the affected sub-accounts into any of the remaining sub-accounts without cost or other disadvantage. The proposed substitutions, therefore, will not result in the type of costly forced redemption that Section 26(c) was designed to prevent.

9. The Substitution Applicants assert that the proposed substitutions also are unlike the type of substitution that

Section 26(c) was designed to prevent in that by purchasing a Contract, Contract owners select much more than a particular investment company in which to invest their account values. They also select the specific type of insurance coverage offered by an Insurance Company under their Contract as well as numerous other rights and privileges set forth in the Contract. Contract owners may also have considered each Insurance Company's size, financial condition, relationship with MetLife, and its reputation for service in selecting their Contract. These factors will not change as a result of the proposed substitutions.

10. Section 17(a)(1) of the Act, in relevant part, prohibits any affiliated person of a registered investment company, or any affiliated person of such person, acting as principal, from knowingly selling any security or other property to that company. Section 17(a)(2) of the Act generally prohibits the persons described above, acting as principals, from knowingly purchasing any security or other property from the registered company.

11. Section 2(a)(3) of the Act defines the term "affiliated person of another person" in relevant part as:

(A) Any person directly or indirectly owning, controlling, or holding with power to vote, 5 per centum or more of the outstanding voting securities of such person; (B) any person 5 per centum or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by such person; (C) any person directly or indirectly controlling, controlled by, or under common control with, such other person; * * * (E) if such other person is an investment company, any investment adviser thereof * * *

Section 2(a)(9) of the Act states that any person who owns beneficially, either directly or through one or more controlled companies, more than 25% of the voting securities of a company shall be presumed to control such company.

12. Because shares held by a separate account of an insurance company are legally owned by the insurance company, the Insurance Companies and their affiliates collectively own of record substantially all of the shares of MIST and Met Series Fund. Therefore, MIST and Met Series Fund and their respective funds are arguably under the control of the Insurance Companies notwithstanding the fact that Contract owners may be considered the beneficial owners of those shares held in the Separate Accounts. If MIST and Met Series Fund and their respective funds are under the control of the Insurance Companies, then each

Insurance Company is an affiliated person or an affiliated person of an affiliated person of MIST and Met Series Fund and their respective funds. If MIST and Met Series Fund and their respective funds are under the control of the Insurance Companies, then MIST and Met Series Fund and their respective funds are affiliated persons of the Insurance Companies.

13. Regardless of whether or not the Insurance Companies can be considered to control MIST and Met Series Fund and their respective funds, because the Insurance Companies own of record more than 5% of the shares of each of them and are under common control with each Replacement Fund's investment adviser, the Insurance Companies are affiliated persons of both MIST and Met Series Fund and their respective funds. Likewise, their respective funds are each an affiliated person of the Insurance Companies. In addition, the Insurance Companies, through their separate accounts own more than 5% of the outstanding shares of certain Existing Funds.

14. Because the substitutions may be effected, in whole or in part, by means of in-kind redemptions and purchases, the substitutions may be deemed to involve one or more purchases or sales of securities or property between affiliated persons. The proposed transactions may involve a transfer of portfolio securities by the Existing Funds to the Insurance Companies; immediately thereafter, the Insurance Companies would purchase shares of the Replacement Funds with the portfolio securities received from the Existing Funds. Accordingly, as the Insurance Companies and the Replacement Funds could be viewed as affiliated persons of one another under Section 2(a)(3) of the Act, it is conceivable that this aspect of the substitutions could be viewed as being prohibited by Section 17(a). Accordingly, the Section 17 Applicants have determined that it is prudent to seek relief from Section 17(a) in the context of this Application for the in-kind purchases and sales of the Replacement Fund shares.

15. Section 17(b) of the Act provides that the Commission may, upon application, grant an order exempting any transaction from the prohibitions of Section 17(a) if the evidence establishes that: (1) The terms of the proposed transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned; (2) the proposed transaction is consistent with the policy of each registered investment company

concerned, as recited in its registration statement and records filed under the Act; and (3) the proposed transaction is consistent with the general purposes of the Act.

16. The Section 17 Applicants submit that the terms of the proposed in-kind purchase transactions, including the consideration to be paid and received by each fund involved, are reasonable, fair and do not involve overreaching principally because the transactions will conform with all but two of the conditions enumerated in Rule 17a-7. The proposed transactions will take place at relative net asset value in conformity with the requirements of Section 22(c) of the Act and Rule 22c-1 thereunder with no change in the amount of any Contract owner's contract value or death benefit or in the dollar value of his or her investment in any of the Separate Accounts. Contract owners will not suffer any adverse tax consequences as a result of the substitutions. The fees and charges under the Contracts will not increase because of the substitutions. Even though the Separate Accounts, the Insurance Companies, MIST and Met Series Fund may not rely on Rule 17a-7, the Section 17 Applicants submit that the Rule's conditions outline the type of safeguards that result in transactions that are fair and reasonable to registered investment company participants and preclude overreaching in connection with an investment company by its affiliated persons.

17. The boards of MIST and Met Series Fund have adopted procedures, as required by paragraph (e)(1) of Rule 17a-7, pursuant to which the series of each may purchase and sell securities to and from their affiliates. The Section 17 Applicants will carry out the proposed Insurance Company in-kind purchases in conformity with all of the conditions of Rule 17a-7 and each series' procedures thereunder, except that: (1) The consideration paid for the securities being purchased or sold may not be entirely cash, and (2) the boards of MIST and Met Series Fund will not separately review each portfolio security purchased by the Replacement Funds. Nevertheless, the circumstances surrounding the proposed substitutions will be such as to offer the same degree of protection to each Replacement Fund from overreaching that Rule 17a-7 provides to them generally in connection with their purchase and sale of securities under that Rule in the ordinary course of their business. In particular, the Insurance Companies (or any of their affiliates) cannot effect the proposed transactions at a price that is disadvantageous to any of the

Replacement Funds. Although the transactions may not be entirely for cash, each will be effected based upon (1) the independent market price of the portfolio securities valued as specified in paragraph (b) of Rule 17a-7, and (2) the net asset value per share of each fund involved valued in accordance with the procedures disclosed in its respective Investment Company's registration statement and as required by Rule 22c-1 under the Act. No brokerage commission, fee, or other remuneration will be paid to any party in connection with the proposed transactions.

18. The Section 17 Applicants submit that the sale of shares of the Replacement Funds for investment securities, as contemplated by the proposed Insurance Company in-kind purchases, is consistent with the investment policy and restrictions of the Investment Companies and the Replacement Funds because (1) the shares are sold at their net asset value, and (2) the portfolio securities are of the type and quality that the Replacement Funds would have acquired with the proceeds from share sales had the shares been sold for cash. To assure that the second of these conditions is met, Met Investors Advisory LLC, MetLife Advisers, LLC and the sub-adviser, as applicable, will examine the portfolio securities being offered to each Replacement Fund and accept only those securities as consideration for shares that it would have acquired for each such fund in a cash transaction.

19. The Section 17 Applicants submit that the proposed Insurance Company in-kind purchases, as described herein, are consistent with the general purposes of the Act as stated in the Findings and Declaration of Policy in Section 1 of the Act. The proposed transactions do not present any of the conditions or abuses that the Act was designed to prevent. The Section 17 Applicants submit that the abuses described in Sections 1(b)(2) and (3) of the Act will not occur in connection with the proposed in-kind transactions.

Conclusion

Applicants assert that for the reasons summarized above the proposed substitutions and related transactions meet the standards of Section 26(c) of the Act and are consistent with the standards of Section 17(b) of the Act and that the requested orders should be granted.

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

J. Lynn Taylor,

Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-26343]

Notice of Applications for Deregistration Under Section 8(f) of the Investment Company Act of 1940

January 30, 2004.

The following is a notice of applications for deregistration under section 8(f) of the Investment Company Act of 1940 for the month of January, 2004. A copy of each application may be obtained for a fee at the SEC's Public Reference Branch, 450 Fifth St., NW., Washington, DC 20549-0102 (tel. 202-942-8090). An order granting each application will be issued unless the SEC orders a hearing. Interested persons may request a hearing on any application by writing to the SEC's Secretary at the address below and serving the relevant applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on February 24, 2004, and should be accompanied by proof of service on the applicant, 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, SEC, 450 Fifth Street, NW., Washington, DC 20549-0609. For Further Information Contact: Diane L. Titus at (202) 942-0564, SEC, Division of Investment Management, Office of Investment Company Regulation, 450 Fifth Street, NW., Washington, DC 20549-0504.

CCM Advisors Fund [File No. 811-10241]

Summary: Applicant, a master fund in a master-feeder structure, seeks an order declaring that it has ceased to be an investment company. On June 30, 2003, applicant made a liquidating distribution to its shareholders, based on net asset value. Expenses of \$25,975 incurred in connection with the liquidation were paid by applicant and CCM Advisors LLC, applicant's investment adviser.

Filing Date: The application was filed on December 31, 2003.

Applicant's Address: 190 South LaSalle St., Suite 2800, Chicago, IL 60603.

Anchor International Bond Trust [File No. 811-4644]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On November 19, 2003, applicant made a liquidating distribution to its shareholders, based on net asset value. Expenses of \$8,786 incurred in connection with the liquidation were paid by applicant's investment adviser, F.L. Putnam Investment Management Co.

Filing Date: The application was filed on December 24, 2003.

Applicant's Address: 579 Pleasant St., Suite 4, Paxton, MA 01612.

The Willamette Funds [File No. 811-10275]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On September 19, 2003, applicant transferred its assets to The Integrity Funds, based on net asset value. Expenses of \$109,000 incurred in connection with the reorganization were paid by applicant, the acquiring fund, and Integrity Money Management, Inc., investment adviser to the acquiring fund.

Filing Dates: The application was filed on November 19, 2003, and amended on December 30, 2003.

Applicant's Address: 220 NW 2nd Ave., Suite 950, Portland, OR 97209.

State Street Research Growth Trust [File No. 811-985]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On February 24, 2003, applicant transferred its assets to State Street Research Legacy Fund, a series of State Street Research Securities Trust, based on net asset value. Expenses of \$45,816 incurred in connection with the reorganization were paid by applicant and the acquiring fund.

Filing Dates: The application was filed on December 2, 2003, and amended on January 2, 2004.

Applicant's Address: One Financial Center, Boston, MA 02111.

State Street Research Tax-Exempt Trust [File No. 811-4558]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On March 7, 2003, applicant transferred its assets to Strong Advisor Municipal Bond Fund, a separate series of Strong Income Funds, Inc., based on net asset value. Expenses of \$51,104 incurred in connection with

the reorganization were paid by applicant and the acquiring fund.

Filing Dates: The application was filed on December 2, 2003, and amended on January 2, 2004.

Applicant's Address: One Financial Center, Boston, MA 02111.

Credit Suisse Trust II [File No. 811-7999]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. By October 21, 2001, all shareholders of applicant had redeemed their shares at net asset value. Expenses of \$4,000 incurred in connection with the liquidation were paid by Credit Suisse Asset Management, LLC, applicant's investment adviser, or its affiliates.

Filing Dates: The application was filed on April 1, 2003, and amended on January 14, 2004.

Applicant's Address: 466 Lexington Ave., New York, NY 10017.

Van Kampen Florida Municipal Opportunity Trust [File No. 811-7726]

Summary: Applicant, a closed-end investment company, seeks an order declaring that it has ceased to be an investment company. On May 18, 2001, applicant transferred its assets to Van Kampen Trust for Investment Grade Florida Municipals, based on net asset value. Holders of applicant's auction preferred shares exchanged those shares on a one-for-one basis for auction preferred shares of the acquiring fund. Expenses of \$207,288 incurred in connection with the reorganization were paid by applicant and the acquiring fund.

Filing Date: The application was filed on January 21, 2004.

Applicant's Address: 1 Parkview Plaza, Oakbrook Terrace, IL 60181-5555.

New York Life Investment Management Institutional Funds [File No. 811-10307]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On November 12, 2003, applicant made a final liquidating distribution to its shareholders, based on net asset value. Expenses of \$7,924 incurred in connection with the liquidation were paid by New York Life Investment Management LLC, applicant's investment adviser.

Filing Date: The application was filed on January 23, 2004.

Applicant's Address: 169 Lackawanna Ave., Parsippany, NJ 07054.