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FOR FURTHER INFORMATION CONTACT: Ms. Julie Olivier, Fuel Cycle Facilities Branch, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Mail Stop T-8A33, Washington, DC 20555. Telephone (301) 415-8098.

Notice of Opportunity for Hearing

The NRC hereby provides notice of an opportunity for a hearing on the license renewal application under the provisions of 10 CFR part 2, subpart L, "Informal Hearing Procedures for Adjudications in Materials and Operator Licensing Proceedings." Pursuant to § 2.1205(a), any person whose interest may be affected by this proceeding may file a request for a hearing. In accordance with § 2.1205(d), a request for hearing must be filed within 30 days of the publication of this notice in the **Federal Register**. The request for a hearing must be filed with the Office of the Secretary, either:

(1) By delivery to the Docketing and Service Branch of the Office of the Secretary at One White Flint North, 11555 Rockville Pike, Rockville, MD 20852; or

(2) By mail or telegram addressed to the Secretary, Nuclear Regulatory Commission, Washington, DC 20555, Attention: Docketing and Service Branch.

In accordance with 10 CFR 2.1205(f), each request for a hearing must also be served, by delivering it personally or by mail, to:

(1) The applicant, Framatome Advanced Nuclear Power, P.O. Box 11646, Lynchburg, Virginia, 24506-1646; Attention: Robert Freeman; and

(2) The NRC staff, by delivery to the Executive Director for Operations, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852, or by mail addressed to the Executive Director for Operations, Nuclear Regulatory Commission, Washington, DC 20555.

In addition to meeting other applicable requirements of 10 CFR part 2 of the NRC's regulations, a request for a hearing filed by a person other than an applicant must describe in detail:

(1) The interest of the requestor in the proceeding;

(2) How that interest may be affected by the results of the proceeding, including the reasons why the requestor should be permitted a hearing, with particular reference to the factors set out in § 2.1205(h);

(3) The requestor's areas of concern about the licensing activity that is the subject matter of the proceeding; and

(4) The circumstances establishing that the request for a hearing is timely in accordance with § 2.1205(d).

The request must also set forth the specific aspect or aspects of the subject matter of the proceeding as to which the petitioner wishes a hearing.

In addition, members of the public may provide comments on the subject application within 30 days of the publication of this notice in the **Federal Register**. The comments may be provided to Michael Lesar, Chief, Rules Review and Directives Branch, Division of Administration Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington DC 20555.

Dated at Rockville, Maryland, this 2nd day of August 2002.

For the Nuclear Regulatory Commission.

Daniel M. Gillen,

Chief, Fuel Cycle Facilities Branch, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 02-20173 Filed 8-8-02; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-25692; File No. 812-12821]

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

August 2, 2002.

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

ACTION: Notice of application for an order of approval pursuant to Section 26(c) of the Investment Company Act of 1940 (the "1940 Act") and an order of exemption pursuant to Section 17(b) of the 1940 Act from Section 17(a) of the 1940 Act.

APPLICANTS: For purposes of the order requested pursuant to Section 26(c), The Equitable Life Assurance Society of the United States ("Equitable"), Separate Account A of Equitable ("Separate Account A"), Separate Account FP of Equitable ("Separate Account FP"), Separate Account No. 45 of Equitable ("Separate Account 45") and Separate Account No. 49 of Equitable ("Separate Account 49") (collectively, the "Section 26 Applicants"). For purposes of the order pursuant to Section 17(b),

Equitable, Separate Account A, Separate Account FP, Separate Account 45, Separate Account 49, Separate Account No. 66 of Equitable ("Separate Account 66") (the separate accounts are collectively referred to herein as the "Separate Accounts" and individually as a "Separate Account") and EQ Advisors Trust (the "Trust") (collectively with Equitable and the Separate Accounts, the "Section 17 Applicants;" together with the Section 26 Applicants, "Applicants").

SUMMARY OF APPLICATION: Applicants request an order (a) approving the proposed substitution by certain insurance company separate accounts of Class IB shares of the EQ/Capital Guardian Research Portfolio for Class IB shares of the EQ/MFS Research Portfolio (the "Substitution"), and (b) to permit certain in-kind transactions in connection with the proposed Substitution. (The EQ/Capital Guardian Research Portfolio is referred to herein as the "Replacement Portfolio." The EQ/MFS Research Portfolio is referred to herein as the "Removed Portfolio.")

FILING DATE: The application was filed on May 2, 2002 and amended and restated on August 1, 2002.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Secretary of the Commission and serving Applicants with a copy of the request personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on August 26, 2002 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, U.S. Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Applicants: c/o Peter D. Noris, Executive Vice President and Chief Investment Officer, The Equitable Life Assurance Society of the United States, 1290 Avenue of the Americas, New York, New York 10104, and Mark C. Amorosi, Esq., Kirkpatrick & Lockhart LLP, 1800 Massachusetts Avenue, NW., Washington, DC 20036.

FOR FURTHER INFORMATION CONTACT: Mark Cowan, Senior Counsel, or Zandra Bailes, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 942-0670.

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. Equitable is a New York stock life insurance company that has been in business since 1859. Equitable is a wholly owned subsidiary of AXA Financial, Inc., which is a wholly owned subsidiary of the AXA Group, the holding company for an international group of insurance and related financial services companies.

2. Equitable serves as sponsor and depositor for each of the Separate Accounts. Separate Account A, Separate Account 45 and Separate Account 49 fund certain variable annuity contracts. Separate Account FP funds certain variable life insurance policies. Separate Account 66 funds group pension and profit-sharing plans under group annuity contracts issued by Equitable. (The variable annuity contracts and variable life insurance policies funded by the Separate Accounts are collectively referred to herein as the "Contracts.")

3. Each Separate Account is a segregated asset account of Equitable and, with the exception of Separate Account 66, is registered with the Commission as a unit investment trust under the 1940 Act. Separate Account 66 is excluded from registration under the 1940 Act pursuant to Section 3(c)(11) of the 1940 Act. Separate Account 66 is not a Section 26 Applicant.

4. The Trust is organized as a Delaware business trust and registered as an open-end management investment company under the 1940 Act. The Trust is a series investment company and currently has 39 separate series (each a "Portfolio" and collectively, the "Portfolios"). Equitable currently serves as investment manager ("Manager") of each of the Portfolios. Both the Removed and Replacement Portfolios are series of the Trust. The Trust currently offers two classes of shares, Class IA and Class IB shares, which differ only in that Class IB shares are subject to a distribution plan adopted and administered pursuant to Rule 12b-1 under the 1940 Act. Under that distribution plan, up to 0.50% of the average daily net assets attributable to the Class IB shares of each Portfolio may be used to pay for distribution and shareholder services. The distributors for the Class IA and Class IB shares of

each Portfolio are AXA Advisors, LLC ("AXA Advisors") and AXA Distributors, LLC ("AXA Distributors"). Under the Distribution Agreements with respect to the promotion, sale and servicing of shares of each Portfolio, payments to AXA Advisors and AXA Distributors, with respect to activities under the distribution plan, are currently limited to payments at an annual rate equal to 0.25% of the average daily net assets of each Portfolio (including the Removed and Replacement Portfolios) attributable to its Class IB shares.

5. The Manager has retained investment sub-advisers ("Advisers") to provide day-to-day investment advisory services for each of the 39 current Portfolios. The Trust has received an exemptive order from the Commission that permits the Manager, or any entity controlling, controlled by, or under common control (within the meaning of Section 2(a)(9) of the 1940 Act) with the Manager, subject to certain conditions, including approval of the Board of Trustees of the Trust, and without the approval of shareholders to: (a) select new or additional Advisers for each Portfolio; (b) enter into new Investment Advisory Agreements with Advisers ("Advisory Agreements") and/or materially modify the terms of any existing Advisory Agreement; (c) terminate any existing Adviser and replace the Adviser; and (d) continue the employment of an existing Adviser on the same contract terms where the Advisory Agreement has been assigned because of a change of control of the Adviser.

6. Equitable, on its own behalf and on behalf of the Separate Accounts, proposes to exercise its contractual right to substitute a different eligible investment fund for any of the current Portfolios offered as funding options under the Contracts. In particular, the Section 26 Applicants propose to substitute Class IB shares of the Replacement Portfolio for Class IB shares of the Removed Portfolio. Although each Portfolio of the Trust is authorized to issue Class IA shares, neither of the Portfolios involved in the proposed Substitution has issued any Class IA shares to date. Accordingly, no Class IA shares are involved in the proposed Substitution.

7. The Section 26 Applicants propose the Substitution as part of a continued and overall business plan by Equitable to make its Contracts more competitive and thus more attractive to existing Contract owners, and to prospective purchasers. The Substitution is also intended to simplify the prospectuses and related materials with respect to the

Contracts and the investment options available through the Separate Accounts. Additionally, the Substitution will substitute shares of the Replacement Portfolio for shares of the Removed Portfolio, which has an identical investment objective and substantially similar investment policies and risks as the Replacement Portfolio. Furthermore, Equitable believes that the Substitution ultimately may enable it to reduce certain of the costs that it incurs in administering the Contracts by consolidating overlapping and duplicative Portfolios. Finally, the Substitution is designed to provide Contract owners with an opportunity to continue their investment in a similar Portfolio without interruption and without any cost to them. In this regard, Equitable will bear all expenses incurred in connection with the Substitution and related filings and notices, including legal, accounting, brokerage and other fees and expenses. On the effective date of the Substitution ("Substitution Date"), the amount of any Contract owner's or participant's Contract value or the dollar value of a Contract owner's or participant's investment in the relevant Contract will not change as a result of the Substitution.

8. The investment objective of the Replacement and Removed Portfolios is to seek long-term growth of capital. To achieve this objective, the Replacement Portfolio invests primarily in equity securities of United States issuers and securities whose principal markets are in the United States, including American Depository Receipts and other United States registered foreign securities. The Portfolio invests primarily in common stocks of companies with a market capitalization greater than \$1 billion at the time of purchase. To achieve its objective, the Removed Portfolio also invests primarily (at least 80% of its total assets) in equity securities, including common stocks, preferred stocks and depository receipts. The Portfolio may invest in securities of companies of any size but, like the Replacement Portfolio, invests primarily in large cap companies. The Replacement and Removed Portfolios each may invest a portion of their assets in foreign securities (up to 15% of total assets for the Replacement Portfolio and up to 20% of net assets for the Removed Portfolio). The primary risks associated with an investment in the Replacement Portfolio are: (a) General equity investment risk; and (b) foreign securities risk. The primary risks associated with an investment in the

Removed Portfolio are: (a) general equity investment risk; (b) foreign securities risk; and (c) small-cap and mid-cap company risk. Thus, Applicants believe that, after the proposed Substitution, a Contract owner or participant who allocated value to the Removed Portfolio would continue to have value allocated to a Replacement Portfolio that seeks capital appreciation through investment in domestic company stocks, and would have assumed a substantially similar level of risk.

9. The chart below compares the advisory fees, total expenses and asset sizes of the Replacement Portfolio and the Removed Portfolio for the one year periods ended December 31, 2000 and 2001. The chart also shows the *pro forma* expenses of the Replacement Portfolio assuming that the Substitution had been in effect for the year ended December 31, 2001. The management fee rate for the Replacement Portfolio is identical to that of the Removed Portfolio. The net total expense ratio of the Replacement Portfolio was also

identical to that of the Removed Portfolio for the one year period ended December 31, 2001 due to a management fee waiver and expense reimbursement agreement in effect for each of these Portfolios until April 30, 2003 ("Expense Limitation Agreement"). Absent this agreement, the total expense ratio of the Replacement Portfolio would have been higher than that of the Removed Portfolio. The net total expense ratio of the Replacement Portfolio for the one year period ended December 30, 2000 was slightly higher than that of the Removed Portfolio due to the Replacement Portfolio's slightly higher management fee rate at the time. However, as noted above, the current management fee rates for the Removed Portfolio and the Replacement Portfolio are identical under the current management agreement with the Manager.

10. Applicants note that, as further set forth in the chart below, the Replacement Portfolio has been attracting assets over the last two years, while the Removed Portfolio has been

losing assets over that same time period. Applicants state that the proposed Substitution would replace the Removed Portfolio with the Replacement Portfolio, which will have a larger asset size after the Substitution. Generally speaking, larger funds tend to have lower expenses than comparable funds that are smaller. This is because, with a larger asset size, fixed fund expenses are spread over a larger base, lowering the expense ratios. Also, larger funds may have lower trading expenses, potentially resulting in higher returns. It is anticipated that the net total expense ratio of the Replacement Portfolio will be no higher than that of the Removed Portfolio as a result of the proposed Substitution due to the Expense Limitation Agreement. In addition, it is anticipated that the total expense ratio of the Replacement Portfolio will be lower than that of the Removed Portfolio as a result of the Substitution, absent any fee waivers or expense reimbursements, as set forth in the following chart.

	Replacement portfolio EQ/Capital Guardian Research Portfolio (Class IB)		Removed portfolio EQ/MFS Research Portfolio (Class IB)		Combined portfolio (pro forma)
	One year period ended 12/31/2000	One year period ended 12/31/2001	One year period ended 12/31/2000	One year period ended 12/31/2001	One year period ended 12/31/2001
Net Assets	\$78.0 million	\$111.9 million	\$878.1 million	\$683.4 million	\$846.1 million ²
Management Fee ¹	0.65%	0.65%	0.62%	0.65%	0.65%
Rule 12b-1 Fee	0.25%	0.25%	0.25%	0.25%	0.25%
Other Expenses	0.16%	0.15%	0.07%	0.07%	0.06%
Total Expenses	1.06%	1.05%	0.94%	0.97%	0.96%
Fee Waiver and/or Expense Reimbursement	0.11%	0.10%	0.02%	0.02%	0.01%
Net Expenses	0.95%	0.95%	0.92%	0.95%	0.95%

¹ The management fee for the EQ/Capital Guardian Research Portfolio on an annual basis is equal to 0.650% of the first \$1 billion; 0.600% of the next \$1 billion; 0.575% of the next \$3 billion; 0.550% of the next \$5 billion; and 0.525% thereafter. The management fee for the EQ/MFS Research Portfolio on an annual basis is equal to 0.650% of the first \$1 billion; 0.600% of the next \$1 billion; 0.575% of the next \$3 billion; 0.550% of the next \$5 billion; and 0.525% thereafter.

² Average daily net assets.

11. In connection with the Substitution, the Section 26 Applicants will file with the Commission prospectuses and prospectus supplements that notify Contract owners and participants of Equitable's intention to substitute the Replacement Portfolio for the Removed Portfolio. The prospectuses and prospectus supplements, as appropriate, also will describe the Substitution, the Replacement and Removed Portfolio and the impact of the Substitution on fees and expenses at the underlying fund level. The Section 26 Applicants will send the appropriate prospectus or prospectus supplement containing this disclosure to all existing and new Contract owners and participants.

12. At or after the time the Commission approves the Application, the Section 26 Applicants will send to existing Contract owners and participants a supplement to the relevant Contract prospectus that discloses to such Contract owners and participants that the Application has been approved. Together with this disclosure, the Section 26 Applicants will send to any of those existing Contract owners and participants who have not previously received a prospectus for the Replacement Portfolio a prospectus and/or prospectus supplement for the Replacement Portfolio. New purchasers of Contracts will be provided with a Contract prospectus and/or supplement containing disclosure that the

Commission has issued an order approving the Substitution, as well as a prospectus for the Replacement Portfolio. The Contract prospectus and/or supplement and the prospectus and/or prospectus supplement for the Trust, including the Replacement Portfolio, will be delivered to purchasers of new Contracts in accordance with all applicable legal requirements.

13. Contract owners and participants will be sent a notice of the Substitution before the Substitution Date. The notice will inform Contract owners and participants that the Substitution will be effected on the Substitution Date and that they may transfer assets from the Removed Portfolio (or from the Replacement Portfolio following the Substitution Date) to another investment

option available under their Contract without the imposition of any applicable transfer charges, limitations, fees, or other penalties that might otherwise be imposed for a period beginning thirty (30) days before the Substitution Date and ending no earlier than thirty (30) days following the Substitution Date and such transfers will not count against the limit, if any, on the number of free transfers permitted under the Contracts. Within five days after the Substitution Date, Equitable will mail (a) a written notice to all Contract owners and participants affected by the Substitution informing them that the Substitution was completed and restating that they may transfer assets from the Replacement Portfolio to another investment option available under their Contract free of any applicable transfer charges, limitations, fees, or other penalties that might otherwise be imposed through a date at least thirty (30) days following the Substitution Date and such transfers will not count against the limit, if any, on the number of free transfers permitted under the Contracts and (b) a confirmation of the transactions.

14. The Substitution will be effected by redeeming shares of the Removed Portfolio in-kind on the Substitution Date at their net asset value and using the proceeds of those in-kind redemptions to purchase shares of the Replacement Portfolio at their net asset value on the same date ("In-Kind Transactions"). The In-Kind Transactions will be done in a manner consistent with the investment objectives, policies and diversification requirements of the Replacement Portfolio and the Removed Portfolio. Equitable, in consultation with the Replacement Portfolio's Adviser, will review the In-Kind Transactions to ensure that the assets are suitable for the Replacement Portfolio. All assets and liabilities will be valued based on the normal valuation procedures of the Removed Portfolio and the Replacement Portfolio, as set forth in the Trust's registration statement.

15. No transfer or similar charges will be imposed by the Section 26 Applicants and, on the Substitution Date, all Contract values will remain unchanged and fully invested. Contract owners and participants will not incur any fees or charges as a result of the proposed Substitution, nor will their rights or Equitable's obligations under the Contracts be altered in any way. All expenses in connection with the proposed Substitution, including any brokerage, legal, accounting, and other fees and expenses will be paid by Equitable. The proposed Substitution

will not impose any tax liability on Contract owners or participants or cause the Contract charges currently being paid by Contract owners and participants to be greater after the proposed Substitution than before the proposed Substitution. All Contract-level fees will remain the same after the proposed Substitution. The proposed Substitution will not alter in any way the benefits, including tax benefits to Contract owners and participants, or Equitable's obligations under the Contracts. In addition, the proposed Substitution will not be treated as a transfer for purposes of assessing transfer charges or computing the number of permissible transfers under the Contracts.

16. The Section 26 Applicants request that the Commission issue an order pursuant to Section 26(c) of the 1940 Act approving the substitution of Class IB shares of the EQ/Capital Guardian Research Portfolio for Class IB shares of the EQ/MFS Research Portfolio. The Section 17 Applicants request that the Commission issue an order pursuant to Section 17(b) of the 1940 Act granting an exemption from Section 17(b) to the extent necessary to permit the In-Kind Transactions.

Applicable Law

Section 26(c) of the 1940 Act:

1. Section 26(c) of the 1940 Act prohibits the depositor of a registered unit investment trust that invests in the securities of a single issuer from substituting the securities of another issuer without Commission approval. Section 26(c) provides that "[t]he 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 provisions of this title."

2. Applicants represent that the proposed Substitution involves a substitution of securities within the meaning of Section 26(c) of the 1940 Act. The Applicants, therefore, request an order from the Commission pursuant to Section 26(c) approving the proposed Substitution.

3. Applicants state that Equitable has reserved the right under the Contracts to substitute shares of another eligible investment fund for any of the current Portfolios offered as funding options under the Contracts. Applicants represent that the prospectuses for the Contracts and the Separate Accounts contain appropriate disclosure of this right. The Section 26 Applicants have reserved this right of substitution both to protect themselves and their Contract owners in situations where either might

be harmed or disadvantaged by events affecting the issuer of the securities held by a Separate Account and to preserve the opportunity to replace such shares in situations where a substitution could benefit Equitable and its Contract owners.

4. Applicants state that the Replacement Portfolio and Removed Portfolio have an identical investment objective and substantially similar investment policies and risks. In addition, Applicants maintain that the proposed Substitution retains for Contract owners the investment flexibility that is a central feature of the Contracts, and any impact on the investment programs of affected Contract owners, including the appropriateness of the available investment options, should be negligible.

5. Applicants also maintain that the ultimate effect of the Substitution would be to consolidate overlapping and duplicative investment options into a single Portfolio. This consolidation will permit Equitable to present information to its Contract owners and participants in a simpler and more concise manner. The anticipated streamlining of the disclosure documents should provide Contract owners and participants with a simpler presentation of the available investment options under their Contracts and related financial information.

6. Thus, Applicants state that the Substitution protects the Contract owners and participants who have allocated Contract value to the Removed Portfolio by: (a) providing an underlying investment option for sub-accounts invested in the Removed Portfolio that is substantially similar to the Removed Portfolio; (b) providing such Contract owners and participants with simpler and more focused disclosure documents; and (c) providing such Contract owners and participants with an investment option with an identical management fee and total expense ratio as the current investment option.

7. Applicants assert that the proposed Substitution is not of the type that Section 26(c) was designed to prevent. Unlike traditional unit investment trusts where a depositor could only substitute investment securities in a manner which permanently affected all the investors in the trust, the Contracts provide each Contract owner and participant with the right to exercise his or her own judgment, and transfer Contract values and cash values into and among other investment options available to Contract owners and participants under their Contracts. Additionally, the Substitution will not,

in any manner, reduce the nature or quality of the available investment options. Moreover, the Section 26 Applicants will offer Contract owners and participants the opportunity to transfer amounts out of the affected sub-accounts without any cost or other penalty that may otherwise have been imposed for a period beginning thirty (30) days before the Substitution Date and ending no earlier than thirty (30) days after the Substitution Date. Applicants conclude that the Substitution will not result in the type of costly forced redemption that Section 26(c) was designed to prevent.

8. Applicants assert that the proposed Substitution is also unlike the type of substitution which Section 26(c) was designed to prevent in that by purchasing a Contract, Contract owners and participants select much more than a particular underlying fund in which to invest their Contract values. They also select the specific type of insurance coverage offered by the Section 26 Applicants under the applicable Contract, as well as numerous other rights and privileges set forth in the Contract. Contract owners also may have considered Equitable's size, financial condition, and its reputation for service in selecting their Contract. These factors will not change as a result of the proposed Substitution.

9. Applicants state that the significant terms of the proposed substitution are as follows:

a. The Replacement Portfolio has an identical investment objective and substantially similar investment policies and risks as the Removed Portfolio, providing Contract owners and participants with a means to continue their investment goals and risk expectations;

b. The total expense ratio of the Class IB shares of the Replacement Portfolio will be equal to or less than that of the Class IB shares of the Removed Portfolio, assuming that the assets of the Replacement Portfolio do not decrease significantly from the present asset level. In this regard, for those Contract owners or participants who are Contract owners or participants on the date of the Substitution, Equitable will waive its management fee with respect to the Replacement Portfolio and/or reimburse expenses incurred by the Replacement Portfolio during the twenty-four months following the Substitution to the extent necessary to ensure that the total expense ratio for any period (not to exceed a fiscal quarter) for the Class IB shares of the Replacement Portfolio does not exceed 0.95% of the Replacement Portfolio's average daily net assets (on an annualized basis);

c. Investments in the Replacement Portfolio may be temporary investments for Contract owners and participants as each Contract owner and participant may exercise his or her own judgment as to the most appropriate investment alternative available. In this regard, the proposed Substitution retains for Contract owners and participants the investment flexibility which is a central feature of the Contracts. Additionally, for a period beginning thirty (30) days before the Substitution Date, and ending no earlier than thirty (30) days after the Substitution, Contract owners and participants directly affected by the Substitution will be permitted to transfer value from the Replacement Portfolio or the Removed Portfolio to another investment option available under their Contract free of any otherwise applicable transfer charges, limitations, fees, or other penalties that might otherwise be imposed and such transfers will not count against the limit, if any, on the number of free transfers permitted under the Contracts;

d. The Substitution will be effected at the relative net asset values of the shares of the Removed Portfolio and the Replacement Portfolio, without the imposition of any transfer or similar charge by the Section 26 Applicants, and with no change in the amount of any Contract owner's or participant's Contract value or in the dollar value of his or her investment in such Contract;

e. Contract owners and participants will not incur directly or indirectly related fees or charges as a result of the Substitution. Equitable will bear all expenses incurred in connection with the Substitution and related filings and notices, including legal, accounting, brokerage and other fees and expenses. The Substitution will not cause the Contract fees and charges currently being paid by existing Contract owners to be greater after the Substitution than before the Substitution;

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

g. The Substitution will not alter or affect the insurance benefits or rights of Contract owners or participants or the terms and obligations of the Contracts;

h. Contract owners and participants would not incur any adverse tax consequences as a result of the Substitution;

i. Contract owners and participants affected by the Substitution will be sent written confirmation of the Substitution that identifies the Substitution made on behalf of the Contract owner or

participant within five days following the Substitution;

j. For those Contract owners or participants who were Contract owners or participants on the date of the Substitution, Equitable will not increase sub-account or Contract expenses for a period of twenty-four months following the Substitution Date; and

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

Section 17(a) of the 1940 Act:

1. Section 17(a)(1) of the 1940 Act prohibits any affiliated person of a registered investment company, or any affiliated person of such a person, acting as principal, from knowingly selling any security or other property to that company. Section 17(a)(2) of the 1940 Act generally prohibits the same persons, acting as principals, from knowingly purchasing any security or other property from the registered investment company.

2. Section 17(b) of the 1940 Act provides that the Commission may, upon application, issue an order exempting any proposed transaction from Section 17(a) if: (a) the terms of the proposed transactions are reasonable and fair and do not involve overreaching on the part of any person concerned; (b) the proposed transactions are consistent with the policy of each registered investment company concerned; and (c) the proposed transactions are consistent with the general purposes of the 1940 Act.

3. The Section 17 Applicants request an order pursuant to Section 17(b) of the 1940 Act exempting them from the provisions of Section 17(a) to the extent necessary to permit them to carry out the In-Kind Transactions.

4. The Section 17 Applicants submit that the terms of the proposed In-Kind Transactions, including the consideration to be paid and received are reasonable and fair and do not involve overreaching on the part of any person concerned. Applicants state that the In-Kind Transactions will be effected at the respective net asset values of the Removed Portfolio and the Replacement Portfolio, as determined in accordance with the procedures disclosed in the registration statement for the Trust and as required by Rule 22c-1 under the 1940 Act. Applicants further state that the In-Kind Transactions will not change the dollar value of any Contract owner's or participant's investment in any of the Separate Accounts, the value of any

Contract, the accumulation value or other value credited to any Contract, or the death benefit payable under any Contract. After the proposed In-Kind Transactions, the value of a Separate Account's investment in the Replacement Portfolio will equal the value of its investments in the Removed Portfolio (together with the value of any pre-existing investments in the Replacement Portfolio) before the In-Kind Transactions.

5. Applicants state that the Section 17 Applicants will assure themselves that the In-Kind Transactions will be in substantial compliance with the conditions of Rule 17a-7. To the extent that the In-Kind Transactions do not comply fully with the provisions of paragraphs (a) and (b) of Rule 17a-7, the Section 17 Applicants assert that the terms of the In-Kind Transactions provide the same degree of protection to the participating companies and their shareholders as if the In-Kind Transactions satisfied all of the conditions enumerated in Rule 17a-7. The Section 17 Applicants also assert that the proposed In-Kind Transactions by the Section 17 Applicants do not involve overreaching on the part of any person concerned. Furthermore, the Section 17 Applicants represent that the proposed Substitution will be consistent with the policies of the Removed Portfolio and the Replacement Portfolio, as recited in the Trust's current registration statement.

6. Applicants also assert that the proposed In-Kind Transactions are consistent with the general purposes of the 1940 Act and that the proposed In-Kind Transactions do not present any conditions or abuses that the 1940 Act was designed to prevent.

Conclusion

For the reasons set forth in the Application, the Section 26 Applicants and the Section 17 Applicants each respectively state that the proposed Substitution and the related In-Kind Transactions meet the standards of Section 26(c) of the 1940 Act and Section 17(b) of the 1940 Act, respectively, and respectfully request that the Commission issue an order of approval pursuant to Section 26(c) of the 1940 Act and Section 17(b) of the 1940 Act.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 02-20145 Filed 8-8-02; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following meeting during the week of August 12, 2002:

A Closed Meeting will be held on Tuesday, August 13, 2002 at 10 a.m.

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

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (7), (9)(B), and (10) and 17 CFR 200.402(a)(3), (5), (7), (9)(ii) and (10), permit consideration of the scheduled matters at the Closed Meeting.

The subject matter of the Closed Meeting scheduled for Tuesday, August 13, 2002, will be:

Formal orders of investigation;
Institution and settlement of injunctive actions;
Institution and settlement of administrative proceedings of an enforcement nature;
Adjudicatory matter; and
Opinions.

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

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

Dated: August 6, 2002.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02-20276 Filed 8-6-02; 4:13 pm]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-46313; File No. S7-31-02]

Ownership Reports and Trading by Officers, Directors and Principal Security Holders

AGENCY: Securities and Exchange Commission.

ACTION: Notice of Supplemental Information on Section 16(a) and Related Rules.

SUMMARY: The Commission today is issuing supplemental information

regarding the filing of ownership reports by officers, directors and principal security holders under Section 16 of the Securities Exchange Act of 1934. The release addresses the amendments to Section 16(a) enacted by the Sarbanes-Oxley Act of 2002 and related final rules that the Commission will consider adopting no later than the August 29, 2002 effective date of those amendments.

DATES: We welcome any comments on the implementation of the legislative provisions relating to Section 16(a). In light of the August 29, 2002 effective date of the amendments to Section 16(a), comments should arrive at the Commission by August 15, 2002.

ADDRESSES: Comments should be submitted in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609.

Comments also may be submitted electronically at the following electronic mail address: rule-comments@sec.gov. To help us process and review your comments more efficiently, comments should be sent by one method only. All comment letters should refer to File No. S7-31-02; this file number should be included in the subject line if electronic mail is used. Comment letters will be available for public inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, NW., Washington, DC 20549. Electronically submitted comment letters will be posted on the Commission's Internet Web Site (<http://www.sec.gov>).¹

FOR FURTHER INFORMATION CONTACT: Anne M. Krauskopf, Special Counsel, David Lee, Special Counsel, or Carol McGee, Special Counsel at (202) 942-2900, Division of Corporation Finance, U.S. Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0402.

SUPPLEMENTARY INFORMATION:

I. Background

Section 16² applies to every person who is the beneficial owner of more than 10% of any class of equity security registered under Section 12 of the Exchange Act,³ and each officer and director (collectively, "insiders") of the issuer of such security. Upon becoming an insider, or upon the Section 12 registration of that security, Section

¹ We do not edit personal identifying information, such as names or electronic mail addresses, from electronic submissions. You should submit only information that you wish to make available publicly.

² 15 U.S.C. 78p.

³ 15 U.S.C. 78l.