

information be kept confidential or prohibitions on trading based on the information, and any procedures to monitor the use of this information;

(iii) The frequency with which information about portfolio securities is disclosed, and the length of the lag, if any, between the date of the information and the date on which the information is disclosed;

(iv) Any policies and procedures with respect to the receipt of compensation or other consideration by the Fund, its investment adviser, or any other party in connection with the disclosure of information about portfolio securities;

(v) The persons who may authorize disclosure of the Fund's portfolio securities;

(vi) The procedures that the Fund uses to ensure that disclosure of information about portfolio securities is in the best interests of Fund shareholders, including procedures to address conflicts between the interests of Fund shareholders, on the one hand, and those of the Fund's investment adviser; principal underwriter; or any affiliated person of the Fund, its investment adviser, or its principal underwriter, on the other; and

(vii) The manner in which the board of directors exercises oversight of disclosure of the Fund's portfolio securities.

*Instruction.* Include any policies and procedures of the Fund's investment adviser, or any other third party, that the Fund uses, or that are used on the Fund's behalf, with respect to the disclosure of the Fund's portfolio securities to any person.

(2) Describe any ongoing arrangements to make available information about the Fund's portfolio securities to any person, including the identity of the persons who receive information pursuant to such arrangements. Describe any compensation or other consideration received by the Fund, its investment adviser, or any other party in connection with such arrangements, and provide the information described by paragraphs (f)(1)(ii), (iii), and (v) of Item 12 with respect to such arrangements.

*Instruction.* The consideration required to be disclosed by Item 12(f)(2) includes any agreement to maintain assets in the Fund or in other investment companies or accounts managed by the investment adviser or by any affiliated person of the investment adviser.

\* \* \* \* \*

4. Form N-3 (referenced in §§ 239.17a and 274.11b) is amended by:

a. In Item 5, adding paragraph (f).

b. In Item 8, adding paragraph (e).

c. In Item 11, adding an instruction to paragraph (c).

d. In Item 19, adding paragraph (e).

The additions read as follows:

#### Form N-3

\* \* \* \* \*

#### Item 5. General Description of Registrant and Insurance Company

\* \* \* \* \*

(f) State that a description of the Registrant's policies and procedures with respect to the disclosure of the Registrant's portfolio securities is available (A) in the Registrant's Statement of Additional Information; and (B) on the Registrant's Web site, if applicable.

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#### Item 8. General Description of Variable Annuity Contracts

\* \* \* \* \*

(e)(i) Describe the risks, if any, that frequent transfers of contract value among sub-accounts of the Registrant may present for other contractowners and other persons (e.g., participants, annuitants, or beneficiaries) who have material rights under the variable annuity contracts.

(ii) State whether or not the Registrant's board of managers has adopted policies and procedures with respect to frequent transfers of contract value among sub-accounts of the Registrant.

(iii) If the Registrant's board of managers has not adopted any such policies and procedures, provide a statement of the specific basis for the view of the board that it is appropriate for the Registrant not to have such policies and procedures.

(iv) If the Registrant's board of managers has adopted any such policies and procedures, describe those policies and procedures, including:

(A) Whether or not the Registrant discourages frequent transfers of contract value among sub-accounts of the Registrant;

(B) Whether or not the Registrant accommodates frequent transfers of contract value among sub-accounts of the Registrant;

(C) Any policies and procedures of the Registrant for deterring frequent transfers of contract value among sub-accounts of the Registrant, including any restrictions imposed by the Registrant to prevent or minimize frequent transfers. Describe each of these policies, procedures, and restrictions with specificity. Indicate whether each of these restrictions applies uniformly in all cases or

whether the restriction will not be imposed under certain circumstances. Describe with specificity the circumstances under which any restriction will not be imposed. Include a description of the following restrictions, if applicable:

(1) Any restrictions on the volume or number of transfers that may be made within a given time period;

(2) Any transfer fee;

(3) Any costs or administrative or other fees or charges that are imposed on persons deemed to be engaged in frequent transfers of contract value among sub-accounts of the Registrant, together with a description of the circumstances under which such costs, fees, or charges will be imposed;

(4) Any minimum holding period that is imposed before a transfer may be made from a sub-account into another sub-account of the Registrant;

(5) Any restrictions imposed on transfer requests submitted by overnight delivery, electronically, or via facsimile or telephone; and

(6) Any right of the Registrant to reject, limit, delay, or impose other conditions on transfers or to terminate or otherwise limit contracts based on a history of frequent transfers among sub-accounts, including the circumstances under which such right will be exercised; and

(D) Any policies and procedures of the Registrant for detecting frequent transfers of contract value among sub-accounts of the Registrant.

(v) Describe any arrangements with any person to permit frequent transfers of contract value among sub-accounts of the Registrant, including the identity of the persons permitted to engage in frequent transfers pursuant to such arrangements, and any compensation or other consideration received by the Registrant, its investment adviser, the Insurance Company, or any other party pursuant to such arrangements.

#### *Instruction:*

The consideration required to be disclosed by Item 8(e)(v) includes any agreement to maintain assets in the Registrant or in other investment companies or accounts managed or sponsored by the investment adviser, the Insurance Company, or any affiliated person of the investment adviser or the Insurance Company.

\* \* \* \* \*

#### Item 11. Purchases and Contract Value

\* \* \* \* \*

(c) \* \* \*

#### *Instruction:*

A Registrant (other than a money market fund or sub-account) must provide a brief explanation of the