

revising General Instruction 1 by removing "Immediately after" and substituting in its place "Contiguous to".

31. Item 3 of Form N-3 (referenced in §§ 239.17a and 274.11b) is amended by adding paragraph (c) to instruction 18 to read as follows:

Form N-3

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Item 3. Synopsis

(a) * * *

Annual Expenses * * *

18. (a) * * *

(b) * * *

(c) The registrant should reflect any expense reimbursement or fee waiver arrangement that reduced any operating expense that is expected to continue, regardless of whether the reimbursement or waiver arrangement has been guaranteed.

32. Item 4 of Form N-3 (referenced in §§ 239.17a and 274.11b) is amended by revising the introductory text of paragraph (a), redesignating paragraphs (b), (c), and (d) as paragraphs (c), (d), and (e), adding paragraph (b), and adding an instruction to newly designated paragraph (d) to read as follows:

Form N-3

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Item 4. Condensed Financial Information

(a) For all registrants other than money market accounts, furnish the following information for each class of accumulation units of the Registrant, or for such classes of the Registrant and its subsidiaries consolidated as prescribed in Rule 6-03 of Regulation S-X [17 CFR 210.6-03].

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(b) For each money market account, provide a bar graph showing the annual total returns of the account for each of the last ten fiscal years, or the life of the account if less than ten years. The graph should also show the return for each year in numerical form. Accompany the graph with a statement or statements that: (1) Past performance is not predictive of future performance; (2) money market account performance is primarily affected by short-term interest rates and expenses (and provide a cross-reference to the Registrant's tabular responses to Item 3(a), unless the bar graph and tabular responses to Item 3(a) appear on the same page of the prospectus); and (3) financial statements providing more detailed information regarding the account's performance are

contained in the Statement of Additional Information.

Instructions

General

Briefly explain the nature of the information contained in the bar graph and that the information is derived from the financial statements in the Statement of Additional Information. The auditor's report as to the financial statements need not be included in the prospectus. Note that the auditor's report as to the fund's financial data reflected in the bar graph is included elsewhere in the registration statement, specify its location, and state that it can be obtained by shareholders.

Bar Graph Presentation

1. *Partial Years/New Registrants.* Do not reflect partial fiscal years in the bar graph. The first year shown in the graph will be the first full fiscal year for which: (i) The Registrant's registration statement was effective (or, in the case of a series, the Registrant offered shares of the account); or (ii) the Registrant (or account) invested its assets in accordance with its investment objectives.

2. *Total Return.* Calculate total return as prescribed in Instruction 11 to Item 3(a) of Form N-1A.

3. *Distribution of Capital Gains.* If the account made capital gains distributions during the period, state in a footnote to the graph what the amount of the distribution per share was and state that such distribution is reflected in the bar graph by means of a shaded or otherwise distinctively marked area within the bar for each year in which capital gains distributions were made.

4. *Format.* Measure return on the vertical axis of the bar graph and measure time in yearly increments on the horizontal axis.

5. *Series Companies.* Treat each sub-account as a separate Registrant for purposes of this item.

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(d) * * *

Instruction

A money market account may incorporate its response to this item from the Statement of Additional Information. See General Instruction G.

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33. Item 5 of Form N-3 (referenced in §§ 239.17a and 274.11b) is amended by revising paragraph (c)(ii), removing paragraph (d), and redesignating paragraph (e) as paragraph (d) to read as follows:

Form N-3

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Item 5. General Description of Registrant and Insurance Company

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(c) * * *

(ii) how the Registrant proposes to achieve its objectives, including:

(A) a short description of the types of securities in which the Registrant invests or will invest principally and, if applicable, any special investment practices or techniques that will be employed in connection with investing in such securities;

(B) if the Registrant proposes to have a policy of concentrating in a particular industry or group of industries, identification of such industry or industries;

(C) the identity of other policies of the Registrant that may be changed only with the approval of a majority of votes, including those policies which the Registrant deems to be fundamental within the meaning of Section 8(b) of the 1940 Act; and

(D) those significant investment policies or techniques (such as risk arbitrage, repurchase agreements, forward delivery contracts, investing for control or management) that are not described pursuant to subparagraphs (A), (B) or (C) above that Registrant employs or intends to employ in the foreseeable future.

Instructions

1. In responding to paragraph (c)(ii) of this item (other than paragraph (c)(ii)(B), regarding concentration), it is sufficient for a money market account to:

(a) Describe the characteristics of the account in general terms (e.g., that it seeks to maintain a stable net asset value of \$1.00 by investing in a portfolio of high quality short-term debt obligations, issued by corporations, banks, and other financial institutions, etc.) without listing or describing the particular instruments in which the account may invest or explaining detailed investment policies designed to comply with rule 2a-7 of the 1940 Act; and

(b) If the account limits investment to a group of securities or a type of issuer (e.g., to U.S. government securities), identify: (i) the group of securities or type of issuer and (ii) any other group of securities of type of issuer in which the fund reserves the right to invest more than 5% of its assets and state the maximum percentage of the fund's assets that may be so invested, unless the account has not invested more than 5% of its assets in those securities within the past year and has no current intention of doing so in the foreseeable future.