

provided that are in addition to, rather than duplicative of, services provided pursuant to the advisory agreement of any investment company in which the Applicant Fund may invest.

Applicants' Legal Analysis

1. Section 12(d)(1)(A) of the Act provides that no registered investment company ("acquiring company") may acquire securities of another investment company ("acquired company") if such securities represent more than 3% of the acquired company's outstanding voting stock or more than 5% of the acquiring company's total assets, or if such securities, together with the securities of other investment companies, represent more than 10% of the acquiring company's total assets. Section 12(d)(1)(B) of the Act provides that no registered open-end investment company may sell its securities to another investment company if the sale will cause the acquiring company to own more than 3% of the acquired company's voting stock, or cause more than 10% of the acquired company's voting stock to be owned by investment companies.

2. Section 12(d)(1)(G) of the Act provides that section 12(d)(1) will not apply to securities of an acquired company purchased by an acquiring company if: (i) The acquired company and acquiring company are part of the same group of investment companies; (ii) the acquiring company holds only securities of acquired companies that are part of the same group of investment companies, government securities, and short-term paper; (iii) the aggregate sales loads and distribution fees of the acquiring company and the acquired company are not excessive under rules adopted pursuant to section 22(b) or section 22(c) of the Act by a securities association registered under section 15A of the Exchange Act or by the Commission; and (iv) the acquired company has a policy that prohibits it from acquiring securities of registered open-end management investment companies or registered unit investment trusts in reliance on section 12(d)(1)(F) or (G) of the Act.

3. Rule 12d1-2 under the Act permits a registered open-end investment company or a registered unit investment trust that relies on section 12(d)(1)(G) of the Act to acquire, in addition to securities issued by another registered investment company in the same group of investment companies, government securities, and short-term paper: (i) Securities issued by an investment company that is not in the same group of investment companies, when the acquisition is in reliance on section

12(d)(1)(A) or 12(d)(1)(F) of the Act; (ii) securities (other than securities issued by an investment company); and (iii) securities issued by a money market fund, when the investment is made in reliance on rule 12d1-1 under the Act. For the purposes of rule 12d1-2, "securities" means any security as that term is defined in section 2(a)(36) of the Act.

4. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction from any provision of the Act, or from any rule under the Act, if such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

5. The Applicants state that the proposed arrangement would comply with the provisions of rule 12d1-2 under the Act, but for the fact that the Applicant Funds may invest a portion of their assets in Other Investments. Applicants request an order under section 6(c) of the Act for an exemption from rule 12d1-2(a) to allow the Applicant Funds to invest in Other Investments. The Applicants state that permitting the Applicant Funds to invest in Other Investments as described in the application would not raise any of the concerns that the requirements of section 12(d)(1) of the Act were designed to address.

Applicants' Condition

The Applicants agree that any order granting the requested relief will be subject to the following condition:

Applicants will comply with all provisions of rule 12d1-2 under the Act, except for paragraph (a)(2), to the extent that it restricts any Applicant Fund from investing in Other Investments as described in the application.

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

Florence E. Harmon,
Acting Secretary.

[FR Doc. E8-18802 Filed 8-13-08; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-28354; File No. 812-13532]

Prudential Annuities Life Assurance Corporation, et al.; Notice of Application

August 8, 2008

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

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

APPLICANTS: Prudential Annuities Life Assurance Corporation ("PALAC"), Prudential Annuities Life Assurance Corporation Variable Account B ("Account"), and Prudential Annuities Distributors, Inc. ("PAD," and collectively with PALAC, and the Account, the "Applicants").

SUMMARY OF APPLICATION: Applicants seek an order under Section 6(c) of the 1940 Act to the extent necessary to permit, under specified circumstances, the recapture of credits applied to purchase payments made under the Advanced Series XTra Credit Eight variable annuity contract ("Contract"), as well as other contracts that PALAC may issue in the future through the Account or any other separate account established in the future by PALAC that support variable annuity contracts that are substantially similar in all material respects to the Contract.

FILING DATE: The application was filed on May 7, 2008 and amended on July 15, 2008.

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 September 2, 2008, 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 requester's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Secretary of the Commission.

ADDRESSES: Secretary, SEC, 100 F Street, NE., Washington, DC 20549-1090. Applicants, c/o C. Christopher Sprague, Esq., The Prudential Insurance Company of America, 751 Broad Street, Newark, NJ 07102-2992.

FOR FURTHER INFORMATION CONTACT:

Michelle Roberts, Staff Attorney, or Joyce M. Pickholz, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 551-6795.

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch, 100 F Street, NE., Washington, DC 20549-1090 (tel. (202) 551-8090).

Applicants' Representations

1. The Contract¹ is a "bonus annuity" that offers a credit of up to 8% of purchase payments ("Contract Credits"). Applicants propose to recapture the Contract Credits under the following circumstances: (a) If the Contract is returned during the free look period, (b) if the Contract Credit was applied within 12 months prior to death (except that PALAC will not recapture the Contract Credit to the extent that the death benefit is equal to the account value, but after the recovery of all or a portion of the Contract Credit, the death benefit would be equal to less than purchase payments minus proportional withdrawals), and (c) if the Contract Credit was applied within 12 months prior to the exercise of the medically-related surrender of the Annuity.

2. Applicants seek an order pursuant to Section 6(c) of the 1940 Act exempting them from Sections 2(a)(32), 22(c), and 27(i)(2)(A) of the 1940 Act and Rule 22c-1 thereunder to the extent necessary to permit PALAC to recapture the Contract Credits under the scenarios described above. Applicants request that the order apply to any separate account established in the future by PALAC ("Future Account") that supports variable annuity contracts offered by PALAC in the future that are substantially similar in all material respects to the Contract ("Future Contracts"). Applicants also request that the order extend to any FINRA member broker-dealer controlling, controlled by, or under common control with PALAC, whether existing or created in the future, that serves as a distributor or principal underwriter of the Contract offered through the Account or any Future Account ("Broker-Dealers"). Applicants also request that the order extend to any broker-dealers that are FINRA-registered and not affiliated with PALAC or the Broker-Dealers (the "Unaffiliated Broker-Dealers"). Each Unaffiliated Broker-Dealer will have entered into a dealer agreement with PAD or an affiliate of PAD prior to offering the Contract.

3. The Contract is a flexible premium deferred variable annuity contracts that

is registered on Form N-4 (file no. 333-150220). The minimum initial purchase payment is \$10,000, and any additional purchase payment must be at least \$100 (except for contract owners who participate in certain periodic purchase payment programs). The maximum issue age for the Contract is 75, meaning that (a) the owner must be 75 or younger, or (b) for a Contract that is entity-owned, the annuitant must be 75 or younger.

4. There are various insurance features under the Contract and charges associated with those features. There is a mortality and expense risk charge equal to 1.60% annually, and an administration charge equal to 0.15% annually. There is a maintenance fee equal to the lesser of \$35 or 2% of account value, which is assessed annually on the Contract's anniversary date or upon surrender. PALAC imposes no fee with respect to the first 20 transfers in an annuity year, but after the 20th such transfer, currently imposes a fee of \$10 per transfer (\$15 maximum). There is a contingent deferred sales charge ("CDSC") under the Contract, the amount of which is based on the number of years that have elapsed since the issue date of the annuity. The CDSC begins at 9% in year one, and each year thereafter is equal, respectively, to 9%, 8%, 7%, 6%, 5%, 4%, 3%, 2%, 1%, with no CDSC in years 11 and later. No CDSC is imposed on the portion of a withdrawal that can be taken as part of the free withdrawal feature of the Contract. The maximum free withdrawal amount available in each annuity year is equal to 10% of all purchase payments that are subject to a CDSC. Earnings are not subject to any CDSC, and thus are not considered part of the free withdrawal. No CDSC is imposed in any situation in which Applicants recapture a Contract Credit.

5. A Contract owner may select one or more of several optional living benefits. The Guaranteed Minimum Income Benefit, which offers lifetime payments based on a guaranteed protected value, is subject to a charge of 0.50% per year of the average protected income value each year. The Lifetime Five Income Benefit (which allows the owner to withdraw a specified protected value through periodic withdrawals or as a series of payments for life) is subject to a charge of 0.60% annually of the average daily net assets in the sub-accounts. The Contract also offers a variant of the Lifetime Five benefit (called "Spousal Lifetime Five") that, for a charge of 0.75% annually, guarantees income until the second-to-die of two individuals married to each other. There is yet another variant called

Highest Daily Lifetime Five, under which the protected withdrawal value is based on a highest daily account value and which bears a charge of 0.60% annually. There are other lifetime withdrawal benefits called Highest Daily Lifetime Seven, Spousal Highest Daily Lifetime Seven, Highest Daily Lifetime Seven with Beneficiary Income Option, Spousal Highest Daily Lifetime Seven with Beneficiary Income Option, and Highest Daily Lifetime Seven with Lifetime Income Accelerator. The charges for these benefits range from 0.60% to 0.95% of the Protected Withdrawal Value under the benefit. The Contract offers two guaranteed minimum accumulation benefits, called the Guaranteed Return Option Plus 2008 and Highest Daily Guaranteed Return Option, for which PALAC imposes a charge equal to 0.35% annually, applied against the account value in the sub-accounts. Finally, the Contract offers a guaranteed minimum withdrawal benefit for a charge of 0.35% annually, applied against the account value in the sub-accounts.

6. The Contract offers several optional death benefits, including the Enhanced Beneficiary Protection Death Benefit for a charge of 0.25% annually, the Highest Anniversary Value Death Benefit for a charge of 0.25% annually, a Combination 5% roll-up and Highest Anniversary Value Death Benefit for a charge of 0.50% annually, and a Highest Daily Value Death Benefit for a charge of 0.50% annually.

7. Applicants may add other optional living and death benefits to the Contract in the future. In addition to the optional insurance features, the Contract offers several optional administrative features at no additional cost (e.g., auto rebalancing and systematic withdrawals).

8. The Contract offers variable investment options and a companion market-value adjustment option that is registered on Form S-3 (file no. 333-136996). At present, the Contract offers portfolios of Advanced Series Trust (formerly, American Skandia Trust), INVESCO AIM Variable Insurance Funds, Evergreen Variable Annuity Trust, First Defined Portfolio Fund, Franklin Templeton Variable Insurance Products Trust, Nationwide Variable Insurance Trust, and Wells Fargo Variable Trust. Under the Contract, Applicants reserve the right to add new underlying funds and series, and to substitute new portfolios for existing portfolios (subject to Commission approval).

9. An owner choosing to annuitize under the Contract will have only fixed annuity options available. Those fixed

¹ PALAC also offers a "private label" version of the Contract, called Optimum XTra, which is sold through Linsco/Private Ledger Corp. References to the "Contract" in this application are intended to include that private label version.

annuity options include annuities offering payments for life, payments based on joint lives, payments for life with a certain period, and fixed payments for a certain period. The latest annuitization date is the first day of the month coinciding with, or immediately following the later of the annuitant's 95th birthday or the fifth annuity anniversary.

10. Under the Contract, PALAC will apply a Contract Credit to the Contract owner's account value with respect to any purchase payment made during the first six years that the Contract has been in effect. Purchase payments made in the seventh year of the Contract and later will not receive any Contract Credit. The amount of the Contract Credit is determined by the year in which the purchase payment is made and the amount of purchase payments that already have been made under the Contract (aka "cumulative" purchase payments). Once purchase payments total \$100,000 or more, the Contract Credit is 8% in year one of the Contract, 6% in year two, 4% in year three, 3% in year four, 2% in year five, and 1% in year six. So long as cumulative purchase payments amount to less than \$100,000, the Contract Credit is 6% in year one of the Contract, 5% in year two, 4% in year three, 3% in year four, 2% in year five and 1% in year six. PALAC will pay Contract Credits from its general account assets. PALAC will allocate each Contract Credit to the variable investment options in the same proportion that the corresponding purchase payment is allocated to such options.

11. With respect to Contracts issued on or after the date of the Commission order under this application, Applicants wish to recapture the full amount of any Contract Credit under the scenarios identified in the following sentence. Specifically, Applicants will recapture a Contract Credit if (a) the Contract is surrendered during the free look period, or (b) the Contract Credit was applied within 12 months prior to death (except that PALAC will not recapture the Contract Credit to the extent that the death benefit is equal to the account value, but after the recovery of all or a portion of the Contract Credit, the death benefit would be equal to less than purchase payments minus proportional withdrawals) or (c) the Contract Credit was applied within 12 months prior to the surrender of the Contract under the medically-related surrender provision (e.g., if the owner is diagnosed with a "fatal illness" and chooses to invoke this contract provision on that basis). (The medically-related surrender feature is not available in New York.)

Applicants' Legal Analysis

1. Section 6(c) of the 1940 Act authorizes the Commission to exempt any person, security or transaction, or any class or classes of persons, securities or transactions, from the provisions of the 1940 Act and the rules promulgated thereunder if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

2. Applicants request that the Commission, pursuant to Section 6(c) of the 1940 Act, issue an order to the extent necessary to permit the recapture of the Contract Credits under the circumstances described above. Applicants believe that the requested exemptions are appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act.

3. Applicants submit that the recapture of the Contract Credits will not raise concerns under Sections 2(a)(32), 22(c) and 27(i)(2)(A) of the 1940 Act, and Rule 22c-1 thereunder. The Contract Credits will be recaptured only if the owner (a) exercises his/her free look right, (b) dies within 12 months after receiving the Contract Credit (except as described above), or (c) makes a medically-related surrender within 12 months after receiving the Contract Credit. The amounts recaptured equal the Contract Credit provided by PALAC from its own general account assets.

4. Applicants argue that when PALAC recaptures the Contract Credit, it is merely retrieving its own assets, and the owner has not been deprived of a proportionate share of the Account's assets, because his or her interest in the Contract Credit amount has not vested. With respect to a Contract Credit recaptured upon the exercise of the free-look privilege, it would be unfair to allow an owner exercising that privilege to retain the Contract Credit under a Contract that has been returned for a refund after a period of only a few days. If PALAC could not recapture the Contract Credit during the free look period, individuals could purchase a Contract with no intention of retaining it, and simply return it for a quick profit. Applicants also note that the Contract owner is entitled to retain any investment gain attributable to the Contract Credit, even if the Contract Credit is ultimately recaptured. Furthermore, the recapture of the Contract Credit if death or a medically-

related surrender occurs within 12 months after receipt of a Contract Credit is designed to provide PALAC with a measure of protection against "anti-selection." The risk here is that an owner, with full knowledge of impending death or serious illness, will make very large payments and thereby leave PALAC less time to recover the cost of the Contract Credit, to PALAC's financial detriment.

5. Applicants submit that the provisions for recapture of the Contract Credit does not, and any such Future Contract provisions will not, violate Sections 2(a)(32) and 27(i)(2)(A) of the 1940 Act, and Rule 22c-1 thereunder.

6. The recapture of a Contract Credit could be viewed as involving the redemption of redeemable securities for a price other than one based on the current net asset value of an Account. Applicants state that the recapture of the Contract Credit does not involve either of the evils that Rule 22c-1 was intended to address, namely: (a) The dilution of the value of outstanding redeemable securities of registered investment companies through their sale at a price below net asset value or redemption or repurchase at a price above it, and (b) other unfair results, including speculative trading practices. Applicants assert that the proposed recapture of the Contract Credit does not pose a threat of dilution. To effect a recapture of a Contract Credit, interests in an owner's account will be redeemed at a price determined on the basis of the current net asset value. The amount recaptured will equal the amount of the Contract Credit that PALAC paid out of its general account assets. Although the owner will be entitled to retain any investment gain attributable to a Contract Credit, the amount of that gain will be determined on the basis of current net asset value. Therefore, no dilution will occur upon the recapture of a Contract Credit. Applicants also submit that the second harm that Rule 22c-1 was designed to address, namely speculative trading practices calculated to take advantage of backward pricing, will not occur as a result of the recapture of a Contract Credit.

7. Applicants submit that their request for an order that applies to the Account or any Future Accounts established by PALAC in connection with the issuance of Contracts and Future Contracts, and underwritten or distributed by PAD or other broker-dealers, is appropriate in the public interest. Such an order would promote competitiveness in the variable annuity market by eliminating the need to file redundant exemptive applications, thereby reducing administrative

expenses and maximizing the efficient use of Applicants' resources. Investors would not receive any benefit or additional protection by requiring Applicants to repeatedly seek exemptive relief that would present no issue under the 1940 Act that has not already been addressed in this application. Having Applicants file additional applications would impair Applicants' ability effectively to take advantage of business opportunities as they arise.

8. Applicants undertake that Future Contracts funded by the Account or by Future Accounts that seek to rely on the order issued pursuant to the application will be substantially similar to the Contract in all material respects.

Conclusion

Applicants submit that their request for an order meets the standards set out in Section 6(c) of the 1940 Act and that an order should, therefore, be granted.

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

Florence E. Harmon,
Acting Secretary.

[FR Doc. E8-18801 Filed 8-13-08; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF STATE

[Public Notice 6307]

U.S. National Commission for UNESCO Notice of Partially Closed Meeting

The U.S. National Commission for UNESCO will hold a meeting by conference call on Thursday, August 28, 2008, beginning at 11 a.m. Eastern Time. The open portion of the call should last approximately fifteen minutes and will address the UNESCO Associated Schools Project Network. Additional topic areas that relate to UNESCO may be discussed as needed. The Commission will accept brief oral comments from members of the public during the open portion of this conference call. The public comment period will be limited to approximately ten minutes in total with three minutes allowed per speaker. Members of the public who wish to present oral comments or listen to the conference call must make arrangements with the Executive Secretariat of the National Commission by August 26, 2008. The second portion of the teleconference meeting will be closed to the public to allow the Commission to discuss applications for the U.S. National Commission for UNESCO Laura W. Bush Traveling Fellowship, a fellowship funded through privately donated

funds. This call will be closed pursuant to Section 10(d) of the Federal Advisory Committee Act and 5 U.S.C. 552b(c)(6) because it is likely to involve discussion of information of a personal nature regarding the relative merits of individual applicants where disclosure would constitute a clearly unwarranted invasion of personal privacy.

For more information contact Alex Zemek, Executive Director of the U.S. National Commission for UNESCO, Washington, DC 20037. Telephone: (202) 663-0026; Fax: (202) 663-0035; E-mail: DCUNESCO@state.gov.

Dated: August 7, 2008.

Alex Zemek,

Executive Director, U.S. National Commission for UNESCO, Department of State.

[FR Doc. E8-18843 Filed 8-13-08; 8:45 am]

BILLING CODE 4710-19-P

DEPARTMENT OF TRANSPORTATION

[Docket No. DOT-OST-2008-0182]

Office of Small and Disadvantaged Business Utilization (OSDBU); Notice of Request for Renewal of Data Collection by the Office of Small and Disadvantaged Business Utilization's (OSDBU) Regional Small Business Transportation Resource Centers (SBTRCs)

Notice of Correction

This Notice of Correction announces cancellation of the published 30-day notice in the **Federal Register** (73 FR 45092-45093) on August 1, 2008. For this Notice of information collection, refer to the published 60-day notice in the **Federal Register** (73 FR 36368-36370) on June 26, 2008.

Agency Information Collection Activities; Request for Comments, Renewal and Approval of Information Collection(s): Regional Center Intake Form (DOT F 4500) and Regional Resource Center Monthly Report Form (DOT F 4502).

AGENCY: Office of the Secretary, DOT.

ACTION: Notice and request for comments.

SUMMARY: The Office of Small and Disadvantaged Business Utilization (OSDBU) invite the public to comment about our intention to request the Office of Management and Budget's (OMB) approval to renew information collection forms, associated with OSDBU. The collection involves the use of the Regional Center Intake Form, (DOT F 4500) which documents the type of assistance provided to each small business that is enrolled in the program.

The use of the Regional Resource Center Monthly Report Form, (DOT F 4502) will highlight activities, such as counseling, marketing, meetings/conferences, and services to businesses as completed during the month. The information will be used to ascertain whether the program is providing services to its constituency, the small business community, in a fair and equitable manner. The information collected is necessary to determine whether small businesses are participating in DOT funded and DOT assisted opportunities with the DOT.

The Counseling Information Form, (DOT F 4640.1) has been eliminated and the information contained in that form is now consolidated into the Regional Resource Center Monthly Report Form (formerly titled Monthly Report of Operations Form). To eliminate duplication and to streamline the data collection process, OSDBU revised the Monthly Report of Operations Form into the Regional Resource Center Monthly Report Form.

We are required to publish this notice in the **Federal Register** by the Paperwork Reduction Act of 1995. On June 26, 2008, OSDBU published a 60-day notice in the **Federal Register** (73 FR 36368) Docket # OST-2008-0182, informing the public of OSDBU's intention to extend an approved information collection.

DATES: Written comments should be submitted by: September 15, 2008 and submitted to the attention of the DOT/OST Desk Officer, Office of Information and Regulatory Affairs, Office of Management and Budget, Docket library, Room 10102, 725 17th Street, NW., Washington, DC 20503 or oir_submission@omb.eop.gov (e-mail).

FOR FURTHER INFORMATION CONTACT:

Arthur D. Jackson, 202-366-5344 Office of Small and Disadvantaged Business Utilization, Office of the Secretary, U.S. Department of Transportation, 1200 New Jersey Avenue, SE., Room W56 462, Washington, DC 20590. Office hours are from 9 a.m. to 5 p.m., Monday through Friday, except Federal holidays.

SUPPLEMENTARY INFORMATION:

Title: U.S. Department of Transportation, Office of Small and Disadvantaged Business Utilization (OSDBU).

OMB Control No: 2105-0554; **Form No.:** DOT F 4500, Regional Center Intake.

Form and Form No.: DOT F 4502, Regional Resource Center Monthly Report Form.

Affected Public: Representatives of DOT Regional Small Business Transportation Resource Centers and