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 each 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 purchases.

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.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. E5–1737 Filed 4–12–05; 8:45 am]

BILLING CODE 8010–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC–26830; File No. 812–13130]

John Hancock Life Insurance Company (U.S.A.), et al., Notice of Application

April 7, 2005.

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 the substitution of securities.

APPLICANTS: John Hancock Life Insurance Company (U.S.A.) (''JHLICO USA'') (formerly The Manufacturers Life Insurance Company (U.S.A.)), John Hancock Life Insurance Company (U.S.A.) Separate Account A (''JHLICO USA Account A'') (formerly The Manufacturers Life Insurance Company (U.S.A.) Separate Account A), John Hancock Life Insurance Company (U.S.A.) Separate Account H (''JHLICO USA Account H'') (formerly The Manufacturers Life Insurance Company (U.S.A.) Separate Account H) (JHLICO USA Accounts A and H are collectively referred to herein as the ''JHLICO USA Accounts''), John Hancock Life Insurance Company of New York (''JHLICO New York'') (formerly The Manufacturers Life Insurance Company of New York) and John Hancock Life Insurance Company of New York Separate Account A (''JHLICO NY Account A'' and collectively with the JHLICO USA Accounts, the ''Separate Accounts'') (formerly The Manufacturers Life Insurance Company of New York Separate Account A) (JHLICO USA, the JHLICO USA Accounts, JHLICO New York and JHLICO NY Account A are collectively referred to herein as ''Applicants'').

SUMMARY OF APPLICATION: Applicants seek an order approving each of the following substitutions of shares of series of John Hancock Trust (''JHT'') (formerly Manufacturers Investment Trust) (the ''Substitutions''): (1) Shares of JHT 500 Index Trust for shares of each of the following series of JHT: (a) Select Growth Trust and (b) Core Value Trust; (2) shares of JHT Mid Cap Index Trust for shares of each of the following series of JHT: (a) Small-Mid Cap Trust and (b) Small-Mid Cap Growth Trust; (3) shares of JHT International Equity Index Trust A for shares of each of the following series of JHT: (a) International Equity Select Trust and (b) Global Equity Select Trust; (4) shares of JHT Investment Quality Bond Trust for shares of the following series of JHT: High Grade Bond Trust; and (5) shares of JHT U.S. Global Leaders Growth Trust for shares of the following series of JHT: Great Companies—America Trust.

FILING DATE: The Application was filed on October 19, 2004 and amended and restated on April 1, 2005 and April 5, 2005. Applicants have agreed to file an amendment during the notice period, the substance of which is reflected in this notice.

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 must be received by the Commission by 5:30 p.m. on April 28, 2005, 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 natures 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, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Applicants, c/o John W. Blouch, Esq., Dykema Gossett, PLLC, 1300 I Street NW., Suite 300 West, Washington, DC 20005.

FOR FURTHER INFORMATION CONTACT: Jeffrey Foor, Staff Attorney, or Zandra Bailes, 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 is available for a fee from the Commission's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549–0102 (202–942–8090).

Applicants' Representations

1. JHLICO USA is a stock life insurance company incorporated in Maine in 1955 and re-domesticated under the laws of Michigan in 1992. It is authorized to transact a life insurance and annuity business in the District of Columbia and all states except New York. JHLICO USA is a wholly-owned subsidiary of The Manufacturers Life Insurance Company (''Manulife''), a stock life insurance company organized under the laws of Canada. Manulife Financial Corporation, a publicly-traded company based in Toronto, Canada, is the holding company of Manulife and its subsidiaries, collectively known as ''Manulife Financial.'' For purposes of the Act, JHLICO USA is the depositor and sponsor of the JHLICO USA Accounts as those terms have been interpreted by the Commission with respect to variable life insurance and variable annuity separate accounts.

2. JHLICO New York is a stock life insurance company organized under the laws of New York in 1992. It is authorized to transact a life insurance and annuity business in New York. JHLICO New York is a wholly-owned subsidiary of Manulife. For purposes of the Act, JHLICO New York is the depositor and sponsor of JHLICO NY Account A as those terms have been interpreted by the Commission with respect to variable life insurance and variable annuity separate accounts.

3. JHLICO USA Account A was established in 1986 to fund variable life insurance contracts and is registered under the Act as a unit investment trust (File No. 811–4834).

4. JHLICO USA Account H was established in 1984 to fund variable annuity contracts and is registered under the Act as a unit investment trust (File No. 811–4113).

5. JHLICO NY Account A was established in 1992 to fund variable annuity contracts and is registered under the Act as a unit investment trust (File No. 811–6584).

6. JHT is organized as a Massachusetts business trust and is registered under the Act as an open-end management investment company (File No. 811–4146). JHT is a series investment company, as defined by Rule 18f–2 under the Act, and currently offers 79 separate series or portfolios, each of which has its own investment objectives and policies. The application relates to 13 of these portfolios (the ''JHT Portfolios''). Shares of JHT are registered on Form N–1A under the Securities Act of 1933 Act (''1933 Act'') (File No. 2–94157).

7. Shares of JHT are not offered directly to the public. Rather, they are offered to separate accounts of JHLICO USA and JHLICO New York as the underlying investment medium for variable contracts issued by such companies, including the Contracts, and to qualified pension and retirement plans within the meaning of Treasury Regulation 1.817–5(f)(3)(iii) (''Qualified Plans'') and may in the future be offered to certain other eligible persons described in Treasury Application 1.817–5(f)(3) (''Other Eligible Persons''). JHT does not impose sales charges on purchases of its shares. All dividends and other distributions with respect to a portfolio's shares are reinvested in full and fractional shares of that portfolio.

8. John Hancock Investment Management Services, LLC (''JHIMS'') (formerly, Manufacturers Securities Services, LLC), a wholly-owned subsidiary of JHLICO USA, serves as the investment adviser to JHT with respect to each of the JHT Portfolios. JHIMS is a Delaware limited liability company which is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the ''Advisers Act'').

9. Pursuant to investment subadvisory agreements, JHIMS has retained a subadviser to provide day-to-day investment management services for each of the JHT Portfolios. The subadvisers to each of the JHT Portfolios are identified below. Each is registered as an investment adviser under the Advisers Act unless exempt from such registration. One of the subadvisers, MFC Global Investment Management (U.S.A.) Limited, a Canadian corporation (''MFC Global (U.S.A.)''), is a wholly-owned subsidiary of Manulife and an affiliate of JHIMS.

10. John Hancock Variable Series Trust I (''JH VST'') is organized as a Massachusetts business trust and is registered under the Act as an open-end management investment company (File No. 811–04490). JH VST is a series investment company, as defined by Rule 18f–2 under the Act, and currently offers 30 separate series or portfolios, each of which has its own investment objectives and policies. Shares of JH VST are registered on Form N–1A under the 1933 Act (File No. 33–2081).

11. Shares of JH VST are not offered directly to the public. Rather, they are offered only to insurance companies as the underlying investment medium for variable contracts issued by such companies and to Qualified Plans and to certain Other Eligible Persons.

12. John Hancock Life Insurance Company (''JHLICO'') serves as the investment adviser to JH VST with respect to its portfolios and is registered as an investment adviser under the Advisers Act. JHLICO is a wholly-owned subsidiary of John Hancock Financial Services, Inc. (''John Hancock''). John Hancock became a wholly-owned subsidiary of Manulife Financial Corporation, effective April 28, 2004. In its capacity as investment adviser to JH VST, JHLICO recommends subadvisers for the JH VST portfolios and oversees and evaluates the performance of subadvisers.

13. There are seven kinds of variable insurance contracts affected by the application (the ''Contracts''). One of the Contracts is a flexible premium variable life insurance policy (the ''VL Contract''); six of the Contracts are variable annuity contracts (the ''VA Contracts''). Purchase payments for the VL Contracts are allocated to JHLICO USA Account A. Purchase payments for the VA Contracts are allocated to JHLICO USA Account H or JHLICO NY Account A.

14. Contract owners may allocate purchase payments to one or more subaccounts (''Subaccounts'') of a Separate Account. Each Subaccount invests in shares of a portfolio of JHT, JH VST or PIMCO Variable Insurance Trust (''PIMCO VIT'') (the ''Underlying Portfolios''). The only Subaccounts affected by the application are those which invest in the portfolios of JHT identified below as Replaced Portfolios or Substituted Portfolios.

15. The following table identifies (i) each Contract affected by the application, (ii) the file number under the 1933 Act for each Contract, and (iii) the total number of investment options available under each Contract and the number of those investment options provided by JHT, JH VST and PIMCO VIT.

INVESTMENT OPTIONS

Contract	File No.	Total	JHT	JH VST	PIMCO VIT
VL Contract					
EPVUL	333–85284	19	18	1	0
VA Contracts					
Vantage	333–71072	73	71	1	1
Ven 20–21	333–70728	73	71	1	1
Venture III	333–70850	73	71	1	1
Vision 25	333–71074	73	71	1	1
NY Ven 24	33–79112	73	71	1	1
Ven 9	33–46217	73	71	1	1

16. After the Substitutions, the total number of Investment Options available to the VL Contract and to each of the VA Contracts will be 73.

17. The application covers eight Replaced Portfolios. Of these, seven were created expressly for and were sold only to Subaccounts used to fund the VL Contract. The VL Contract was created at the request of, and has been sold as a proprietary product exclusively by, an entity that is not affiliated with Applicants. Applicants understand that this unaffiliated entity has ceased to actively market the VL Contract. At December 30, 2004, there were 85 VL Contracts and 25 VA Contracts.

18. JHT stopped selling shares of the Great Companies—America Trust on May 1, 2004 and shares of Select Growth Trust, Core Value Trust, Small-Mid Cap Trust, Small-Mid Cap Growth Trust and Global Equity Select Trust on November 29, 2004.

19. Applicants seek an order permitting substitutions of Substituted Portfolios for Replaced Portfolios as indicated in the following table. Great Companies—America Trust has only Series II shares outstanding, and Series II shares of U.S. Global Leaders Growth Trust will be substituted for those shares. Each of the other Replaced Portfolios has only Series I shares outstanding, and Series I shares of the corresponding Substituted Portfolio will be substituted for those shares.

Substitution	Replaced portfolio	Substituted portfolio
One	Select Growth Trust	500 Index Trust.
Two	Core Value Trust	500 Index Trust.
Three	Small-Mid Cap Trust	Mid Cap Index Trust.
Four	Small-Mid Cap Growth Trust	Mid Cap Index Trust.
Five	High Grade Bond Trust	Investment Quality Bond Trust.
Six	Global Equity Select Trust	International Equity Index Trust A.
Seven	International Equity Select Trust	International Equity Index Trust A.
Eight	Great Companies—America Trust	U.S. Global Leaders Growth Trust.

All of the Replaced and Substituted Portfolios are existing portfolios of JHT, except for the International Equity Index Trust A, which will be a newly created portfolio of JHT. It will have the same investment objective, policies and risks and the same subadviser as the International Equity Index Fund of JH VST (''JH VST International Equity Index Fund'') and, subject to the approval of the shareholders of that JH VST International Equity Index Fund, will succeed to all the assets and liabilities of that portfolio at the same time that the Substitution is effective.

20. The following table identifies the subadviser for each of the JHT Portfolios:

Portfolio	Subadviser
Select Growth Trust	Roxbury Capital Management, LLC.
Core Value Trust	Rorer Asset Management, LLC.
Small-Mid Cap Trust	Kayne Anderson Rudnick Investment Management, LLC.
Small-Mid Cap Growth Trust	Navellier Management, Inc.
High Grade Bond Trust	Allegiance Capital, Inc.
Global Equity Select Trust	Lazard Asset Management LLC.
International Equity Select Trust	Lazard Asset Management LLC.
Great Companies—America Trust	Great Companies, L.L.C.
500 Index Trust	MFC Global (U.S.A.).
Mid Cap Index Trust	MFC Global (U.S.A.).
Investment Quality Bond Trust	Wellington Management Company, LLP.
International Equity Index Trust A	MFC Global SSgA Funds Management, Inc.
U.S. Global Leaders Growth Trust	Sustainable Growth Advisers, L.P.

21. Select Growth Trust's investment objective is to seek long-term growth of capital. It invests primarily in large cap equity securities. The subadviser defines large cap equity securities as securities of companies with at least $2 billion in market cap. The portfolio may also invest up to 20% of its assets in mid cap securities and in securities of

any market cap where the subadviser believes there are prospects for significant appreciation in the price of the security. Core Value Trust's investment objective is to seek long-term capital appreciation. Under normal market conditions, the portfolio invests primarily in equity and equity-related securities of companies with market capitalization greater than $5 billion at the time of purchase. 500 Index Trust's investment objective is to seek to approximate the aggregate total return of a broad U.S. domestic equity market index. It invests, under normal market conditions, at least 80% of its net assets (plus any borrowing for investment purposes) in (a) the common stocks that are included in the S&P 500 Index and (b) securities (which may or may not be included in the S&P 500 Index) that its subadviser believes as a group will behave in a manner similar to the index.

22. Small-Mid Cap Trust's investment objective is to achieve long-term capital appreciation, with dividend income as a secondary consideration. Under normal market conditions, the portfolio invests at least 80% of its assets (plus any borrowing for investment purposes) in small and mid cap companies that the subadviser believes are of high quality (small and mid cap companies are those whose market cap does not exceed the market cap of the largest company included in the Russell 2500 Index at the time of purchase by the portfolio). Small-Mid Cap Growth Trust's investment objective is to seek long-term growth of capital. The portfolio invests primarily in equity securities of fast growing companies that offer innovative products, services, or technologies to a rapidly expanding marketplace. Under normal market conditions, the portfolio will invest at least 80% of its assets (plus any borrowings for investment purposes) in securities of small to mid cap companies, currently defined as companies with $2 billion to $10 billion in market capitalization at the time of purchase. Mid Cap Index Trust's investment objective is to seek to approximate the aggregate total return of a mid cap U.S. domestic equity market index. Under normal market conditions, the portfolio invests 80% of its net assets (plus any borrowings for investment purposes) in (a) the common stocks that are included in the S&P 400 Index and (b) securities (which may or may not be included in the S&P 400 Index) that the subadviser believes as a group will behave in a manner similar to the index.

23. High Grade Bond Trust's investment objective is to maximize total return, consistent with the preservation of capital and prudent investment management. Under normal market conditions, the portfolio invests at least 80% of its net assets (plus any borrowings for investment purposes) in investment grade, fixed income securities of varying maturities. Investment Quality Bond Trust's investment objective is to provide a high level of current income consistent with the maintenance of principal and liquidity. Under normal market conditions, the portfolio invests at least 80% of its net assets (plus any borrowings for investment purposes) in investment grade bonds. The portfolio tends to focus on corporate bonds and U.S. government bonds with intermediate to longer term maturities.

24. Global Equity Select Trust's investment objective is to seek long-term capital appreciation. Under normal market conditions, the portfolio generally invests at least 80% of its total assets (plus any borrowings for investment purposes) in equity securities, including American and Global Depository Receipts and common stocks of relatively large U.S. and non-U.S. companies with market capitalizations in the range of the Morgan Stanley Capital International World I Index that its subadviser believes are undervalued based on their earnings, cash flow or asset values. International Equity Select Trust's investment objective is to seek long-term capital appreciation. Under normal market conditions, it invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities. The portfolio will invest primarily in American Depository Receipts and common stocks, of relatively large non-U.S. companies with market capitalization in the range of the Morgan Stanley Capital International Europe, Australia and Far East Index. International Equity Index Trust A's investment objective is to seek to track the performance of a broad-based equity index of foreign companies primarily in developed countries and, to a lesser extent, in emerging market countries. The portfolio seeks to invest more than 80% of its assets in securities included in the Morgan Stanley Capital International All Country World Excluding U.S. Index, an international stock market index that, as of December 31, 2004, included approximately 1,892 securities listed on the stock exchanges of 49 developed and emerging market countries (but not the United States).

25. Great Companies—America Trust's investment objective is to seek long-term growth of capital. It is non-diversified. The portfolio invests principally in large cap stocks, generally those with a market cap in excess of $15 billion. U.S. Global Leaders Growth Trust's investment objective is to seek long-term growth of capital. It is non-diversified. Under normal market conditions, the portfolio invests at least 80% of its assets primarily in stocks of U.S. Companies with multinational operations that exhibit sustainable growth characteristics. The subadviser to U.S. Global Leaders Growth Trust seeks to identify companies with superior long-term earnings prospects. The portfolio invests in large capitalization companies (companies in the capitalization range of the S&P 500 Index).

26. The following table contains information about the net assets of the portfolios as of December 31, 2004:

Replaced portfolio	Total net assets ($)	Net assets attributable to contracts ($)	Substituted portfolio	Total net assets
Select Growth Trust	3,550,498	639,800	500 Index Trust	$1,263,351,026
Core Value Trust	3,590,295	697,594	500 Index Trust	1,263,351,026
Small-Mid Cap Trust	2,503,291	376,745	Mid Cap Index Trust	247,296,621
Small-Mid Cap Growth Trust	2,991,474	243,506	Mid Cap Index Trust	247,296,621
High Grade Bond Trust	5,884,918	733,261	Investment Quality Bond Trust	472,243,219
Global Equity Select Trust	3,550,498	103,319	International Equity Index Trust A	*
International Equity Select Trust	2,871,718	492,787	International Equity Index Trust A	*
Great Companies—America Trust	2,587,538	306,364	U.S. Global Leaders Growth Trust	397,513,438

*The International Equity Index Trust A will be a newly created protfolio of JHT, and will, subject to the approval of sharehlders of JH VST International Equity Index Fund, succeed to all the assets and liabilities of that portfolio attributable to its Series I and II shares ("JH VST Combination"). As of December 31, 2004, total net assets of the JH VST International Equity Fund were $103,030,000.

The shareholders of each of the Replaced Portfolios are their Subaccounts and JHLICO USA.

27. The shareholders of the Strategic Growth Trust, another portfolio of JHT, with net assets of $387,915,360 at December 31, 2004, have approved its combination with U.S. Global Leaders Growth Trust as of the effective time of the Substitution.

28. The following tables set forth the expense ratios for the shares of each of the Replaced and Substituted Portfolios affected by the Substitutions (as a percentage of average net assets) for the year ended December 31, 2004.

	Select Growth Trust (Series I Shares) (percent)	Core Value Trust (Series I Shares) (percent)	500 Index Trust (Series I Shares) (percent)
Management Fees	0.80	0.80	0.38
Distribution (12b–1) Fees	0.15	0.15	0.15
Other Expenses	0.88	0.61	0.03
Total Annual Expenses	1.83	1.56	0.56
Fee Waiver/Expense Reimbursement	(0.59)	(0.39)	(0.00)
Net Annual Expenses	1.24	1.17	0.56

	Small-Mid Cap Trust (Series I Shares) (percent)	Small-Mid Cap Growth Trust (Series I Shares) (percent)	Mid Cap Index Trust (Series I Shares) (percent)
Management Fees	0.95	0.80	0.38
Distribution (12b–1) Fees	0.15	0.15	0.15
Other Expenses	0.13	1.02	0.04
Total Annual Expenses	1.23	1.97	0.57
Fee Waiver/Expense Reimbursement	(0.00)	(0.56)	(0.00)
Net Annual Expenses	1.23	1.41	0.57

	High Grade Bond Trust (Series I Shares) (percent)	Investment Quality Bond Trust (Series I Shares) (percent)
Management Fees	0.56	0.50
Distribution (12b–1) Fees	0.15	0.15
Other Expenses	0.17	0.09
Total Annual Expenses	0.88	0.74
Fee Waiver/Expense Reimbursement	(0.07)	(0.00)
Net Annual Expenses	0.81	0.74

	Global Equity Select Trust (Series I Shares) (percent)	International Equity Index Trust A (Series I Shares) (percent)	
		JH VST International Equity Index Fund	JHT International Equity Index Trust A (estimated)
Management Fees	0.90	0.15	0.55
Distribution (12b–1) Fees	0.15	0.40	0.05
Other Expenses	0.75	0.17	0.06
Total Annual Expenses	1.80	0.72	0.66
Fee Waiver/Expense Reimbursement	(0.45)	(0.00)	(0.00)
Net Annual Expense	1.35	0.72	0.66

	International Equity Select Trust (Series I Shares) (percent)	International Equity Index Trust A (Series I Shares) (percent)	
		JH VST International Equity Index Fund	JHT International Equity Index Trust A (estimated)
Management Fees	0.90	0.15	0.55

	International Equity Select Trust (Series I Shares) (percent)	International Equity Index Trust A (Series I Shares) (percent)	
		JH VST International Equity Index Fund	JHT International Equity Index Trust A (estimated)
Distribution (12b–1) Fees:	0.15	0.40	0.05
Other Expenses	0.26	0.17	0.06
Total Annual Expenses	1.31	0.72	0.66
Fee Waiver/Expense Reimbursement	(0.11)	(0.00)	(0.00)
Net Annual Expenses	1.20	0.72	0.66

	Great Companies—America Trust (Series II Shares) (percent)	U.S. Global Leaders Growth Trust (Series II Shares) (percent)
Management Fees	0.75	0.61
Distribution (12b–1) Fees:	0.35	0.35
Other Expenses	1.02	0.73
Total Annual Expenses	2.12	1.69
Fee Waiver/Expense Reimbursement	(0.19)	(0.23)
Net Annual Expenses	1.93	1.46

29. The following table contains performance information for the indicated periods ended December 31, 2004 for the shares of each of the Replaced and Substituted Portfolios affected by the Substitutions, except that in the case of the International Equity Index Trust A, the performance shown is for the NAV shares of JH VST International Equity Index Fund. Series I shares of JH VST International Equity Index Fund were not offered prior to May 3, 2004. The performance of the Series I shares of JH VST International Equity Index Fund will be lower than the performance of the NAV shares because of its 12b–1 Fee. JH VST International Equity Index Fund will be the accounting survivor of the JH VST Combination.

Portfolio	One year (percent)	Five year (percent)	Ten year (percent)	Life of portfolic (percent)	Date first available
Select Growth Trust (Series I Shares)	2.62	N/A	N/A	−4.54	07/16/01
Core Value Trust (Series I Shares)	3.27	N/A	N/A	−1.05	07/16/01
500 Index Trust (Series I Shares)	10.26	N/A	N/A	−3.02	05/01/00
Small-Mid Cap Trust (Series I Shares)	7.15	N/A	N/A	1.13	07/16/00
Small-Mid Cap Growth Trust (Series I Shares)	13.70	N/A	N/A	−2.50	07/16/01
Mid Cap Index Trust (Series I Shares)	15.83	N/A	N/A	7.35	05/01/00
High Grade Bond Trust (Series I Shares)	2.77	N/A	N/A	5.20	07/16/01
Investment Quality Bond Trust (Series I Shares)	4.81	7.74	7.63	N/A	06/18/85
Global Equity Select Trust (Series I Shares)	11.86	N/A	N/A	4.09	07/16/01
International Equity Select Trust	18.94	N/A	N/A	7.71	07/16/01
JH VST International Equity Index Fund NAV Shares	20.24	−0.95	5.38	N/A	05/02/88
Series I Shares	N/A	N/A	N/A	18.45	05/03/2004
Great Companies—America Trust (Series II Shares)	1.81	N/A	N/A	9.82	08/04/2003
U.S. Global Leaders Growth Trust (Series II Shares)	N/A	N/A	N/A	5.68	05/03/2004

30. Applicants represent that each of the Substitutions will better serve the interests of the Contract owners because it will provide those owners with an investment option that: (i) Permits them to pursue an investment option that is comparable to their current investment option in terms of pursuing long-term investment goals without becoming subject to greater overall risks; (ii) is much larger; (iii) has a lower advisory fee and overall expense ratio; and (iv) has better overall or short-term historical performance.

31. Applicants anticipate that each of the Substitutions will be effected by having each Subaccount that invests in a Replaced Portfolio redeem its shares of that Portfolio for cash at the net asset value calculated on the Substitution Date and purchase shares of the Substituted Portfolio for cash at net asset value at the same time. Because each of the Substitutions will take place at the relative net asset values determined on the Substitution Date in accordance with Section 22(c) of the Act and Rule 22c–1 thereunder, it will have no financial impact on any Contract owner. In connection with the completion of each of the Substitutions, JHLICO USA will withdraw its seed money from each of the Replaced Portfolios in which it has seed money, and JHT will terminate those Portfolios.

32. Applicants filed with the Commission on October 22, 2004, and provided to Contract owners, a prospectus supplement that described the Substitutions and explained that Applicants had filed with the Commission an application for an order approving the Substitutions, that, if the order is issued, will take place as of the close of regularly scheduled trading on the New York Stock Exchange on April 29, 2005 (the ''Substitution Date'') and that the Contract owners affected by the Substitutions will be sent written confirmations (described below) informing them of the Substitutions.

33. The disclosure advised Contract owners affected by the Substitutions that they may transfer Contract values, prior to the Substitutions, from Subaccounts investing in the Replaced Portfolios to Subaccounts investing in other investment options available under the applicable Contract, and for 30 days following the Substitution Date, from Subaccounts investing in the Substituted Portfolios to Subaccounts investing in other investment options available under the applicable Contract. The disclosure further advised Contract owners that such transfers may be made without the imposition of any transfer charges, will not be counted for purposes of determining the numbers of permitted transfers or permitted free transfers under a Contract or the Disruptive Short-Term Trading Policy and will not be subject to any maximum amount limitations otherwise applicable under a Contract or the Disruptive Short-Term Trading Policy. A second prospectus supplement filed with the Commission in March 2005 provided Contract owners with substantially the same updated information.

34. Applicants represent that all expenses in connection with the Substitutions, including any brokerage commissions and legal, accounting and other fees and expenses, will be paid by JHLICO USA and JHLICO New York and will not be borne, directly or indirectly, by the Replaced Portfolios, the Substituted Portfolios or Contract owners. Affected Contract owners will not incur any fees or charges as a result of the Substitutions. The Substitutions will not cause the fees and charges under the Contracts currently being paid by Contract owners to be greater after the Substitutions than they were before the Substitutions.

35. Applicants further represent the Substitutions will not have any impact on the insurance benefits that JHLICO USA and JHLICO New York are obligated to provide under the Contracts or on the rights of Contract owners and the other obligations of JHLICO USA and JHLICO New York under the Contracts. The Substitutions will not have a tax impact on Contract owners.

36. Applicants also represent that the Substitutions involving the International Equity Index Trust A will not be effected if the JH VST Combination is not approved by shareholders of JH VST International Equity Index Fund.

Applicants' Legal Analysis

1. Applicants request an order pursuant to Section 26(c) of the Act approving each of the Substitutions. Section 26(c) of the Act makes it 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 approves the substitution. The Commission will approve such a 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 the Act.

2. Applicants assert that the purposes, terms and conditions of the Substitutions are consistent with the principles and purposes of Section 26(c) and do not entail any of the abuses that Section 26(c) is designed to prevent. Substitution is an appropriate solution to the lack of Contract owner interest in and higher relative expenses of the Replaced Portfolios. Applicants do not expect that any Substitution will have a significant impact on the expense ratio of the Substituted Portfolio and believe that each Substituted Portfolio will serve Contract owner interests better than the Replaced Portfolio because it provides a comparable investment option while being larger and having a lower expense ratio. Each of the Contracts reserves to JHLICO USA or JHLICO New York, as the case may be, the right to effect such substitutions, and each of JHLICO USA and JHLICO New York has made disclosure of this reserved right in the prospectuses for the Contracts.

3. Applicants submit that the Substitutions will not result in the type of costly forced redemptions that Section 26(c) was intended to guard against and, for the following reasons, are consistent with the protection of investors and the purposes fairly intended by the Act:

(a) The Substitutions will make available under the Contracts continuity of investment objectives and expectations.

(b) Contract owners who have allocated Contract values to one or more of the Replaced Portfolios will be provided with advance notice of the Substitutions and will have the opportunity, from the date of such advance notice until 30 days after the Substitution Date, to transfer Contract values to which a Substitution applies from a Subaccount investing in a Replaced Portfolio or a Substituted Portfolio to other available investment options under a Contract. Such transfers may be made without the imposition of any transfer charges, will not be counted for purposes of determining the numbers of permitted transfers or permitted free transfers under a Contract or applicable short-term trading policy and will not be subject to any maximum amount limitations otherwise applicable under a Contract or applicable short-term trading policy.

(c) The Substitutions will be effected at the respective net asset values of the shares of the Replaced Portfolios and their corresponding Substituted Portfolios in conformity with Section 22(c) of the Act and Rule 22c–1 thereunder, without the imposition of any transfer or similar charge by Applicants and with no change in the amount of any Contract owner's Contract value.

(d) The expenses of the Substitutions will be paid by JHLICO USA and JHLICO New York and will not be borne, directly or indirectly, by the Replaced Portfolios, the Substituted Portfolios or Contract owners.

(e) The Substitutions will not have any impact on the insurance benefits that JHLICO USA and JHLICO New York are obligated to provide under the Contracts or on the rights of Contract owners and the other obligations of JHLICO USA and JHLICO New York under the Contracts.

(f) The Substitutions will not cause the fees and charges under the Contracts currently being paid by Contract owners to be greater after than before the Substitutions and will not have any tax impact on Contract owners.

(g) Within five days after a Substitution, JHLICO USA and JHLICO New York will send to Contract owners written confirmation that the Substitution has occurred.

(h) For each fiscal period (not to exceed a fiscal quarter) during the 24 months following the date of each Substitution, JHLICO USA or JHLICO NY, as appropriate, will adjust the Contract values invested in the Substituted Portfolio as a result of the Substitution, to the extent necessary to effectively reimburse the affected Contract owners for their proportionate share of any amount by which the annual rate of the Substituted Portfolio's total operating expenses (after any expense waivers or reimbursements) for that fiscal period, as a percentage of the Portfolio's average daily net assets, plus the annual rate of any asset-based charges (excluding any such charges that are for premium taxes) deducted under the terms of the owner's Contract for that fiscal period, exceed the sum of the annual rate of the corresponding Replaced Portfolio's total operating expenses, as a percentage of such replaced Portfolio's average daily net assets, for the twelve months ended December 31, 2004, plus the annual rate of any asset-based charges (excluding any such charges that are for premium taxes) deducted under that Contract for such twelve months.

Conclusion

For the reasons and upon the facts set forth in the application, Applicants submit that the requested order meets the standards set forth in Section 26(c) and respectfully request that the Commission issue an order pursuant to Section 26(c) of the Act approving the Substitutions.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. E5–1745 Filed 4–12–05; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 35–27957; International Series Release No. 1284]

Filings Under the Public Utility Holding Company Act of 1935, as Amended (''Act'')

April 7, 2005.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated under the Act. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendment(s) is/are available for public inspection through the Commission's Branch of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by May 2, 2005, to the Secretary, Securities and Exchange Commission, Washington, DC 20549–0609, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After May 2, 2005, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Scottish Power plc and Dornoch International Insurance Limited (70–10261)

Scottish Power plc (''ScottishPower''), a foreign registered holding company, 1 Atlantic Quay, Glasgow G2 8SP, Scotland, UK, and Dornoch International Insurance Limited (''DIIL''), 38/39 Fitzwilliam Square, Dublin 2, Ireland, a new captive insurance company subsidiary of ScottishPower, (collectively, ''Applicants''), have filed an application-declaration, as amended (''Application''), under sections 12(b), 13(b), and 33(c) of the Act and rules 45, 54, 89, 90 and 91 under the Act.

ScottishPower Investments Limited (''ScottishPower Investments'') is the direct parent of ScottishPower Insurance Limited (''SPIL''), an indirect insurance company subsidiary of ScottishPower. ScottishPower Investments is a wholly-owned direct subsidiary of ScottishPower UK, plc (''SPUK''), a foreign utility subsidiary of ScottishPower. SPIL operates as an insurance company domiciled in the Isle of Man and serves as a captive insurer for the UK-based members of the ScottishPower system. SPIL currently is authorized to provide property damage, general liability, employer's liability, motor own damage, and motor liability insurance. DIIL is also a wholly-owned direct subsidiary of ScottishPower Investments.[1]

Applicants are seeking approval to operate DIIL. DIIL will assume the insurance duties currently performed by SPIL on behalf of ScottishPower and also begin to provide insurance services to PacifiCorp, the U.S.-based public utility subsidiary of the ScottishPower system.

On an annual basis, ScottishPower system companies spend approximately $40 million for the purchase of commercial insurance and related services. Under the current insurance program, system companies maintain commercial insurance policies with underlying deductibles of $1 million per event for general liability coverage and $7.5 million for property coverage. Losses below these deductibles are self-insured by system companies whereas losses in excess of these deductibles are paid by the commercial insurance. ScottishPower may from time to time choose to purchase commercial insurance in place of, or to reduce, the deductible or self-insurance to meet their strategic goals and objectives. Commercial premiums and the deductibles and self-insured retained risks are then allocated to subsidiaries owning a given risk based on such factors as number of automobiles, payroll, revenues, total property values, product throughput, as well as loss history.

ScottishPower intends that SPIL would eventually be dissolved after DIIL operates for approximately one year. DIIL intends to provide property damage and liability insurance coverage of all or significant portions of the deductibles in many of PacifiCorp's current insurance policies, and to provide coverage for activities which the commercial insurance industry carriers will no longer provide, *e.g.,* overhead distribution and transmission line property damage insurance.

Premiums for the proposed expansion of the insurance program for the first year were determined to equal the aggregate losses for system companies plus administrative expenses. Aggregate losses for general liability were estimated using actuarial methods.

DIIL would continue to analyze the commercial insurance bought by the ScottishPower system companies, and coordinate the coverage it provides to minimize the risk of loss to the system. Supplementing its primary role of underwriting system retained risk, DIIL may also replace or reduce certain insurance sold to ScottishPower system companies by traditional insurance providers in the areas of property damage and general liability. An actuarial analysis will be performed to determine the proper premiums consistent with methods used to determine the retained risk premium. To the extent traditional insurance programs are reduced, DIIL may attempt to obtain equal levels of loss protection and coverage in the reinsurance market. Applicants state that DIIL will apply stringent credit standards to all reinsurance counterparties.

[1] DIIL was originally incorporated as Dornoch Risk International Limited (''DRIL'') on June 30, 2004. DRIL changed its name to DIIL by resolution at its December 10, 2004 board meeting and this was effected by the Irish Registrar of Companies on Jan. 20, 2005.