I.

On January 15, 2004, the Securities and Exchange Commission (“Commission”) issued an amended order instituting public administrative and cease-and-desist proceedings pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (the “2004 Order”),\(^1\) against Alliance Capital Management, L.P., now known as AllianceBernstein, L.P. (“Alliance” or “Respondent”).

II.

Respondent consented to the entry of the 2004 Order. Among other things, the 2004 Order required Respondent to cease and desist from further violations of the federal securities laws, directed Respondent to pay disgorgement and civil money penalties, and directed Respondent to comply with certain undertakings.

III.

Respondent has submitted an Amended Offer of Settlement (the “Offer”) proposing to relieve Respondent of its undertakings to hold shareholder meetings every five years to elect directors of the boards of the Alliance mutual funds in accordance with Section III.62.c of the 2004 Order and to designate an independent compliance officer to advise the boards of the Alliance mutual funds about Respondent’s compliance with the federal securities laws, Respondent’s fiduciary duties to the shareholders of the Alliance mutual funds and Respondent’s Code of Ethics in accordance with Section III.62.d of the 2004 Order. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings in the 2004 Order, except as to the Commission’s jurisdiction over it and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Modifying Amended Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 and Sections 9(b) and 9(f) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order, as set forth below.

IV.

The Commission deems it appropriate and in the public interest to amend the 2004 Order as agreed to in Respondent’s Offer.

Accordingly, IT IS HEREBY ORDERED that:

A. Section III.62.c of the 2004 Order is amended as follows to order:

In 2005 and 2010, each Alliance fund will hold a meeting of shareholders at which the board of directors will be elected.

B. Section III.62.d of the 2004 Order is amended as follows to order:

Until at least December 31, 2014, each Alliance fund will designate an independent compliance officer reporting to its board of directors as being responsible for assisting the board of directors and any of its committees in monitoring compliance by Alliance with the federal securities laws, Alliance’s fiduciary duties to fund shareholders and Alliance’s Code of Ethics in all matters relevant to the operation of the Alliance funds. The duties of this person will include reviewing all compliance reports furnished to the board of directors or its committees by Alliance, attending meetings of Alliance’s Internal Compliance Controls Committee to be established pursuant to Alliance’s undertakings set forth in Section IV of the 2004 Order, serving as liaison between the board of directors and its committees and the Chief Compliance Officer of Alliance, making such recommendations to the board of directors regarding Alliance’s compliance procedures as may appear advisable from time to time, and promptly reporting to the
board of directors any material breach of fiduciary duty, breach of the Code of Ethics and/or violations of the federal securities laws of which he or she becomes aware in the course of carrying out his or her duties.

C. All other provisions of the 2004 Order remain in effect.

By the Commission.

Brent J. Fields
Secretary