

appropriate to achieve an equitable result, such as [the multiple listing of closed-end funds by a single sponsor,] spin-offs of enterprises to existing shareholders of a listed company or other similar situations.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Amex included statements concerning the purpose of, and basis for, the proposed rule change, as amended, and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Amex has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Amex proposes to amend Section 140 (Original Listing Fees) and Section 141 (Annual Fees) of the Amex *Company Guide* to specify the initial and annual fees applicable to closed-end funds, which are listed under Section 101 of the *Company Guide*.

The Amex proposes that the initial listing fee for closed-end funds under Section 140 of the Amex *Company Guide* will be the same as for Index Fund Shares and Trust Issued Receipts (\$5,000 for each fund without the application processing fee of \$5,000 that is applied to certain issuers).

The Amex proposes to amend Section 141 of the Amex *Company Guide* so that the annual fee for closed-end funds would range from \$15,000 to \$30,000 based on the number of shares outstanding, and would be the same as the annual fee applicable to stock issues, Trust Issued Receipts, and issues listed under Sections 106 (Index and Currency Warrants) and 107 (Other Securities) of the *Company Guide*.

As with annual fees applicable to Index Fund Shares and Trust Issued Receipts, the Amex believes it is appropriate, for the purpose of calculating the annual fee, to aggregate the number of shares outstanding for all closed-end funds of the same fund sponsor listed on the Amex as of calendar year end.

The Amex is also proposing to amend Section 146 of the *Company Guide*, which includes multiple listing of closed-end funds by a single sponsor as

an example of a situation where the Amex, in its discretion, may reduce or waive listing fees under certain circumstances where deemed appropriate to achieve an equitable result. The proposed amendment to Section 141 of the Amex *Company Guide* would render unnecessary the reference to multiple closed-end funds in Section 146 of the Amex *Company Guide*. Accordingly, the Amex proposes to delete the reference.

2. Statutory Basis

The Amex believes that the proposed rule change, as amended, is consistent with Section 6(b) of the Act,⁵ in general, and further the objectives of Section 6(b)(5),⁶ in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, to protect investors and the public interest, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Amex does not believe that the proposed rule change, as amended, will impose any burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Amex neither solicited nor received written comments on the proposed rule change, as amended.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding, or (ii) as to which the Amex consents, the Commission will:

(A) By order approve such proposed rule change, as amended; or

(B) institute proceedings to determine whether the proposed rule change, as amended, should be disapproved.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filings will also be available for inspection and copying at the principal office of the Amex. All submissions should refer to File No. SR-Amex-2003-41 and should be submitted by July 18, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 03-16337 Filed 6-26-03; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-48065; File No. SR-NASD-2003-100]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the National Association of Securities Dealers, Inc. Relating to the Listing and Trading of Performance Leveraged Upside Securities Based on the Value of the Nasdaq-100 Index

June 19, 2003.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 19, 2003, the National Association of Securities Dealers, Inc. ("NASD"), through its subsidiary, The Nasdaq Stock Market, Inc. ("Nasdaq"), filed with the Securities and Exchange

⁷ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by Nasdaq. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Nasdaq proposes to list and trade Performance Leveraged Upside Securities ("PLUS") based on the value of the Nasdaq-100 Index ("Notes") issued by Morgan Stanley & Co., Inc. ("Morgan Stanley").

II. Self-Regulatory Organization's Statements of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, Nasdaq included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item III below. Nasdaq has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

Nasdaq proposes to list and trade Performance Leveraged Upside Securities ("PLUS"), the return on which is based upon the Nasdaq-100 Index.³

³ The Nasdaq-100 Index is a modified capitalization-weighted index of 100 of the largest non-financial companies listed on The Nasdaq National Market tier of The Nasdaq Stock Market. The Index constitutes a broadly diversified segment of the largest securities listed on the The Nasdaq Stock Market and includes companies across a variety of major industry groups. The securities in the Index must, among other things, have an average daily trading volume on Nasdaq of at least 200,000 shares.

In order to limit domination of the Index by a few large stocks, the Index is calculated under a "modified capitalization-weighted" methodology, which is a hybrid between equal weighting and conventional capitalization weighting. Under the methodology employed, on a quarterly basis coinciding with Nasdaq's quarterly scheduled weight adjustment procedures, the Index Securities are categorized as either "Large Stocks" or "Small Stocks" depending on whether their current percentage weights (after taking into account such scheduled weight adjustments due to stock repurchases, secondary offerings, or other corporate actions) are greater than, or less than or equal to, the average percentage weight in the Index (*i.e.*, as a 100-stock index, the average percentage weight in the Index is 1.0%). Such quarterly examination will result in an Index rebalancing if either one or both

Under Rule 4420(f), Nasdaq may approve for listing and trading innovative securities which cannot be readily categorized under traditional listing guidelines.⁴ Nasdaq proposes to list for trading notes based on the Nasdaq-100 Index under Rule 4420(f).

The Notes, which will be registered under section 12 of the Act, will initially be subject to Nasdaq's listing criteria for other securities under Rule 4420(f). Specifically, under Rule 4420(f)(1):

(A) The issuer shall have assets in excess of \$100 million and stockholders' equity of at least \$10 million.⁵ In the case of an issuer which is unable to satisfy the income criteria set forth in paragraph (a)(1), Nasdaq generally will require the issuer to have the following: (i) Assets in excess of \$200 million and stockholders' equity of at least \$10 million; or (ii) Assets in excess of \$100 million and stockholders' equity of at least \$20 million;

(B) There must be a minimum of 400 holders of the security, provided, however, that if the instrument is traded in \$1,000 denominations, there must be a minimum of 100 holders;

(C) For equity securities designated pursuant to this paragraph, there must be a minimum public distribution of 1,000,000 trading units;

(D) The aggregate market value/principal amount of the security will be at least \$4 million.

In addition, Morgan Stanley satisfies the listed marketplace requirement set forth in Rule 4420(f)(2).⁶ Lastly,

of the following two weight distribution requirements are not met: (1) the current weight of the single largest market capitalization Index component security must be less than or equal to 24.0%, and (2) the "collective weight" of those Index component securities whose individual current weights are in excess of 4.5%, when added together, must be less than or equal to 48.0%. Index securities are ranked by market value and are evaluated annually to determine which securities will be included in the Index. Moreover, if at any time during the year an Index security is no longer trading on the Nasdaq Stock Market, or is otherwise determined by Nasdaq to become ineligible for continued inclusion in the Index, the security will be replaced with the largest market capitalization security not currently in the Index that meets the Index eligibility criteria.

For a detailed description of the Nasdaq-100 Index, see the prospectus supplement that will be filed by Morgan Stanley with the Commission prior to the issuance of the Notes.

⁴ See Securities Exchange Act Release No. 32988 (September 29, 1993); 58 FR 52124 (October 6, 1993).

⁵ Morgan Stanley satisfies this listing criterion.

⁶ Rule 4420(f)(2) requires issuers of securities designated pursuant to this paragraph to be listed on The Nasdaq National Market or the New York Stock Exchange ("NYSE") or be an affiliate of a company listed on The Nasdaq National Market or the NYSE; provided, however, that the provisions of Rule 4450 will be applied to sovereign issuers of "other" securities on a case-by-case basis.

pursuant to Rule 4420(f)(3), prior to the commencement of trading of the Notes, Nasdaq will distribute a circular to members providing guidance regarding compliance responsibilities and requirements, including suitability recommendations, and highlighting the special risks and characteristics of the Notes. In particular, Nasdaq will advise members recommending a transaction in the Notes to: (1) Determine that such transaction is suitable for the customer; and (2) have a reasonable basis for believing that the customer can evaluate the special characteristics of, and is able to bear the financial risks of, such transaction.

The Notes will be subject to Nasdaq's continued listing criterion for other securities pursuant to Rule 4450(c). Under this criterion, the aggregate market value or principal amount of publicly-held units must be at least \$1 million. The Notes also must have at least two registered and active market makers as required by Rule 4310(c)(1). Nasdaq will also consider prohibiting the continued listing of the Notes if Morgan Stanley is not able to meet its obligations on the Notes.

The Notes are a series of medium-term, senior non-convertible debt securities that will be issued by Morgan Stanley. The original public offering price of the Notes will be \$10 per PLUS. The Notes will not pay interest and are not subject to redemption by Morgan Stanley or at the option of any beneficial owner before maturity on August 30, 2004.

At maturity, if the value of the Nasdaq-100 Index has increased, a beneficial owner will be entitled to receive a payment on the Notes based on 300% the amount of that percentage increase, subject to a maximum total payment at maturity that is expected to be between \$11.80 and \$12.00 (the "Maximum Payment at Maturity").⁷ Thus, the Notes provide investors the opportunity to obtain leveraged returns based on the Nasdaq-100 Index subject to a cap that is expected to represent an appreciation of 18% to 20% over the original issue price of the Notes. Unlike ordinary debt securities, the Notes do not guarantee any return of principal at maturity. Therefore, if the value of the Nasdaq-100 Index has declined at maturity, a beneficial owner will receive less, and possibly significantly less, than the original issue price of \$10 per PLUS.

The payment that a beneficial owner will be entitled to receive at maturity depends entirely on the relation of the

⁷ The actual Maximum Payment at Maturity will be determined at the time of issuance of the Notes.

value of the Nasdaq-100 Index on August 26, 2004 (the "Final Index Value") and the value of the Nasdaq-100 Index on the day the PLUS is offered for initial sale to the public (the "Initial Index Value"). If the Final Index Value is greater than the Initial Index Value, the payment at maturity per PLUS will equal the lesser of (a) \$10 plus the Leveraged Upside Payment⁸ and (b) the Maximum Payment at Maturity. If the Final Index Value is less than or equal to the Initial Index Value, the payment at maturity per PLUS will equal \$10 times the Index Performance Factor.⁹

The Notes are cash-settled in U.S. dollars and do not give the holder any right to receive a portfolio security, dividend payments or any other ownership right or interest in the portfolio or index of securities comprising the Nasdaq-100 Index. The Commission has previously approved the listing of options on, and other securities the performance of which has been linked to or based on, the Nasdaq-100 Index.¹⁰

As of May 31, 2003, the adjusted market capitalization of the securities included in the Nasdaq-100 Index ranged from a high of \$170.3 billion to a low of \$2.2 billion. The average daily trading volume for these same securities for the last five months, as of the same date, ranged from a high of 68.1 million shares to a low of 527,400 shares.

Since the Notes will be deemed equity securities for the purpose of Rule 4420(f), the NASD and Nasdaq's existing equity trading rules will apply to the Notes. First, pursuant to Rule 2310 and

IM-2310-2, members must have reasonable grounds for believing that a recommendation to a customer regarding the purchase, sale or exchange of any security is suitable for such customer upon the basis of the facts, if any, disclosed by such customer as to his other security holdings and as to his financial situation and needs.¹¹ In addition, as previously described, Nasdaq will distribute a circular to members providing guidance regarding compliance responsibilities and requirements, including suitability recommendations, and highlighting the special risks and characteristics of the Notes. Furthermore, the Notes will be subject to the equity margin rules. Lastly, the regular equity trading hours of 9:30 a.m. to 4 p.m. will apply to transactions in the Notes.

Nasdaq represents that NASD's surveillance procedures are adequate to properly monitor the trading of the Notes. Specifically, NASD will rely on its current surveillance procedures governing equity securities, and will include additional monitoring on key pricing dates.

Morgan Stanley will deliver a prospectus in connection with the initial purchase of the Notes. The procedure for the delivery of a prospectus will be the same as Morgan Stanley's current procedure involving primary offerings.

2. Statutory Basis

Nasdaq believes that the proposed rule change is consistent with section 15A of the Act,¹² in general, and furthers the objectives of section 15A(b)(6)¹³ of the Act, in particular, in that the proposed rule change is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market, and, in general, to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

Nasdaq does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

¹¹ Rule 2310(b) requires members to make reasonable efforts to obtain information concerning a customer's financial status, a customer's tax status, the customer's investment objectives, and such other information used or considered to be reasonable by such member or registered representative in making recommendations to the customer.

¹² 15 U.S.C. 78o-3.

¹³ 15 U.S.C. 78o-3(b)(6).

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments were neither solicited nor received on the proposed rule change.

III. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to File No. SR-NASD-2003-100 and should be submitted by July 18, 2003.

IV. Commission's Findings and Order Granting Accelerated Approval of the Proposed Rule Change

Nasdaq has asked the Commission to approve the proposal on an accelerated basis to accommodate the timetable for listing the Notes. The Commission notes that it has previously approved the listing and trading of options on, and securities (including similar "leveraged" products) the performance of which have been linked to or based on the Nasdaq-100 Index.¹⁴

After careful consideration, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities association, and, in particular, the requirements of section 15A of the Act.¹⁵ Specifically, the Commission finds that the proposal is consistent with section 15A(b)(6) of the Act,¹⁶ which requires in part that the rules be designed to promote just and equitable principles of trade, to remove

¹⁴ See n. 10, *supra*.

¹⁵ 15 U.S.C. 78o-3.

¹⁶ 15 U.S.C. 78o-3(b)(6).

⁸ The Leveraged Upside Payment is the product of (i) \$10 and (ii) 300% and (iii) the Index Percent Increase (a fraction, the numerator of which is the Final Index Value minus the Initial Index Value and the denominator of which is the Initial Index Value).

⁹ The Index Performance Factor is a fraction, the numerator of which is the Final Index Value and the denominator of which is the Initial Index Value.

¹⁰ See Securities Exchange Act Release No. 45429 (February 11, 2002), 67 FR 7438 (February 19, 2002) (approving the listing and trading of Enhanced Return Notes Linked to the Nasdaq-100 Index); Securities Exchange Act Release No. 45024 (November 5, 2001), 66 FR 56872 (November 13, 2001) (approving the listing and trading of Enhanced Return Notes Linked to the Nasdaq-100 Index); Securities Exchange Act Release No. 44913 (October 9, 2001), 66 FR 52469 (October 15, 2001) (approving the listing and trading of Performance Leveraged Upside Securities based upon the performance of the Nasdaq-100 Index); Securities Exchange Act Release No. 43000 (June 30, 2000), 65 FR 42409 (July 10, 2000) (approving the listing and trading of options based upon one-tenth of the value of the Nasdaq-100 Index); Securities Exchange Act Release No. 41119 (February 26, 1999), 64 FR 11510 (March 9, 1999) (approving the listing and trading of Portfolio Depository Receipts based on the Nasdaq-100 Index); Securities Exchange Act Release No. 33428 (January 5, 1994), 59 FR 1576 (January 11, 1994) (approving the listing and trading of options on the Nasdaq-100 Index).

impediments to and perfect the mechanism of a free and open market, and, in general, to protect investors and the public interest.¹⁷ The Commission believes that the proposal to list and trade the PLUS will provide investors flexibility in satisfying their investment needs by providing them with the opportunity to obtain leveraged returns based on the Nasdaq-100 Index, subject to the Maximum Payment at Maturity. Specifically, as described more fully above, if the value of the Nasdaq-100 Index has increased, a beneficial owner will be entitled to receive at maturity a payment on the Notes based on triple the amount of any percentage increase in the Index, subject to the specified Maximum Payment at Maturity.

The Commission notes that the PLUS are leveraged debt instruments and that their price will be derived and based upon the performance and value of the Nasdaq-100 Index. In addition, as discussed more fully above, the Notes do not guarantee any return of principal at maturity. Thus if the Index has declined at maturity, a beneficial owner may receive significantly less than the original public offering price of the Notes. Accordingly, the level of risk involved in the purchase or sale of the PLUS is similar to the risk involved in the purchase or sale of traditional common stock. In addition, because the final rate of return of the PLUS is derivatively priced and is based on the performance of an index of securities, because the Notes are debt instruments that do not guarantee a return of principal, and because investors' potential return is limited by the Maximum Payment at Maturity, there are several issues regarding the trading of this type of product.

The Commission notes that Nasdaq's rules and procedures that address the special concerns attendant to the trading of hybrid securities will be applicable to the PLUS. In particular, by imposing the hybrid listing standards, suitability, disclosure, and compliance requirements noted above, the Commission believes Nasdaq has addressed adequately the potential problems that could arise from the hybrid nature of the PLUS. Moreover, Nasdaq will distribute a circular to its membership calling attention to the specific risks associated with the PLUS.

In approving the product, the Commission recognizes that the components of the Nasdaq-100 Index may change each year over the life of

the product. Nevertheless, the Commission believes that this is acceptable because Nasdaq has clearly stated its guidelines and formula for replacing components from a specific group of the largest and most actively traded securities listed on the Nasdaq, including companies across a variety of major industry groups. Each year, as noted above, the index of securities comprising the Nasdaq-100 Index will represent the 100 largest non-financial companies listed on The Nasdaq National Market tier of Nasdaq. Nasdaq will do the calculation for replacements based on a set formula to determine which of the securities will be in the Nasdaq-100 Index for the following year. The Commission believes that within these confines the potential changes in the components of the Nasdaq-100 Index are reasonable and will meet the expectation of investors.

In addition, the Commission notes that, unlike traditional debt securities, the PLUS are non-principal protected. The PLUS will not have a minimum principal amount that will be repaid and may be less than the original issue price of the PLUS. The Commission also notes that the PLUS will be registered under section 12 of the Act and will be treated as equity securities, subject to NASD and Nasdaq's existing equity trading rules, including rules on suitability, margin, disclosure, trading hours, and surveillance.

Nasdaq represents that the PLUS meet NASD requirements for depository eligibility under NASD Market Place Rules 4310 and 11310 for purposes of clearance and settlement. The Commission notes that Morgan Stanley will deliver a prospectus to investors with the initial purchase of the PLUS. In addition, Nasdaq will issue a circular to NASD members explaining the unique characteristics and risks of the PLUS. The circular will also note NASD member and member organization responsibilities under Marketplace Rule 2310 and IM-2310-2. Specifically, NASD members must have reasonable grounds for believing that a recommendation to a customer regarding the purchase, sale or exchange of any security is suitable for such customer upon the basis of the facts, if any, disclosed by such customer as to his other security holdings and as to his financial situation and needs.

Furthermore, the Commission notes that the PLUS are dependent upon the individual credit of the issuer, Morgan Stanley. To some extent this credit risk is minimized by Nasdaq's listing standards in NASD Marketplace Rule 4420(f), which provide the only issuers satisfying substantial asset and equity

requirements may issue securities such as the PLUS. In addition, Nasdaq's hybrid listing standards further require that the PLUS have at least \$4 million in market value.¹⁸ In any event, financial information regarding Morgan Stanley, in addition to the information on the issuers of the underlying securities comprising the Nasdaq-100 Index, will be publicly available.¹⁹

The Commission also has a systemic concern, however, that a broker-dealer, such as Morgan Stanley, or a subsidiary providing a hedge for the issuer will incur position exposure. As discussed in the prior approval orders for other hybrid instruments,²⁰ the Commission believes this concern is minimal given the size of the PLUS issuance in relation to the net worth of Morgan Stanley.

The Commission also believes that the listing and trading of the PLUS should not unduly impact the market for the underlying securities comprising the Nasdaq-100 Index or raise manipulative concerns. The Commission notes that the Index is determined, composed, and calculated by Nasdaq according to objective, publicly-available criteria. As of May 31, 2003, the adjusted market capitalization of the securities included in the Nasdaq-100 Index ranged from a high of \$170.3 billion to a low of \$2.2 billion. The average daily trading volume for these same securities for the last five months, as of the same date, ranged from a high of 68.1 million shares to a low of 527,400 shares. Given the large capitalizations, liquid markets, and relative weightings of the Index's component stocks, the Commission continues to believe, as it has concluded previously, that the listing and trading of the Notes that are linked to the Nasdaq-100 Index should not unduly impact the market for the underlying securities comprising the Nasdaq-100 Index or raise manipulative concerns.²¹ First, the underlying securities comprising the Nasdaq-100 Index are well-capitalized, highly liquid stocks listed on the Nasdaq. Second, the Commission believes that the weighting and potential quarterly rebalancing of the Nasdaq-100 Index should ensure that no single stock or group of stocks will likely dominate the Nasdaq-100 Index, significantly minimizing the potential for manipulation of the index.

¹⁸ See NASD Marketplace rule 4420(f).

¹⁹ The companies that comprise the Nasdaq-100 Index are reporting companies under the Act.

²⁰ See, e.g., Securities Exchange Act Release No. 44913, (October 9, 2001), 66 FR 52469 (October 15, 2001) (SR-NASD-2001-73) (order approving the listing and trading of notes issued by Morgan Stanley Dean Witter & Co. whose return is based on the performance of the Index).

²¹ See n. 8, *supra*.

¹⁷ In approving this rule, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

Third, the Commission believes that the Nasdaq-100 would be difficult to manipulate based on the wide range of instruments that provide economic exposure to the Index. Finally, Nasdaq's surveillance procedures will serve to deter as well as detect any potential manipulation. The Commission also notes that the value of the Nasdaq-100 Index is disseminated every 15 seconds over the Nasdaq Trade Dissemination System.

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice thereof in the **Federal Register**. Nasdaq has requested accelerated approval in order to begin listing and trading the PLUS immediately. In determining to grant the accelerated approval for good cause, the Commission notes that the Nasdaq-100 Index is an index of large, actively traded securities listed on the Nasdaq. Additionally, the PLUS will be listed pursuant to existing hybrid security listing standards as described above. Moreover, the Nasdaq-100 Index's weighting methodology is a commonly applied index calculation method. The Commission believes that the Notes will provide investors with an additional investment choice and that accelerated approval of the proposal will allow investors to begin trading the Notes promptly. Based on the above, the Commission finds, consistent with sections 15A(b)(6)²² and 19(b)²³ of the Act, that there is good cause for accelerated approval of the product.

The Commission is approving Nasdaq's proposed listing and trading standards for the PLUS. The Commission specifically notes that, notwithstanding approval of the listing standards for the PLUS, other similarly structured products will require review by the Commission prior to being trading on Nasdaq.

V. Conclusion

It is therefore ordered, pursuant to section 19(b)(2) of the Act,²⁴ that the proposed rule change (SR-NASD-2003-100) is hereby approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.²⁵

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 03-16268 Filed 6-26-03; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF STATE

[Public Notice 4387]

Office of Visa Services; 60-Day Notice of Proposed Information Collection: Form DSP-122, Supplemental Registration for the Diversity Immigrant Visa Program; OMB Control Number 1405-0098

AGENCY: Department of State.

ACTION: Notice.

SUMMARY: The Department of State is seeking Office of Management and Budget (OMB) approval for the information collection described below. The purpose of this notice is to allow 60 days for public comment in the **Federal Register** preceding submission to OMB. This process is conducted in accordance with the Paperwork Reduction Act of 1995.

The following summarizes the information collection proposal to be submitted to OMB:

Type of Request: Extension of currently approved collection.

Originating Office: Bureau of Consular Affairs, Department of State (CA/VO).

Title of Information Collection: Supplemental Registration For The Diversity Immigrant Visa Program.

Frequency: Once per respondent.

Form Number: DSP-122.

Respondents: Aliens applying for a Diversity Visa.

Estimated Number of Respondents: 50,000 per year.

Average Hours Per Response: .5 hours.

Total Estimated Burden: 25,000 hours per year.

Public comments are being solicited to permit the agency to:

- Evaluate whether the proposed information collection is necessary for the proper performance of the functions of the agency.
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection, including the validity of the methodology and assumptions used.
- Enhance the quality, utility, and clarity of the information to be collected.
- Minimize the reporting burden on those who are to respond, including through the use of automated collection techniques or other forms of technology.

FOR FURTHER INFORMATION CONTACT:

Public comments, or requests for additional information regarding the collection listed in this notice should be directed to Brendan Mullarkey of the Office of Visa Services, U.S. Department of State, 2401 E St. NW., RM L-703,

Washington, DC 20520, who may be reached at 202-663-1163.

Dated: June 4, 2003.

Janice L. Jacobs,

Deputy Assistant Secretary of State for Visa Services, Bureau of Consular Affairs, Department of State.

[FR Doc. 03-16339 Filed 6-26-03; 8:45 am]

BILLING CODE 4710-06-P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[U.S. DOT Docket Number NHTSA-02-14038]

Reports, Forms, and Recordkeeping Requirements

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation.

ACTION: Request for public comment on proposed collection of information.

SUMMARY: Before a Federal agency can collect certain information from the public, it must receive approval from the Office of Management and Budget (OMB). Under procedures established by the Paperwork Reduction Act of 1995, before seeking OMB approval, Federal agencies must solicit public comment on proposed collections of information, including extensions and reinstatement of previously approved collections.

This document describes one collection of information for which NHTSA intends to seek OMB approval.

DATES: Comments must be received on or before August 26, 2003.

ADDRESSES: Comments must refer to the docket notice number cited at the beginning of this notice and be submitted to Docket Management, Room PL-401, 400 Seventh Street, SW., Washington, DC 20590. It is requested, but not required, that 2 copies of the comment be provided. The Docket Section is open on weekdays from 10 a.m. to 5 p.m.

FOR FURTHER INFORMATION CONTACT: Complete copies of each request for collection of information may be obtained at no charge from Dr. George Mouchahoir, NHTSA 400 Seventh Street, SW., Room 5313-E, NVS-113, Washington, DC 20590. Dr. Mouchahoir's telephone number is (202) 366-4919. Please identify the relevant collection of information by referring to this Docket Number (Docket Number NHTSA-02-14038).

SUPPLEMENTARY INFORMATION: Under the Paperwork Reduction Act of 1995,

²² 15 U.S.C. 78o-3(b)(6).

²³ 15 U.S.C. 78s(b).

²⁴ 15 U.S.C. 78s(b)(2).

²⁵ 17 CFR 200.30-2(a)(12).