

prospectuses will prominently disclose that the Manager has the ultimate responsibility (subject to oversight by the Boards) to oversee the Sub-Advisers and recommend their hiring, termination, and replacement.

3. Within ninety (90) days of the hiring of any new Sub-Adviser, the Manager will furnish shareholders (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, the unitholders of the sub-account) with the information about the new Sub-Adviser that would be included in a proxy statement. This information will include any change in such disclosure caused by the addition of a new Sub-Adviser. The Manager will meet this condition by providing shareholders (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, the unitholders of the sub-account) within ninety (90) days of the hiring of a Sub-Adviser with an information statement meeting the requirements of Regulation 14C, Schedule 14C and Item 22 of Schedule 14A under the Securities Exchange Act of 1934.

4. The Manager will not enter into a Sub-Advisory Agreement with any Affiliated Sub-Adviser without that Sub-Advisory Agreement, including the compensation to be paid thereunder, being approved by the Fund's shareholders (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, pursuant to voting instructions provided by the unitholders of the sub-account).

5. At all times, a majority of each Board will be Independent Trustees, and the nomination of new or additional Independent Trustees will be at the discretion of the then-existing Independent Trustees.

6. When a Sub-Adviser change is proposed for a Fund with an Affiliated Sub-Adviser, the Board, including a majority of the Independent Trustees, will make a separate finding, reflected in the Board minutes, that the change is in the best interests of the Fund and its shareholders (or, if the Fund serves as a funding medium for any sub-account of a registered separate account, in the best interests of the Fund and the unitholders of any sub-account) and does not involve a conflict of interest from which the Manager or the Affiliated Sub-Adviser derives an inappropriate advantage.

7. The Manager will provide general management services to each Trust and the Funds relying on the requested order, including overall supervisory responsibility for the general management and investment of each Fund's assets and, subject to review and approval by the Boards, will: (a) Set

each Fund's overall investment strategies; (b) evaluate, select, and recommend Sub-Advisers to manage all or a part of a Fund's assets; (c) allocate and, when appropriate, reallocate a Fund's assets among multiple Sub-Advisers; (d) monitor and evaluate the performance of Sub-Advisers; and (e) ensure that the Sub-Advisers comply with the relevant Fund's investment objective, policies, and restrictions by, among other things, implementing procedures reasonably designed to ensure compliance.

8. No director, trustee or officer of either Trust or director or officer of the Manager will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by such person) any interest in any Sub-Adviser except for: (a) Ownership of interests in the Manager or any entity that controls, is controlled by, or is under common control with the Manager; or (b) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicly-traded company that is either a Sub-Adviser or an entity that controls, is controlled by or is under common control with a Sub-Adviser.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-26590 Filed 10-22-01; 8:45 am]
BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44941; File No. SR-NYSE-99-38]

Self-Regulatory Organizations; Order Granting Approval of Proposed Rule Change and Amendment No. 1, and Notice of Filing and Order Granting Accelerated Approval of Amendment No. 2, by the New York Stock Exchange, Inc. to Amend the NYSE's Minor Rule Violation Plan

October 16, 2001.

I. Introduction

On September 2, 1999, the New York Stock Exchange, Inc. ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to amend its Minor Rule Violation Plan ("Plan"). On November 12, 1999, the

Exchange amended the proposal.³ Notice of the proposed rule change, as modified by Amendment No. 1, appeared in the **Federal Register** on December 20, 1999.⁴ The Commission received no comments on the proposal. On October 9, 2001, the NYSE again amended the proposal.⁵ This order approves the proposed rule change, as modified by Amendment Nos. 1 and 2.

II. Description of the Proposal

The proposed rule change would revise the "List of Exchange Rule Violations and Fines Applicable Thereto Pursuant to NYSE Rule 476A" for imposition of fines for minor violations of rules by adding to the list failure to comply with the provisions of NYSE Rules 35, 345A(b), and 440A. In addition, the proposal clarifies that paragraph (c) of currently listed NYSE Rule 472 encompasses telemarketing scripts.

III. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the proposed Amendment No. 2, including whether the proposed rule change, as modified by Amendment No. 2, 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 NYSE. All submissions should refer to file number

³ See November 10, 1999 letter from James E. Buck, Senior Vice President and Secretary, NYSE, to Richard C. Strasser, Assistant Director, Division of Market Regulation ("Division"), Commission ("Amendment No. 1"). In Amendment No. 1, the NYSE made technical changes to the proposal.

⁴ See Securities Exchange Act Release No. 42225 (December 13, 1999), 64 FR 71162.

⁵ See October 5, 2001 letter from James E. Buck, Senior Vice President and Secretary, NYSE, to Nancy Sanow, Assistant Director, Division, Commission ("Amendment No. 2"). In Amendment No. 2, at the request of Division staff, the NYSE removed NYSE Rule 345A(a) (Regulatory Element Continuing Education Requirements) from the proposed additions to the List of Exchange Rules Subject to Rule 476A Procedures.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

SR–NYSE–99–38 and should be submitted by November 13, 2001.

IV. Discussion and Commission Findings

The Commission finds that the proposed rule change, as amended, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange⁶ and, in particular, the requirements of section 6 of the Act⁷ and the rules and regulations thereunder. The Commission finds specifically that the proposed rule change is consistent with section 6(b)(6) of the Act⁸ because it provides an additional option for the appropriate discipline of the NYSE's members and persons associated with its members for certain rule violations. Finally, the Commission finds the proposal is consistent with Securities Exchange Act Rule 19d–1(c)(2)⁹ that governs minor rule violation plans.

The Commission finds good cause for accelerating approval of Amendment No. 2 to the proposed rule change prior to the 30th day after publication in the **Federal Register**. Amendment No. 2 removes the Regulatory Element of the Continuing Education requirements from the list of rules the NYSE administers pursuant to the Plan. The Commission notes that the National Association of Securities Dealers, ("NASD"), at the Commission's request, removed the Continuing Education Regulatory Element requirement from its proposal regarding administration of

rules pursuant to its minor rule violation plan.¹⁰ Amendment No. 2 ensures that the NYSE and the NASD have the same disciplinary options for their members and associated persons with regard to violations of Continuing Education requirements. Accordingly, the Commission finds that good cause exists, consistent with section 6(b)(6) of the Act,¹¹ and section 19(b) of the Act¹² to accelerate approval of Amendment No. 2 to the proposed rule change.

In approving this proposal, the Commission in no way minimizes the importance of compliance with these rules, and all other rules subject to the imposition of fines under the Plan. The Commission believes that the violation of any self-regulatory organizations' rules, as well as Commission rules, is a serious matter. However, in an effort to provide the Exchange with greater flexibility in addressing certain violations, the Plan provides a reasonable means to address rule violations that do not rise to the level of requiring formal disciplinary proceedings. The Commission expects that the NYSE will continue to conduct surveillance with due diligence, and make a determination based on its findings whether fines of more or less than the recommended amount are appropriate for violations of rules under the Plan, on a case by case basis, or if a violation requires formal disciplinary action.

It is therefore ordered, pursuant to section 19(b)(2) of the Act,¹³ and Rule

19d–1(c)(2)¹⁴ thereunder, that the proposed rule change (SR–NYSE–99–38), as amended, be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁵

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01–26591 Filed 10–22–01; 8:45 am]

BILLING CODE 8010–01–M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3370]

State of Texas

Bee and Maverick Counties and the contiguous counties of Dimmit, Goliad, Karnes, Kinney, Live Oak, Refugio, San Patricio, Uvalde, Webb and Zavala in the State of Texas constitute a disaster area as a result of severe storms and flooding that occurred from August 28 through September 14, 2001. Applications for loans for physical damage may be filed until the close of business on December 17, 2001 and for economic injury until the close of business on July 17, 2002 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 3 Office, 4400 Amon Carter Blvd., Suite 102, Ft. Worth, TX 76155.

The interest rates are:

For Physical Damage:	
Homeowners with credit available elsewhere	6.750%
Homeowners without credit available elsewhere	3.375
Businesses with credit available elsewhere	8.000
Businesses and non-profit organizations without credit available elsewhere	4.000
Others (including non-profit organizations) with credit available elsewhere	7.125
For Economic Injury:	
Businesses and small agricultural cooperatives without credit available elsewhere	4.000

The number assigned to this disaster for physical damage is 337011 and for economic injury is 9M9600.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008).

Dated: October 17, 2001.

John Whitmore,

Acting Administrator.

[FR Doc. 01–26670 Filed 10–22–01; 8:45 am]

BILLING CODE 8025–01–P

SOCIAL SECURITY ADMINISTRATION

President's Commission to Strengthen Social Security

AGENCY: Social Security Administration (SSA).

ACTION: Announcement of Meeting.

DATES: November 9, 2001 10:00 a.m.–3:30 p.m.

ADDRESSES: Washington, DC–Venue to be determined. Due to unforeseen circumstances the venue has not been

identified to date. This information will be published in the **Federal Register** and posted at www.CSSS.gov as soon as it is available.

SUPPLEMENTARY INFORMATION:

Type of meeting: The meeting will be open to the public between 10:00 a.m. and 3:30 p.m., with a break for lunch between 1:00 p.m. and 2:00 p.m.

Purpose: This is the fifth deliberative meeting of the Commission. No public testimony will be heard at this meeting.

⁶ In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁷ 15 U.S.C. 78f.

⁸ 15 U.S.C. 78f(b)(6).

⁹ 17 CFR 240.19d–1(c)(2).

¹⁰ See Securities Exchange Act Release No. 44512 (July 3, 2001), 66 FR 36812 (July 13, 2001) (SR–NASD–00–39).

¹¹ 15 U.S.C. 78f(b)(6).

¹² 15 U.S.C. 78s(b).

¹³ 15 U.S.C. 78s(b)(2).

¹⁴ 17 CFR 204.19d–1(c)(2).

¹⁵ 17 CFR 200.30–3(a)(12).