

made without that Plan Participant's direct or indirect voting participation. If a Plan Participant is chosen to operate such exclusive SIP, the Commission believes there should be a further presumption that the Participant-operated exclusive SIP shall operate completely separate from any order matching facility operated by that Participant and that any order matching facility operated by that Participant must interact with the plan-operated SIP on the same terms and conditions as any other market center trading Nasdaq-listed securities. Further, the Commission will expect the NASD to provide direct or indirect access to the alternative SIP, whether exclusive or non-exclusive, by any of its members that qualify, and to disseminate transaction information and individually identified quotation information for these members through the SIP.

Furthermore, the revised final Plan should be open to all SROs, and the Plan should share governance of all matters subject to the Plan equitably among the SRO Participants. The Plan also should provide for sharing of market data revenues among SRO Participants. Finally, the Plan should provide a role for participation in decision making to non-SROs that have direct or indirect access to the alternative SIP provided by the NASD. The Commission expects the parties to continue to negotiate in good faith on the above matters¹⁶ as well as any other issues that arise during Plan negotiations.

The Commission also finds that it is appropriate to extend the exemptive relief from Rule 11Ac1-2¹⁷ under the Act until the earlier of October 19, 2001, or until such time as the calculation methodology of the BBO is based on a mutual agreement among the Participants approved by the Commission. The Commission further finds that it is appropriate to extend the exemptive relief from Rule 11Aa3-1¹⁸ under the Act to the BSE through October 19, 2001. The Commission believes that the temporary extensions of the exemptive relief provided to vendors and the BSE, respectively, are consistent with the Act, the rules thereunder, and specifically with the objectives set forth in Sections 12(f)¹⁹

and 11A²⁰ of the Act and in Rules 11Aa3-1²¹ and 11Aa3-2²² thereunder.

VII. Conclusion

It is therefore ordered, pursuant to Sections 12(f)²³ and 11A²⁴ of the Act and paragraph (c)(2) of Rule 11Aa3-2²⁵ thereunder, that the Participants' request to extend the effectiveness of the Plan, as amended, for Nasdaq/NM securities traded on an exchange on an unlisted or listed basis through October 19, 2001, and certain exemptive relief through October 19, 2001, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.²⁶

Jonathan G. Katz,
Secretary.

[FR Doc. 01-23457 Filed 9-17-01; 1:24 pm]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting.

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: 66 FR 47930, September 14, 2001.

STATUS: Closed meeting.

PLACE: 450 Fifth Street, NW., Washington, DC.

DATE PREVIOUSLY ANNOUNCED: September 10, 2001.

CHANGE IN THE MEETING: Cancellation of Meeting.

The closed meeting scheduled for Monday, September 17, 2001 at 10:00 a.m. has been cancelled.

Dated: September 14, 2001.

Jonathan G. Katz,
Secretary.

[FR Doc. 01-23443 Filed 9-17-01; 12:30 pm]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44787; File No. SR-NASD-2001-53]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change by the National Association of Securities Dealers, Inc. Amending Rule 11870, Customer Account Transfer Contracts

September 12, 2001.

Pursuant to Section 19(b)(1) of the Securities Exchange of 1934 ("Act"),¹ notice is hereby given that on August 16, 2001, the National Association of Securities Dealers, Inc. ("NASD"), through its wholly owned subsidiary, NASD Regulation, Inc. ("NASD-R") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by NASD-R. The Commission is publishing this notice and order to solicit comments on the proposed rule change from interested persons and to grant accelerated approval.

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

NASD Regulation proposes to amend NASD Uniform Practice Code Rule 11870(c) and 11870(d) in order to expedite the transfer of customer accounts that contain proprietary or third party products (e.g., mutual funds or money market funds) that the receiving member cannot receive or carry.

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

In its filing with the Commission, NASD-R 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 IV below. NASD-R has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.²

¹ 15 U.S.C. 78s(b)(1).

² The Commission has modified the text of the summaries prepared by NASD.

¹⁶ See also discussion in the SuperMontage order, *supra* note 4.

¹⁷ 17 CFR 240.11Ac1-2.

¹⁸ 17 CFR 240.11Aa3-1.

¹⁹ 15 U.S.C. 78l(f).

²⁰ 15 U.S.C. 78k-1.

²¹ 17 CFR 240.11Aa3-1.

²² 17 CFR 240.11Aa3-2.

²³ 15 U.S.C. 78l(f).

²⁴ 15 U.S.C. 78k-1.

²⁵ 17 CFR 240.11Aa3-2(c)(2).

²⁶ 17 CFR 200.30-3(a)(29).