initial information collection burdens (for filing an application, preparing the specified charter, bylaw, and contract provisions, designations of agents for service of process, and an initial list of affiliated persons, and establishing a means of keeping records in the United States) of approximately 90 hours for the fund and its associated persons. The Commission is not including these hours in its calculation of the annual burden because no foreign fund has applied under rule 7d–1 to register under the Act in the last three years.

After registration, a foreign fund may file a supplemental application seeking special relief designed for the fund's particular circumstances. Because rule 7d–1 does not mandate these applications and the fund determines whether to submit an application, the Commission has not allocated any burden hours for the applications.

The estimates of burden hours are made solely for the purposes of the Paperwork Reduction Act. The estimates are not derived from a comprehensive or even a representative survey or study of Commission rules and forms.

The Commission believes that the active registrant and its associated persons may spend (excluding the cost of burden hours) approximately $540 per year in maintaining records in the United States. These estimated costs include fees for a custodian or other agent to retain records, storage costs, and the costs of transmitting records.

If a Canadian or other foreign fund in the future applied to register under the Act under rule 7d–1, the fund initially might have capital and start-up costs (not including hourly burdens) of an estimated $17,280 to comply with the rule's initial information collection requirements. These costs include legal and processing-related fees for preparing the required documentation (such as the application, charter, bylaw, and contract provisions), designations for service of process, and the list of affiliated persons. Other related costs would include fees for establishing arrangements with a custodian or other agent for maintaining records in the United States, copying and transportation costs for records, and the costs of purchasing or leasing computer equipment, software, or other record storage equipment for records maintained in electronic or photographic form.

The Commission expects that a fund and its sponsors would incur these costs immediately, and that the annualized cost of the expenditures would be $17,280 in the first year. Some expenditures might involve capital improvements, such as computer equipment, having expected useful lives for which annualized figures beyond the first year would be meaningful. These annualized figures are not provided, however, because, in most cases, the expenses would be incurred immediately rather than on an annual basis. The Commission is not including these costs in its calculation of the annualized capital/start-up costs because no foreign fund has applied under rule 7d–1 to register under the Act pursuant to rule 7d–1 in the last three years.

We request written comment on: (a) Whether the collections of information are necessary for the proper performance of the functions of the Commission, including whether the information has practical utility; (b) the accuracy of the Commission's estimate of the burdens of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. We will consider comments and suggestions submitted in writing within 60 days of this publication.

Direct your written comments to Michael E. Bartell, Associate Executive Director, Officer of Information Technology, Securities and Exchange Commission, Mail Stop 0–4, 450 5th Street, NW., Washington, DC 20549.

Dated: January 9, 2002.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02–1098 Filed 1–15–02; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–45260; File No. SR–Amex–2001–19]

Self-Regulatory Organizations; Order Approving a Proposed Rule Change and Amendment Nos. 1, 2, 3 and 4 Thereto by the American Stock Exchange LLC Relating to Its Performance Evaluation and Allocations Procedures

January 9, 2002.

On March 19, 2001, the American Stock Exchange LLC (''Amex'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''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 codify the Exchange's performance evaluation and allocations procedures. On May 31, 2001, the Exchange submitted Amendment No. 1 to the proposed rule change.[3] On August 13, 2001, the Exchange submitted Amendment No. 2 to the proposed rule change.[4] On August 27, 2001, the Exchange submitted Amendment No. 3 to the proposed rule change.[5] The proposed rule change, as amended, was published in the **Federal Register** on October 31, 2001.[6] On December 18, 2001, the Exchange submitted Amendment No. 4 to the proposed rule change.[7] The Commission received no comments on the proposed rule change. This order approves the proposed rule change, as amended, and approves Amendment No. 4 on an accelerated basis.

I. Description of the Proposed Rule Change

The Exchange proposes to adopt Amex Rules 26 and 27 to codify the

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Letter from Bill Floyd-Jones, Jr., Assistant General Counsel, Legal and Regulatory, Amex, to Katherine A. England, Assistant Director, Division of Market Regulation (''Division''), Commission (May 31, 2001). Amendment No. 1 adds discussion to the purpose section of the proposal regarding the ability of the Performance Committee to take appropriate action should a member or member organization fail without a reasonable excuse to meet with the committee after receiving notice. In addition, Amendment No. 1 corrects structural and typographical errors that appeared in the proposed rule language.

[4] *See* Letter from Bill Floyd-Jones, Jr., Assistant General Counsel, Legal and Regulatory, Amex, to Katherine A. England, Assistant Director, Division, Commission (August 10, 2001). Amendment No. 2 adds a reference to the Special Allocations Committee in the proposal and proposed rule text; adds allocations procedures for structured products and Exchange Traded Funds; and makes technical changes to the proposed rule test.

[5] *See* Letter from Bill Floyd-Jones, Jr., Assistant General Counsel, Legal and Regulatory, Amex, to Katherine A. England, Assistant Director, Division, Commission (August 24, 2001). Amendment No. 3 clarifies the Performance and Allocations Committee review procedures.

[6] *See* Securities Exchange Act Release No. 44972, (October 23, 2001), 66 FR 55031 (SR–Amex–2001–19).

[7] *See* Letter from Geraldine Brindisi, Vice President and Corporate Secretary, Amex, to Katherine A. England, Assistant Director, Division of Market Regulation (''Division''), Commission (December 14, 2001). Amendment No. 4 (1) clarifies that the Adjudicatory Council shall review the written statements and supporting documents submitted by the appellant and Committee in connection with the appeal; (2) specifies in the proposed rule text that the specialist will receive written notice or notice will be posted on one of the Exchange's websites of allocation decisions by the Allocations Committee; (3) decreases the number of days an appellant would have to submit a timely application for review; and (4) makes technical changes to the proposed rule text.

Exchange's performance evaluation and allocations procedures in order to make them readily available in one accessible location. Performance evaluation is the process by which the Exchange reviews Floor member conduct and takes remedial action where necessary to improve performance. The registration of specialists (''allocations'') is the process by which the Exchange matches appropriate specialists to particular securities.

Proposed Rule 26 describes the composition of the Performance Committee, and allows the Performance Committee to delegate some or all its responsibilities to one or more subcommittees consisting of six persons. Proposed Rule 26 also describes the responsibilities of the Performance Committee with respect to specialists, registered traders, and brokers, including remedial actions available to the Performance Committee with respect to each group of Floor members.

Proposed Rule 27 describes the composition and responsibilities of the Options and Equities Allocations Committees. In addition, the Exchange represents that the Special Allocations Committee allocates securities that are not allocated by the Options or Equities Allocations Committees and securities with special characteristics as may be determined by the Chief Executive Officer of the Exchange or his or her designee.

II. Discussion

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 exchange.[8] In particular, the Commission finds that the proposal, as amended, is consistent with section 6(b)(5) of the Act,[9] which requires, among other things, that the Exchange's procedures are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest.

The Commission believes that codifying the Exchange's performance evaluation and allocations procedures should help the Exchange to ensure quality markets by monitoring and encouraging the performance and competition among specialists and other Floor members, thereby protecting investors and the public interest.

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

[9] 15 U.S.C. 78f(b)(5).

III. Amendment No. 4

The Commission finds good cause for approving Amendment No. 4 prior to the thirtieth day after notice of publication in the **Federal Register**. In addition to making minor technical changes to the proposed rule language, Amendment No. 4 (1) clarifies that the Adjudicatory Council shall review the written statements and supporting documents submitted by the appellant and Committee in connection with the appeal; (2) specifies in the proposed rule text that the specialist will receive written notice or notice will be posted on one of the Exchange's Web sites of allocation decisions by the Allocations Committee; and (3) decreases the number of days an appellant would have to submit a timely application for review.[10] The Commission finds that Amendment No. 4 to the proposed rule enhances the fairness of Amex procedures for the evaluation of specialists' performance and allocation measures. The Commission believes that it is not necessary to separately solicit comment on Amendment No. 4 before approving this proposal because it received no comments in response to the initial publication of the proposed rule change and Amendment No. 4 makes changes that improve the rule. The Commission therefore finds that the approval of Amendment No. 4 on an accelerated basis is appropriate.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning Amendment No. 4, including whether the amendment 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 Amex. All submissions should refer to File No. SR–Amex–2001–19 and should be submitted by February 6, 2002.

[10] The Amex, however, determined that it would not further amend the proposed rule to require that the Performance Committee maintain a verbatim record of its meetings, although the rule as proposed requires that a verbatim record of Adjudicatory Council proceedings be kept.

V. Conclusion

It Is Therefore Ordered, pursuant to section 19(b)(2) of the ACt,[11] that the proposed rule change (SR–AMEX–2001–19), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to the delegated authority.[12]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02–1099 Filed 1–15–02; 8:45 am]

BILLING CODE 8010–01–M

[11] 15 U.S.C. 78s(b)(2).

[12] 17 CFR 200.30–2(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–45259; File No. SR–NASD–2002–03]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the National Association of Securities Dealers, Inc. To Relieve Registered Representatives Serving in the Armed Forces From Continuing Education Requirements

January 9, 2002.

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 January 7, 2002, the National Association of Securities Dealers, Inc. (''NASD''), through its wholly owned subsidiary, NASD Regulation, Inc. (''NASD Regulation''), filed with the Securities and Exchange Commission (''Commission'' or ''SEC'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by NASD Regulation. NASD Regulation filed the proposal pursuant to section 19(b)(3)(A) of the Act,[3] and Rule 19b–4(f)(1)[4] thereunder, in that the proposed rule change constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule, which renders the proposal effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(1).