

Congress as reflected in the Coordination Act.

8. Applicant argues that it is the type of investment adviser that Congress intended the Commission to consider exempting under section 203A(c).

Applicant states that it provides services predominantly to institutions and that it believes that its business will remain predominantly institutional. Applicant will not market its services to individual investors, and in no case will it have (i) more than five clients who are natural persons (other than certain "excepted persons," as that term is defined in rule 203A-3, paragraph (a)(3)(i) under the Advisers Act<sup>9</sup>) or (ii) more than ten percent of its clients who are natural persons (other than certain excepted persons).

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 00-1634 Filed 1-21-00; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

### Sunshine Act Meeting

**FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT:** [65 FR 2656, January 18, 2000]

**STATUS:** Closed Meeting.

**PLACE:** 450 Fifth Street, N.W., Washington, D.C.

**DATE PREVIOUSLY ANNOUNCED:** January 18, 2000.

**CHANGE IN THE MEETING:** Cancellation of Meeting.

The closed meeting scheduled for Thursday, January 20, 2000 at 11:00 a.m., has been canceled.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942-7070.

Dated: January 20, 2000.

**Jonathan G. Katz,**

*Secretary.*

[FR Doc. 00-1753 Filed 1-20-00 3:47 pm]

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## SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-42342; File No. SR-Amex-99-21)

### Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange LLC Amending Section 106 of the Amex Company Guide

**DATE:** January 14, 2000.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on June 10, 1999, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Amex. The Exchange filed Amendments No. 1<sup>3</sup> and No. 2<sup>4</sup> to the proposed rule change on June 14, 1999 and December 1, 1999, respectively. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

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

The Exchange proposes to amend Section 106 of the *Amex Company Guide* to provide for the trading of narrow-based stock index warrants

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> Letter from Scott Van Hatten, Amex, to Richard Strasser, Assistant Director, Division of Market Regulation ("Division"), Commission, dated June 11, 1999 ("Amendment No. 1"). The Exchange originally filed the proposed rule change under Section 19(b)(3)(A) of the Act. Pursuant to Commission staff's request, the Exchange refiled the proposed rule change under Section 19(b)(2) of the Act.

<sup>4</sup> Letter from Scott Van Hatten, Amex, to Nancy Sanow, Assistant Director, Division. Commission, dated December 1, 1999 ("Amendment No. 2"). Amendment No. 2 states that the exchange will issue a circular prior to trading any new index warrant pursuant to Rule 19b-4(e) to (i) highlight specific risks associated with warrants on new indexes and remind members that index warrants are direct obligations of the issuer, which are not subject to a clearing house guarantee, (ii) clarify that index warrants may only be sold to accounts approved for standardized options trading, and (iii) clarify that the Exchange's options suitability standards apply to index warrants. Amendment No. 2 also states that Amex Rules 1100 through 1110, which govern issuer eligibility, margin requirements, discretionary accounts, supervision of accounts, position and exercise limits, reportable positions, and trading halts and suspensions, will apply to index warrants. Finally, Amendment No. 2 states that the Exchange's enhanced surveillance procedures will continue to apply to surveillance of index warrants traded pursuant to Rule 19b-4(e).

pursuant to new Rule 19b-4(e)<sup>5</sup> under the Act.

#### 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 self-regulatory organization 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. 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 Exchange proposes to amend Section 106 of the *Amex Company Guide* to provide for the trading of stock index industry group warrants<sup>6</sup> pursuant to new Rule 19b-4(e) under the Act. Section 106 of the *Amex Company Guide* currently authorizes the Exchange to trade warrants on a stock index industry group pursuant to Section 19(b)(3)(A) of the Act provided that the index meets the generic criteria set forth in Commentary .02 to Amex Rule 901C.<sup>7</sup> As discussed in the Commission release adopting new Rule 19b-4(e), however, the Exchange would no longer be required to submit, pursuant to new Rule 19b-4(e) under the Act, a proposed rule change to trade warrants on a new stock index industry group provided the index meets the generic criteria set forth in Commentary .02 to Amex Rule 901C.

In its release adopting new Rule 19b-4(e), the Commission noted that in order to rely on the amendment and not submit filings pursuant to Section 19(b)(3)(A) for warrants that satisfy the criteria of Rule 901C, a self-regulatory organization would be required to submit a proposed rule change for Commission approval to eliminate the Section 19(b)(3)(A) rule filing

<sup>5</sup> See Securities Exchange Act Release No. 40761 (Dec. 8, 1998), 63 FR 70952 (Dec. 22, 1998).

<sup>6</sup> Amex Rule 900C defines "Stock Index Industry Group" as a stock index group relating to a stock index which reflects representative stock market values or prices of a particular industry or related industries (also referred to as a "narrow based index").

<sup>7</sup> The Commission granted approval to list and trade narrow-based index warrants pursuant to Section 19(b)(3)(A) in Securities Exchange Act Release No. 37007 (March 21, 1996), 61 FR 14165 (March 29, 1996).

<sup>9</sup> See 17 CFR 275.203A-3(a)(3)(i)