

to one. The shareholders have elected all six of the Company's current directors. If the Company were to add two Disinterested Directors, the Company would not be required to seek shareholder approval to comply with section 16(a) of the Act, which requires that at least two-thirds of a fund's directors be elected by shareholders. The Company would be vulnerable to the possibility of having to unexpectedly call a shareholders' meeting that it would not otherwise have to call in the event of the death or resignation of a director. If the Company were instead to reduce the number of Interested Directors from two to one, it would reduce the size of its board by over sixteen percent. Applicants submit that reconstitution of the Company's board would serve no public interest, and may be contrary to the interests of shareholders of the Company.

5. For the reasons stated above, applicants submit that the requested relief is necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-30371 Filed 11-28-00; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43607; File No. 265-22]

Advisory Committee on Market Information

AGENCY: Securities and Exchange Commission.

ACTION: Notice of meeting of the Securities and Exchange Commission Advisory Committee on Market Information.

SUMMARY: The second meeting of the Securities and Exchange Commission Advisory Committee on Market Information ("Committee") will be held on December 14, 2000, in the William O. Douglas Room, at the Commission's main offices, 450 Fifth Street, N.W., Washington, DC., beginning at 1:00 p.m. The meeting will be open to the public, and the public is invited to submit written comments to the Committee.

ADDRESSES: Written comments should be submitted in triplicate and should refer to File No. 265-22. Comments should be submitted to Jonathan G.

Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, DC 20549-0609.

FOR FURTHER INFORMATION CONTACT: Anitra Cassas, Special Counsel, Division of Market Regulation, at 202-942-0089; Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, DC 20549-1001.

SUPPLEMENTARY INFORMATION: In accordance with Section 10(a) of the Federal Advisory Committee Act, 5 U.S.C. App. 10a, and the regulations thereunder, the Designated Federal Official of the Committee, David S. Shillman, has ordered publication of this notice that the Committee will conduct a meeting on December 14, 2000, in the William O. Douglas Room at the Commission's main offices, 450 Fifth Street, N.W., Washington, DC., beginning at 1:00 p.m. The meeting will be open to the public. This will be the second meeting of the Committee. The purpose of this meeting will be to discuss appropriate models for consolidating and disseminating market information, and other issues relating to the public availability of market information in the equities and options markets.

Dated: November 21, 2000.

Jonathan G. Katz,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43587; File No. SR-Amex-00-23]

Self Regulatory Organizations; Order Granting Accelerated Approval to Proposed Rule Change by the American Stock Exchange LLC Relating to Member Firm Transactions with Exchange Employees

November 17, 2000.

I. Introduction

On April 13, 2000, the American Stock Exchange LLC ("Amex" 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 certain Amex rules relating to member firm transactions with Amex employees. On September 25, 2000, the Amex filed Amendment No. 1 to the

proposal.³ The proposed rule change was published for comment in the **Federal Register** on October 31, 2000.⁴ No comments were received on the proposal. This order approves the proposal rule change, as amended, on an accelerated basis.

II. Description of the Proposal

The Exchange proposes to amend Amex Rule 15 (Loans by Exchange Officers) and Amex Rule 416 (Accounts of Employees of Exchange and Members), to delete Amex Rule 348 (Gratuities to Employees of Exchange), and to add new Amex Rule 417 (Transactions Involving Exchange Employees).⁵

A. Member Loans to Exchange Employees

The NASD Code of Conduct generally prohibits NASD and Amex employees from accepting loans from members, issuers, or any person with whom the NASD or Amex transacts business.⁶ Amex Rule 15 also prohibits Exchange employees from accepting loans from members without prior written approval of the Exchange, but does not specifically prohibit members from making those loans to Exchange employees.

The SEC staff has recommended that the Amex adopt a rule expressly prohibiting members from making loans to Amex employees, outside routine brokerage or banking relationships.⁷ The Amex therefore proposes to amend Amex Rule 15 to expressly provide that no member shall make a loan to an Exchange employee without prior approval of the Amex board of Governors. The Amex also proposes to adopt new Amex Rule 417(b), which prohibits members from making loans to Exchange employees outside of disclosed, routine banking and

³ Letter from Bruce Ferguson, Associate General Counsel, Legal & Regulatory Policy, Amex, to Jack Drogin, Assistant Director, Division of Market Regulation, Commission, September 25, 2000 ("Amendment No. 1"). Amendment No. 1 made a technical revision to the text of Amex Rule 417.

⁴ Securities Exchange Act Release No. 43468 (October 20, 2000), 65 FR 65034 (October 31, 2000).

⁵ The NASD filed a proposed rule change to adopt a new rule very similar to new Amex rule 471 (SR-NASD-00-50). See Securities Exchange Act Release No. 43580 (November 17, 2000).

⁶ NASD Code of Conduct, Section IX, Paragraph C.3.

⁷ See Letter from Lori Richards, Director, OCIE, SEC to Richard Syron, Chairman and Chief Executive Officer, Amex, November 6, 1998. The SEC recommendation that the Amex adopt a rule prohibiting members from making loans to Exchange employees was made as a result of an SEC examination of all SRO conflict of interest policies. The SEC staff's recommendation arose from a 1996 incident in which an Amex member made a \$70,000 loan to an Amex floor employee.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.