trading with any part of the cross transaction.

The Exchange implemented Commentary .02 to facilitate execution of block size crosses on the Amex. In implementing this exception to the Exchange's rules of precedence, the Exchange was responding competitively to regional exchanges that were attracting Amex orders because orders to cross are not readily broken up by other trading interest in those markets which may lack a trading crowd or limit orders on specialists' books.

The Exchange expects that decimal pricing in minimum increments of $.01 will result in increased numbers of cross transactions being broken up because it will be less expensive to provide price improvement than under previous increments. The Exchange believes this will place the Exchange at an increased competitive disadvantage to other markets where crosses can be effected with little or no risk of interference, will deprive customer block size orders of the benefits of primary market pricing, and will detract from primary market liquidity. The Exchange, therefore, believes it is appropriate to reduce the size of agency orders that can be crossed under Rule 126(g), Commentary .02, to 5,000 shares.

Amex clean cross procedures will continue to preserve auction market principles by providing the possibility of price improvement (because members must follow Amex Rule 151 crossing procedures), and by requiring that members trade with other market interest having time priority at that price before trading with any part of the cross transaction. In addition, the Exchange believes the proposal will enhance competition among markets in the execution of agency crosses, and will increase the possibility that pricing of agency crosses will be executed more efficiently and at better prices.

2. Statutory Basis

The Amex believes that the proposed rule change is consistent with section 6(b) of the Act [4] in general and further the objectives of section 6(b)(5) [5] in particular in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

[4] 15 U.S.C. 78f(b).

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

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange believes that the proposed rule change will impose no burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing For Commission Action

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

A. By order approve such proposed rule change, or

B. Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change 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 number SR–Amex–01–02 and should be submitted by March 14, 2001.

For the Commission by the Division of Market Regulations, pursuant to delegated authority.[6]

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43956; File No. SR–EMCC–00–9]

Self-Regulatory Organizations; Emerging Markets Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Fee Schedules

February 13, 2001.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1], notice is hereby given that on November 29, 2000, the Emerging Markets Clearing Corporation (''EMCC'') 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 primarily by EMCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested parties.

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

The proposed rule change will allow EMCC to modify its current fee schedule.

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

In its filing with the Commission, EMCC 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. EMCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.[2]

[6] 17 CFR 200.30–3(a)(12).

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

[2] The Commission has modified the text of the summaries prepared by EMCC.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

EMCC's input charges for bonds and warrants are set on a sliding scale based upon the time the trade is input into EMCC's system. The last input time frame is currently 11 a.m. (New York time) of SD–2 (or T + 1) and occurs after EMCC performs the calculation of final margin payments on that day. EMCC would prefer that trades received on SD–2 be received in time to be included in the margin calculation for that day so that they can be guaranteed sooner and thus provide more certainty to members. The risk system cut-off time for calculation of final margin is 8 a.m. (New York time) on SD–2, therefore EMCC is setting the cut-off time for incremental fee purposes at 8 a.m. as well. This change has become effective on January 1, 2001.

The proposed rule change is consistent with the requirements of Section 17A of the Act and the rules and regulations thereunder applicable to EMCC because it provides for the equitable allocation of dues, fees and other charges among EMCC's participants.

(B) Self-Regulatory Organization's Statement on Burden on Competition

EMCC does not believe that the proposed rule change will have an impact on or impose a burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

No written comments relating to the proposed rule change have been solicited or received. EMCC will notify the Commission of any written comments received by EMCC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act and Rule 19b–4(f)(2) thereunder because the proposed rule change is changing a due, fee, or charge imposed by the self-regulatory organization. At any time within sixty days of the filing of such rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change 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 Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of EMCC. All submissions should refer to File No. SR–EMCC–00–9 and should be submitted by March 14, 2001.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–4260 Filed 2–20–01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–43958; File No. SR–NASD–01–03]

Self–Regulatory Organizations: Notice of Proposed Rule Change and Amendment No. 1 Thereto by the National Association of Securities Dealers, Inc. Relating to the Elimination of the Interval Delay Between Executions for Initial Public Offerings and Secondary Offerings in the Nasdaq National Market Execution System

February 13, 2001.

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 5, 2001, the National Association of Securities Dealers, Inc. (''NASD'' or ''Association''), through its subsidiary, the Nasdaq Stock Market, Inc. (''Nasdaq''), filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by Nasdaq. On January 31, 2001, the NASD, through Nasdaq, filed Amendment No. 1 to the proposed rule change.[3] The Commission is publishing this notice to solicit comments on the proposed rule change and Amendment No. 1 from interested persons.

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

[2] 17 CFR 240.19b–4.

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

Nasdaq is filing a proposed rule change, on a six-month pilot basis, to eliminate the interval delay between executions against the same market maker at the same price level during the first day of trading of the securities of initial public offerings (''IPOs'') and secondary offerings in the Nasdaq National Market Execution System (''NNMS'' or ''SuperSOES''). Below is the text of the proposed rule change, as amended. Proposed new language is *italicized.*

* * * * *

4710. Participant Obligations in NNMS

(a) No Change.

(b) Market Makers

(1) An NNMS Market Maker in an NNMS Security shall be subject to the following requirements:

(A) No change.

(B) No change.

(C) No change.

(D) (1) Except as provided in subparagraph*s* (2) *and (3)* below, after the NNMS system has executed an order against a market maker's displayed quote and reserve size (if applicable), that market maker shall not be required to execute another order at its bid or offer in the same security until 5 seconds has elapsed from the time the order was executed, as measured by the time of execution in the Nasdaq system.

(2) For securities included in the Nasdaq 100 Index, after the NNMS system has executed an order against a market maker's displayed quote and reserve size (if applicable), that market maker shall not be required to execute another order at its bid or offer in the same security until 2 seconds has

[3] *See* Letter from Thomas P. Moran, Assistant General Counsel, Nasdaq, to Jack Drogin, Assistant Director, Division of Market Regulation, Commission, dated January 30, 2001 (Amendment No. 1). In Amendment No. 1, the Nasdaq added a footnote to proposed NASD Rule 4710(b)(1)(D)(3) requiring the lead underwriter of a secondary offering to submit a written request to the Nasdaq Market Operations Department for immediate processing of executions in secondary offerings. *See infra* note 4.