

The exemption requests authorization to utilize the additional set of cask pad parameters presented in the CoC amendment.

The staff found that the proposed exemption is consistent with the cask drop and tipover analyses presented in the revised Safety Analyses Report for the HI-STAR 100 Cask System and do not reduce the safety margin. In addition, the staff has determined that placement of loaded HI-STAR 100 Cask Systems on storage pads with a (1) concrete thickness of less than or equal to 28 inches, (2) concrete compressive strength of less than or equal to 6,000 psi at 28 days, and (3) soil effective modulus of elasticity less than or equal to 16,000 psi does not pose any increased risk to public health and safety. Furthermore, the proposed action now under consideration would not change the potential environmental effects assessed in the initial rulemaking (64 FR 171, 09/03/99).

Therefore, the staff has determined that there is no reduction in the safety margin nor significant environmental impacts as a result of placing loaded HI-STAR 100 Cask Systems on storage pads with a concrete thickness of less than or equal to 28 inches, concrete compressive strength of less than or equal to 6,000 psi at 28 days, and soil effective modulus of elasticity less than or equal to 16,000 psi.

Alternative to the Proposed Action

Since there is no significant environmental impact associated with the proposed action, alternatives with equal or greater environmental impact are not evaluated. The alternative to the proposed action would be to deny approval of the exemption. Denial of the exemption request will have the same environmental impact.

Agencies and Persons Consulted

On February 9, 2001, Mr. F. Niziolek, Reactor Safety Section Head, Illinois Department of Nuclear Safety, was contacted about the Environmental Assessment for the proposed action and had no comments.

Finding of No Significant Impact

The environmental impacts of the proposed action have been reviewed in accordance with the requirements set forth in 10 CFR part 51. Based upon the foregoing EA, the Commission finds that the proposed action of granting an exemption from 10 CFR 72.212(a)(2), 72.212(b)(2)(i), and 72.214 so that EGC may place loaded HI-STAR 100 Cask Systems on concrete storage pads with a concrete thickness of less than or equal to 28 inches, concrete

compressive strength of less than or equal to 6,000 psi at 28 days, and soil effective modulus of elasticity less than or equal to 16,000 psi at the Dresden ISFSI will not significantly impact the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed exemption.

The request for exemption was docketed under 10 CFR part 72, Docket 72-37. For further details with respect to this action, see the exemption request dated January 11, 2001, which is available for public inspection at the Commission's Public Document Room, One White Flint North Building, 11555 Rockville Pike, Rockville, Maryland 20852, or from the publicly available records component of NRC's Agencywide Document Access and Management System (ADAMS). ADAMS is accessible from the NRC web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

Dated at Rockville, Maryland, this 8th day of March 2001.

For the Nuclear Regulatory Commission.
E. William Brach,
Director, Spent Fuel Project Office, Office of Nuclear Material Safety and Safeguards.
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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 24892; 812-12130]

Nuveen Investments, et al.; Notice of Application

March 13, 2001.

AGENCY: Securities and Exchange Commission ("Commission").

ACTION: Notice of application for an order under section 12(d)(1)(J) of the Investment Company Act of 1940 ("Act") for an exemption from sections 12(d)(1)(A), (B), and (C) of the Act and under sections 6(c) and 17(b) of the Act for an exemption from section 17(a) of the Act.

SUMMARY: Applicants request an order to permit certain registered unit investment trusts to acquire shares of registered management investment companies and unit investments trusts both within and outside the same group of investment companies.

APPLICANTS: Nuveen Investments, Nuveen Tax-Free Unit Trusts and Nuveen Unit Trusts.

FILING DATES: The application was filed on June 8, 2000, and amendments were filed on January 2, 2001, and February 26, 2001.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on April 5, 2001, and should be accompanied by proof of service on applicants in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Applicants, 333 West Wacker Drive, Chicago, IL 60606.

FOR FURTHER INFORMATION CONTACT: Michael W. Mundt, Branch Chief, at (202) 942-0564 (Office of Investment Company Regulation, Division of Investment Management).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the Commission's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549-0102, (202) 942-8090.

Applicants' Representation

1. The Nuveen Unit Trusts and Nuveen Tax-Free Unit Trusts ("Trusts") and their series ("Trust Series") are unit investment trusts registered under the Act and sponsored by Nuveen Investments ("Sponsor"). The Sponsor, a Delaware corporation, is a wholly-owned subsidiary of The John Nuveen Company.

2. Applicants requests relief to permit the Trusts Series to invest in (a) registered investment companies that are part of the same "group of investment companies" (as that term is defined in section 12(d)(1)(G) of the Act) as the Trust ("Affiliated Funds"), and (b) registered investment companies that are not part of the same group of investment companies as the Trust ("Unaffiliated Funds," together with the Affiliated Funds, the "Funds"). The Unaffiliated Funds may include unit investment trusts ("Unaffiliated Underlying Trusts") and open-end or closed-end management investment companies ("Unaffiliated Underlying

Funds"). Certain of the Unaffiliated Underlying Trusts or Unaffiliated Underlying Funds may be "exchange-traded funds" that are registered under the Act as unit investment trusts or open-end management investment companies and have received exemptive relief to sell their shares on a national securities exchange at negotiations prices. Applicants request that the relief also apply to future Trust Series and unit investment trusts registered under the Act and sponsored by the Sponsor that invest in the Funds.¹

3. Applicants state that the requested relief will benefit unitholders by providing investors with a professionally selected, diversified portfolio of investment company shares through a single investment vehicle.

Applicants' Legal Analysis

A. Section 12(d)(1)

1. Section 12(d)(1)(A) of the Act prohibits a registered investment company from acquiring shares of an investment company if the securities represent more than 3% of the total outstanding voting stock of the acquired company, more than 5% of the total assets of the acquiring company, or, together with the securities of any other investment companies, more than 10% of the total assets of the acquiring company. Section 12(d)(1)(B) of the act prohibits a registered open-end investment company from selling its shares to another investment company if the sale will cause the acquiring company to own more than 3% of the acquired company's voting stock, or if the sale will cause more than 10% of the acquired company's voting stock to be owned by investment companies generally. Section 12(d)(1)(C) prohibits an investment company, other investment companies having the same investment adviser, and companies controlled by such investment companies, from acquiring more than 10% of the outstanding voting stock of a registered closed-end management investment company.

2. Section 12(d)(1)(G) provides, in relevant part, that section 12(d)(1) will not apply to securities of a registered open-end investment company or unit investment trust acquired by a registered unit investment trust if the acquired company and the acquiring company are part of the same group of investment companies, provided that certain other requirements contained in

section 12(d)(1)(G) are met. Applicants state that they may not rely on section 12(d)(1)(G) because a Trust Series will invest in Unaffiliated Funds in addition to Affiliated Funds.

3. Section 12(d)(1)(J) of the Act provides that the Commission may exempt any person security, or transaction, or any class or classes of persons, securities or transactions, from any provisions of section 12(d)(1) if the exemption is consistent with the public interest and the protection of investors. Applicants seek an exemption under section 12(d)(1)(J) to permit a Trust Series to acquire shares of a Fund and a permit a Fund to sell shares to a Trust Series beyond the limits set forth in sections 12(d)(1)(A), (B), and (C).

4. Applicants state that the proposed arrangement will not give rise to the policy concerns underlying sections 12(d)(1)(A), (B), and (C), which include concerns about undue influence by a fund or funds over underlying funds, excessive layering of fees, and overly complex fund structures. Accordingly, applicants believe that the requested exemption is consistent with the public interest and protection of investors.

5. Applicants state that the proposed arrangement will not result in undue influence by a Trust Series or its affiliates over Funds. To limit the control that a Trust Series may have over an Unaffiliated Fund, applicants propose a condition prohibiting the Sponsor, the Trust Series, and certain affiliates (individually or in the aggregate) from controlling an Unaffiliated Fund within the meaning of section 2(a)(9) of the Act. To limit further the potential for undue influence over Unaffiliated Funds, applicants propose conditions 2 through 6, stated below, to preclude a Trust Series and its affiliated entities from taking advantage of an Unaffiliated Fund with respect to transactions between the entities and to ensure that transactions will be on an arm's length basis.

6. As an additional assurance that an Unaffiliated Fund understands the implications of an investment by a Trust Series under the requested order, a Trust Series and Unaffiliated Fund will execute an agreement prior to the investment stating that the board of directors of the Unaffiliated Fund, if any, and the investment adviser to or sponsor of the Unaffiliated Fund understand the terms and conditions of the order and agree to fulfill their responsibilities under the order. Applicants note that an Unaffiliated Fund may choose to reject an investment from the Trust Series.

7. Applicants do not believe that the proposed arrangement will involve

excessive layering of fees. Applicants state that a condition to the order would provide that any sales charges and/or service fees (as those terms are defined in Rule 2830 of the Conduct Rules of the National Association of Securities Dealers ("NADS Conduct Rules")) charged with respect to Units of a Trust Series will not exceed the limits applicable to a fund of funds as set forth in Rule 2830 of the NASD Conduct Rules. In addition, the trustee to a Trust Series ("Trustee") will waive or offset fees otherwise payable by the Trust Series in an amount at least equal to any compensation (including fees paid pursuant to plan adopted by an Unaffiliated Underlying Fund under rule 12b-1 under the Act ("12b-1 Fees")) received by the Sponsor or Trustee, or an affiliated person of the Sponsor or Trustee, from an Unaffiliated Fund in connection with the investment by a Trust Series in the Unaffiliated Fund.

8. Applicants state that the proposed arrangement will not create an overly complex fund structure. Applicants note that a Fund will be prohibited from acquiring securities of any investment company in excess of the limits contained in section 12(d)(1)(A). Applicants also represent that a Trust Series' prospectus and sales literature will contain concise, "plain English" disclosure designed to inform investors of the unique characteristics of the trust of funds structure, including, but not limited to, its expense structure and the additional expenses of investing in Funds.

B. Section 17(a)

1. Section 17(a) of the Act generally prohibits sales or purchases of securities between a registered investment company and any affiliated person of the company. Section 2(a)(3) of the Act defines an "affiliated person" of another person to include (a) any person directly or indirectly owning, controlling, or holding with power to vote, 5% or more of the outstanding voting securities of the other person; (b) any person 5% or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote by the other person; and (c) any person directly or indirectly controlling, controlled by, or under common control with the other person.

2. Applicants state that a Trust Series and Affiliated Funds might be deemed to be under the common control of the Sponsor or an entity controlling, controlled by, or under common control with the Sponsor. Applicants also state that a Trust Series and a Fund might become affiliated persons if the Trust

¹ All investment companies that currently intend to rely on the requested order are named as applicants. Any other investment company that relies on the order in the future will comply with the terms and conditions of the application.

Series acquires more than 5% of the Fund's outstanding voting securities. In light of these possible affiliations, section 17(a) could prevent a Fund from selling shares to and redeeming shares from a Trust Series.

3. Section 17(b) of the Act authorizes the Commission to grant an order permitting a transaction otherwise prohibited by section 17(a) if it finds that (a) the terms of the proposed transaction are fair and reasonable and do not involve overreaching on the part of any person concerned; (b) the proposed transaction is consistent with the policies of each registered investment company involved; and (c) the proposed transaction is consistent with the general purposes of the Act. Section 6(c) of the Act permits the Commission to exempt any person or transactions from any provisions of the Act if such exemption is necessary or 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.

4. Applicants submit that the proposed arrangement satisfies the standards for relief under sections 17(b) and 6(c) of the Act. Applicants state that the terms of the arrangement are fair and reasonable and do not involve overreaching. Applicants note that the consideration paid for the sale and redemption of shares of the Funds will be based on the net asset values of the Funds. Applicants state that the proposed arrangement will be consistent with the policies of each Trust Series and Fund, and with the general purposes of the Act.

Applicant's Conditions

Applicants agree that the requested order will be subject to the following conditions:

1. (a) The Sponsor, (b) any person controlling, controlled by, or under common control with the Sponsor, and (c) any investment company and any issuer that would be an investment company but for section 3(c)(1) or section 3(c)(7) of the Act sponsored or advised by the Sponsor or any person controlling, controlled by, or under common control with the Sponsor (collectively, the "Group") will not control (individually or in the aggregate) an Unaffiliated Fund within the meaning of section 2(a)(9) of the Act. If, as a result of a decrease in the outstanding voting securities of an Unaffiliated Fund, the Group, in the aggregate, becomes a holder of more than 35% of the outstanding voting securities of the Unaffiliated Fund, the Group will vote its shares in the same

proportion as the vote of all other holders of the Unaffiliated Fund's shares.

2. A Trust Series and its Sponsor, promoter, and principal underwriter, and any person controlling, controlled by, or under common control with any of those entities (each a "Trust Series Affiliate") will not cause any existing or potential investment by the Trust Series in shares of an Unaffiliated Fund to influence the terms of any services or transactions between the Trust Series or a Trust Series Affiliate and the Unaffiliated Fund or its investment adviser, sponsor, promoter, and principal underwriter, and any person controlling, controlled by, or under common control with any of those entities.

3. Once an investment by a Trust Series in the securities of an Unaffiliated Underlying Fund exceeds the limits of section 12(d)(1)(A)(i) of the Act, the board of directors of the Unaffiliated Underlying Fund, including a majority of the disinterested directors, will determine that any consideration paid by the Unaffiliated Underlying Fund to a Trust Series or a Trust Series Affiliate in connection with any services or transactions: (a) Is fair and reasonable in relation to the nature and quality of the services and benefits received by the Unaffiliated Underlying Fund; (b) is within the range of consideration that the Unaffiliated Underlying Fund would be required to pay to another unaffiliated entity in connection with the same services or transactions; and (c) does not involve overreaching on the part of any person concerned.

4. No Trust Series or Trust Series Affiliate will cause an Unaffiliated Fund to purchase a security from any underwriting or selling syndicate in which a principal underwriter is the Sponsor or a person of which the Sponsor is an affiliated person (each an "Underwriting Affiliate"). An offering during the existence of an underwriting or selling syndicate of which a principal underwriter is an Underwriting Affiliate is considered an "Affiliated Underwriting."

5. The Board of directors of an Unaffiliated Underlying Fund, including a majority of the disinterested directors, will adopt procedures reasonably designed to monitor any purchases by the Unaffiliated Underlying Fund of securities in Affiliated Underwritings once an investment by a Trust Series in the securities of the Unaffiliated Underlying Fund exceeds the limits of section 12(d)(1)(A)(i) of the Act, including any purchases made directly from an

Underwriting Affiliate. The board of directors will review these purchases periodically, but not less frequently than annually, to determine whether the purchase were influenced by the investment by the Trust Series in shares of the Unaffiliated Underlying Fund. The board of directors will consider, among other things, (a) whether the purchases were consistent with the investment objectives and policies of the Unaffiliated Underlying Fund; (b) how the performance of securities purchased in an Affiliated Underwriting compares to the performance of comparable securities purchased during a comparable period of time in underwritings other than Affiliated Underwritings or to a benchmark such as a comparable market index; and (c) whether the amount of securities purchased by the Unaffiliated Underlying Fund in Affiliated Underwritings and the amount purchased directly from Underwriting Affiliates have changed significantly from prior years. The board of directors shall take any appropriate actions based on its review, including, if appropriate, the institution of procedures designed to assure that purchases of securities from Affiliated Underwritings are in the best interests of shareholders.

6. An Unaffiliated Underlying Fund shall maintain and preserve permanently in an easily accessible place a written copy of the procedures described in the preceding condition, and any modifications, and shall maintain and preserve for a period not less than 6 years from the end of the fiscal year in which any purchase from an Affiliated Underwriting occurred, the first 2 years in an easily accessible place, a written record of each purchase made once an investment by a Trust Series in the securities of an Unaffiliated Underlying Fund exceeded the limits of section 12(d)(1)(A)(i) of the Act, setting forth from whom the securities were acquired, the identity of the underwriting syndicate's members, the terms of the purchase, and the information or materials upon which the board's determinations were made.

7. Prior to an investment in an Unaffiliated Fund in excess of the limit in section 12(d)(1)(A)(i), the Trust Series and the Unaffiliated Fund will execute an agreement stating, without limitation, that the board of directors of the Unaffiliated Fund, if any, and the investment adviser to or sponsor of the Unaffiliated Fund understand the terms and conditions of the order and agree to fulfill their responsibilities under the order. At the time of its investment in shares of an Unaffiliated Fund in excess of the limit in section 12(d)(1)(A)(i), a

Trust Series will notify the Unaffiliated Fund of the investment. At such time, the Trust Series also will transmit to the Unaffiliated Fund a list of the names of each Trust Series Affiliate and Underwriting Affiliate. The Trust Series will notify the Unaffiliated Fund of any changes to the list as soon as reasonably practicable after a change occurs. The Unaffiliated Fund and the Trust Series will maintain and preserve a copy of the order, the agreement, and the list with any updated information for a period not less than 6 years from the end of the fiscal year in which any investment occurred, the first 2 years in an easily accessible place.

8. The Trustee will waive or offset fees otherwise payable by a Trust Series in an amount at least equal to any compensation (including 12b-1 Fees) received by the Sponsor or Trustee, or an affiliated person of the Sponsor or Trustee, from an Unaffiliated Fund in connection with the investment by a Trust Series in the Unaffiliated Fund.

9. Any sales charges and/or service fees (as those terms are defined in Rule 2830 of the NASD Conduct Rules) charged with respect to Units of a Trust Series will not exceed the limits applicable to a fund of funds as set forth in Rule 2830 of the NASD Conduct Rules.

10. No Fund will acquire securities of any other investment company in excess of the limits contained in section 12(d)(1)(A) of the Act.

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

Margaret H. McFarland,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44066; File No. SR-Amex-00-48]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange LLC and Amendment Nos. 1 and 2 To Amend Amex Rule 590, Minor Rule Violation Fine Systems

March 12, 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 August 17, 2000, the American Stock Exchange LLC ("Amex" or "Exchange") 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 the Exchange. The Amex amended the proposal on December 7, 2000.³ On January 29, 2001, the Amex again amended the proposal.⁴ 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 Amex Rule 590, Minor Rule Violation Fine Systems. The text of the proposed rule change is available at the Amex and at the Commission.

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 Exchange 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 Exchange 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 has had a Minor Rule Violation Fine Plan ("Plan") since 1976 that provides a simplified procedure for the resolution of minor violations of certain rules. Codified in Amex Rule 590, the plan has three distinct sections:

³ See December 1, 2000 letter from William Floyd-Jones, Jr., Esq., Assistant General Counsel, Amex, to Katherine A. England, Assistant Director, Division of Market Regulation ("Division"), SEC and attachments ("Amendment No. 1"). In Amendment No. 1, the Amex made technical changes to the proposed rule language to clarify which language was added and which language was rearranged.

⁴ See January 26, 2001 letter from William Floyd-Jones, Jr., Esq., to Nancy J. Sanow, Assistant Director, Division, SEC and attachments ("Amendment No. 2"). While the cover letter indicates that Amendment No. 2 replaces and supersedes the original filing, Amendment No. 2 only replaces and supersedes the proposed rule language provided in the original proposal and Amendment No. 1. Telephone conversation March 12, 2001 between William Floyd-Jones, Jr., Esq., Assistant General Counsel, Amex, and Joseph P. Morra, Special Counsel, Division, SEC.

Part 1 ("General Rule Violations"), which covers more substantive matters, the violation of which are nonetheless deemed "minor;" Part 2 ("Floor Decorum"), which covers floor decorum and operational matters; and Part 3 ("Reporting Violations"), which covers the late submission of routine reports.

The Exchange's Enforcement Department and its Minor Floor Violation Disciplinary Committee ("Committee")⁵ divide responsibility for administering Part 1 of Amex Rule 590. The Enforcement Department enforces those rules enumerated in paragraph (g) of Part 1 of Amex Rule 590, and the Committee enforces the rules enumerated in paragraph (h). Part 1 of Amex Rule 590 allows the Enforcement Department and the Committee to issue abbreviated "written statements" to persons who may have violated the specified rules identifying the rules violated, the act or omission constituting the violation, and the amount of the fine.

The issuance of a "written statement" by the Enforcement Department of the Committee does not constitute a finding of guilt. Persons receiving a written statement may plead "no contest" and return the statement to the Exchange with the specified fine. In the alternative, persons who are charged under the plan may contest the fine and receive a hearing before an Exchange Disciplinary Panel ("Panel"). The Panel that hears contested Committee matters currently is composed of a hearing officer and two members of the Committee that did not participate in the decision to issue the fine.

⁵ The Exchange established the Committee in 1993. See Securities Exchange Act Release No. 32989 (September 29, 1993), 58 FR 52122 (October 6, 1993) (SR-Amex-92-11). Originally, the Committee had authority to issue fines for the following violations: (1) failure to comply with SEC Rule 11Ac1-4, commonly referred to as the "Firm Quote" rule, and honoring a ten-up market for customer option orders; (2) failure to quote options markets within the maximum quote spread differentials; (3) failure to comply with option solicitation procedures; (4) violation of the off-floor trading prohibition; (5) failure to comply with the Exchange's Auto-Ex policy relating to signing on and off the Auto-Ex system; (6) failure to properly mark, identify and represent floor orders as required under Exchange rules; and (7) violation of the Exchange's delayed opening policy. Over time, the following violations were added to the list of rules enforced by the Committee: (8) violation of the "2, 1 and 1/2 Point Rule," (9) failure to comply with stop order procedures and approval requirements; (10) failure to obtain Floor Official approval when establishing, increasing, or liquidating a position; (11) violation of ITS rules relating to pre-opening applications, and the Trade Through, Locked Markets, and Block Trade policies; (12) failure to comply with requirements relating to agency crosses; (13) failure to submit properly completed Specialist Floor Broker Questionnaires; and (14) failure to obtain Exchange approval for proprietary electronic devices.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.