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Chuck Mierzwa,
Clearance Officer.

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SECURITIES AND EXCHANGE COMMISSION

[File No. 22-28498]

Application and Opportunity for Hearing; Allied Waste North America, Inc.

July 2, 2001.

The Securities and Exchange Commission gives notice hereby that Allied Waste North America, Inc. has filed an application pursuant to section 304(d) of the Trust Indenture Act of 1939 requesting that the Commission exempt from the requirements of section 314(d) of the 1939 Act the 8^{7/8}% Senior Notes due 2008 under an indenture dated December 23, 1998, and supplemented by an indenture dated January 30, 2001, between Allied Waste North America, Inc. and U.S. Bank Trust National Association. The 8^{7/8}% Senior Notes due 2008 under the indenture will be issued as part of an exchange offer registered on Allied Waste North America's registration statement on Form S-4, File No. 333-61744. The exchange offer will be made to institutional purchasers of similar securities in unregistered transactions relying on Rule 144A of the Securities Act of 1933.

Section 304(d) of the 1939 Act, in part, authorizes the Commission to exempt conditionally or unconditionally any indenture from one or more provisions of the 1939 Act. The Commission may provide an exemption under section 304(d) if it finds that the exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the 1939 Act.

Section 314(d) requires the obligor to furnish to the indenture trustee certificates or opinions of fair value upon any release of collateral from the lien of the indenture. The application requests that the indenture be exempted from the provisions of section 314(d)

because section 314(d) is not intended to apply to indentures that do not contain the provisions creating the security interest.

In its application, Allied Waste North America, Inc. alleges:

(1) The notes to be issued under the indenture are secured by agreements that are external to the indenture;

(2) Decisions regarding whether collateral is maintained or released are made by a party other than the indenture trustee;

(3) Neither the indenture trustee nor the holders of the indenture securities have any control over these decisions; and

(4) The collateral securing the indenture securities also secures other debt.

Allied Waste North America, Inc., has waived notice of a hearing, and any and all rights to specify procedures under the Rules of Practice of the Commission in connection with this matter. Any interested persons should look to the application for a more detailed statement of the matters of fact and law. The application is on file in the Commission's Public Reference Section, File Number 22-28498, 450 Fifth Street, NW., Washington, DC 20549.

The Commission also gives notice that any interested persons may request in writing that a hearing be held on this matter. Interested persons must submit those request to the Commission no later than August 7, 2001. Interested persons must include the following in their request for a hearing on this matter:

- The nature of that person's interest;
- The reasons for the request; and
- The issues of law or fact raised by the application that the interested person desires to refute or request a hearing on.

The interested person should address this request for a hearing to: Secretary, U.S. Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. At any time after August 7, 2001, the Commission may issue an order granting the application, unless the Commission orders a hearing.

For the Commission, by the Division of Corporation Finance, pursuant to delegated authority.

Jonathan G. Katz,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44506; File No. SR-NASD-2001-40]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change and Amendment No. 1 to the Proposed Rule Change by the National Association of Securities Dealers, Inc. Relating to Non-Liability SelectNet Messages in the Nasdaq National Market System

July 3, 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 June 21, 2001, the National Association of Securities Dealers, Inc. ("NASD" or "Association"), through its subsidiary, The Nasdaq Stock Market, Inc. ("Nasdaq"),³ 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. Nasdaq has filed the proposed rule change pursuant to section 19(b)(3)(A) of the Act⁴ and Rule 19b-4(f)(5) thereunder.⁵ Nasdaq has designated the proposal as a change to an existing order entry or trading system of a self-regulatory organization that (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) does not have the effect of limiting the access to or availability of the system. This designation renders the proposed rule change, as amended, immediately effective upon filing with the Commission. 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

Nasdaq proposes to amend NASD Rule 4720(c), "Prohibition Regarding the Entry of Certain Preferred Orders to Nasdaq National Market Execution System Market Makers," to allow

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ On June 21, 2001, Nasdaq amended its proposal to indicate that the NASD, through its subsidiary, Nasdaq, filed the proposed rule change. See letter from Thomas P. Moran, Associate General Counsel, Office of General Counsel, Nasdaq, to Katherine A. England, Assistant Director, Division of Market Regulation, Commission, dated June 20, 2001 ("Amendment No. 1").

⁴ 15 U.S.C. 78s(b)(3)(A).

⁵ 17 CFR 240.19b-4(f)(5).

members to send a SelectNet preferred (*i.e.*, directed) order to a Nasdaq National Market Execution System ("NNMS" or "SuperSOES")⁶ market maker if the order is designated as a non-liability order that is entered at a price that is inferior to the displayed quote to which the preferred order is directed. Nasdaq plans to implement the proposed change upon the commencement of SuperSOES trading, which currently is scheduled to begin on July 9, 2001. The text of the proposed rule change appears below. Proposed new language is italicized; proposed deletions are in brackets.

* * * * *

4720. SelectNet Service

(a) No Change

(b) No Change

(c) Prohibition Regarding the Entry of Certain Preferred Orders to Nasdaq National Market Execution System Market Makers

No member may direct a SelectNet preferred order to a Nasdaq National Market Execution System ("NNMS") market maker (as defined in NASD Rule 4701) including that market maker's Agency Quote (as defined in NASD rule 4613) unless that order is designated as:

(i) a non-liability order that is entered as an "All-or-None" order ("AON") and is at least one normal unit of trading (*i.e.*, 100 shares) in excess of the displayed quote to which the referenced order is directed; or

(ii) a non-liability order that is entered as a "Minimum Acceptable Quantity" order ("MAQ"), with a MAQ value of at least one normal unit of trading in excess of the displayed quote to which the preferred order is directed[.] ; or

(iii) a non-liability order that is entered at a price that is inferior to the displayed quote to which the preferred order is directed. The prohibitions of this paragraph shall not apply to preferred orders sent by a UTP Specialist to an NNMS market maker or to preferred orders sent by an NNMS market maker to a UTP Specialist. For purposes of this rule a "UTP Specialist" shall mean a broker/dealer registered as a specialist in Nasdaq securities pursuant to the rules of an exchange that is a signatory to the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation and Dissemination of Quotation and Transaction Information for Exchange-Listed Nasdaq/National Market System Securities Traded On Exchanges On An Unlisted Trading Privilege Basis ("Nasdaq/NMS/UTP Plan").

* * * * *

⁶ The Commission approved the NNMS, a new platform for trading Nasdaq National Market ("NNM") securities, on January 14, 2000. See Securities Exchange Act Release No. 42344 (January 14, 2000), 65 FR 3897 (January 25, 2000) (order approving File No. SR-NASD-99-11) ("SuperSOES Order").

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

In its filing with the Commission, Nasdaq 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. Nasdaq 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

Currently, NASD Rule 4720(c) prohibits the entry of preferred SelectNet orders to NNMS market makers unless those orders are designated by the sending party as either an "All-or-None" or "Minimum Acceptable Quantity" order that is at least one normal unit of trading (*i.e.*, 100 shares) in excess of the displayed quote to which the preferred order is directed. In response to input from market participants that desire greater flexibility in sending non-liability SelectNet orders in a SuperSOES environment, Nasdaq has determined to amend NASD Rule 4720(c) to provide an additional alternative method for sending non-liability messages to NNMS market makers. Specifically, Nasdaq proposes to adopt NASD Rule 4720(c)(iii), which will allow NNMS participants to enter preferred SelectNet orders to NNMS market makers if the preferred orders contain prices that are inferior to the quoted bids and/or offers to which they are directed. For example, if a SuperSOES market maker is quoting 20.00 bid and 20.03 offer, the proposed rule change would allow a market participant to preference that market maker with either an order to sell at 20.01 or more, or an order to buy at 20.02 or less. Because these orders are not priced at levels that would obligate the receiving market maker to execute them under current firm quote standards, the NNMS market maker could choose to either ignore the orders or negotiate with the sending party to reach an agreement that would allow a trade to take place.

Nasdaq notes that the proposed alternative method of sending non-liability SelectNet messages is consistent with the Nasdaq rules approved previously by the

Commission⁷ that generally limit SelectNet to a negotiation function when accessing market maker quotes.⁸ Nasdaq adopted the limitation to reduce potential dual liability for market makers who under Nasdaq's current system may be forced to provide share amounts in excess of their displayed quote when they contemporaneously receive a liability SelectNet message and an execution through Nasdaq's Small Order Execution System.

Based on the above, Nasdaq believes that the proposed rule change is consistent with the provisions of section 15A(b)(6) of the Act⁹ in that the proposal is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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.

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

Nasdaq does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

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

Written comments were neither solicited nor received with respect to the proposed rule change.

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

Nasdaq represents that the proposed rule change would effect a change in an existing order entry or trading system that: (1) Does not significantly affect the protection of investors or the public interest; (ii) does not impose any

⁷ See SuperSOES Order, *Supra* note 6.

⁸ Market makers and electronic communication networks ("ECNs") will continue to be allowed to send liability SelectNet messages at the displayed price and size of the quotes of those ECNs that do not agree to become full participants in NNMS and provide automatic executions for orders received from NNMS participants. See SuperSOES Order, *supra* note 6. In addition, unlisted trading privilege ("UTP") exchange specialists will continue to send SelectNet preferred liability orders to NNMS market makers and NNMS market makers will continue to send SelectNet preferred liability orders to UTP exchange specialists. See NASD Rule 4720(c).

⁹ 15 U.S.C. 78o-3(b)(6).

significant burden on competition; and (iii) does not have the effect of limiting the access to or availability of the system. Accordingly, the proposal, as amended, has become effective upon filing with the Commission pursuant to section 19(b)(3)(A) of the Act and Rule 19b-4(f)(5) thereunder. At any time within 60 days of the filing of a such proposed 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 it 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 at the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to File No. SR-NASD-2001-40 and should be submitted by July 31, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Jonathan G. Katz,

Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44504; File No. SR-NASD-2001-35]

Self-Regulatory Organizations; Order Granting Accelerated Approval to a Proposal Rule Change and Amendment Nos. 1 and 2 Thereto by the National Association of Securities Dealers, Inc. Relating to the Elimination of the Interval Delay Between Executions in the Nasdaq National Market Execution System

July 2, 2001.

On May 10, 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"), 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 NASD Rule 4710, "Participant Obligations in NNMS," to: (i) Eliminate the interval delay between executions against the same market maker at the same price level in the Nasdaq National Market Execution System ("NNMS" or "SuperSOES");³ and (ii) decrement a market maker's displayed quotation when the sum of the number of shares executed against a displayed quotation as a result of odd lot orders and the portion of mixed lot orders in excess of a round lot equals one normal unit of trading. On May 24, 2001, Nasdaq filed Amendment No. 1 to the proposed rule change.⁴ The proposed rule change and Amendment No. 1 were published for comment in the **Federal Register** on June 5, 2001.⁵ No comments were received regarding the proposal, as amended.

On June 5, 2001, Nasdaq filed Amendment No. 2 to the proposed rule change.⁶ This order approves the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The Commission approved the NNMS, a new platform for trading Nasdaq National Market ("NNM") securities, on January 14, 2000. See Securities Exchange Act Release No. 42344 (January 14, 2000), 65 FR 3897 (January 25, 2000) (order approving File No. SR-NASD-99-11). Nasdaq plans to implement SuperSOES on July 9, 2001.

⁴ See Letter from John M. Yetter, Assistant General Counsel, Nasdaq, to Katherine A. England, Division of Market Regulation, Commission, dated May 22, 2001 ("Amendment No. 1"). In Amendment No. 1, Nasdaq revised the text of NASD Rule 4710(b)(1) to replace a reference to an "NNMS security" with a reference to "NNM security."

⁵ See Securities Exchange Act Release No. 44365 (May 29, 2001), 66 FR 30252.

⁶ See Letter from John M. Yetter, Assistant General Counsel, Nasdaq, to Katherine A. England,

proposed rule change, as amended, on an accelerated basis.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities association⁷ and, in particular, the requirements of section 15A of the Act⁸ and the rules and regulations thereunder. Specifically, the Commission finds that the proposal to eliminate the interval delay between executions against a market maker's quotation at the same price level for all transactions in SuperSOES is consistent with section 15A(b)(6) of the Act⁹ because it may minimize the risk of orders queuing within SuperSOES, thereby helping to ensure the efficient and orderly operation of SuperSOES.¹⁰ In addition, the Commission believes that the prompt execution of orders in SuperSOES should facilitate the price discovery process, to the benefit of all market participants. The Commission expects Nasdaq to carefully monitor the effect on the Nasdaq market and on market participants of eliminating the interval delay between executions in SuperSOES.

The Commission also finds that the proposed change in the decrementation feature of SuperSOES will facilitate the maintenance of a fair and orderly market by providing more accurate information about the size of market maker's displayed quotations, and by

Division of Market Regulation, Commission, dated June 4, 2001 ("Amendment No. 2"). In Amendment No. 2, the Nasdaq added "the sum of" to the proposed rule text of NASD Rule 4710(b)(1)(C)(ii) to clarify the operation of the revised decrementation feature of SuperSOES. This is a technical amendment and is not subject to notice and comment.

⁷ In approving this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁸ 15 U.S.C. 78c(f).

⁹ 15 U.S.C. 78o-3(b)(6).

¹⁰ In response to market participants' concerns that significant order flow could potentially produce queuing within the system, Nasdaq previously filed proposals with the Commission that revised the interval delay parameter in SuperSOES to: (i) Reduce the interval delay between executions against a market maker's quotation in Nasdaq 100 Index securities from five seconds to two seconds; and (ii) eliminate the interval delay between executions against a market maker's quotation during the first day of trading of securities of initial public offerings and secondary offerings. See Securities Exchange Act Release Nos. 43720 (December 13, 2000), 65 FR 79909 (December 20, 2000) (notice of filing and immediate effectiveness of File No. SR-NASD-00-67); and 44142 (April 2, 2001), 66 FR 18331 (April 6, 2001) (order approving File No. SR-NASD-01-03). According to Nasdaq, market participants support the current proposal to eliminate the interval delay for all transactions in SuperSOES to further minimize the risk of queuing within the system.

¹⁰ 17 CFR 200.30-3(a)(12).