

(b) the compatibility of the Funds' investment objectives, policies and limitations; (c) the Acquired Funds and corresponding Existing Acquiring Funds' performance histories; (d) the pro forma expense ratios of the Acquiring Funds; (e) the potential economies of scale to be gained from the Reorganization; (f) the advantages of increased investment opportunities for the Acquired Funds' shareholders; (g) the anticipated tax-free nature of the Reorganization, (h) the service features available to shareholders of the corresponding Funds; (i) the assumption of identified liabilities of the Acquired Funds; and (j) the fact that Reorganization expenses will be borne by ABN AMRO and/or its affiliated persons (but not the Funds).

8. The Reorganization is subject to a number of conditions precedent, including that: (a) The shareholders of each Acquired Fund will have approved the Reorganization; (b) the Trusts will have received opinions of counsel that the Reorganization will be tax-free for the Trusts and their shareholders; (c) applicants will have received from the Commission an exemption from section 17(a) of the Act for the Reorganization; (d) the registration statement under the Securities Act of 1933 for the Acquiring Funds will have become effective; and (e) each Acquired Fund shall have declared and paid dividend(s) which shall have the effect of distributing to its shareholders all net investment company taxable income for all taxable periods ending on or before the applicable Closing Date and, with respect to each Acquired Fund that is reorganizing into an Existing Acquiring Fund, all of its net capital gains, if any, to its shareholders. The Plan of Reorganization may be terminated by mutual agreement or by either party at or before the Closing Dates. No material changes to the Plan of Reorganization will be made without prior Commission approval.

9. The registration statement on Form N-14 for ABN AMRO Funds, Inc. (which contains a combined proxy prospectus/proxy statement for three of the Acquired Funds) was filed with the Commission on June 13, 2001. The definitive proxy materials for the other Acquired Funds were filed with the Commission on July 13, 2001. The solicitation materials related to the Reorganization were mailed to shareholders of the Acquired Funds on July 13, 2001. A special meeting of shareholders of the Acquired Funds to consider the Reorganization is scheduled for August 24, 2001.

Applicants' Legal Analysis

1. Section 17(a) of the Act, in relevant part, prohibits an affiliated person of a registered investment company, or an affiliated person of such a person, acting as principal, from selling any security to, or purchasing any security from, 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; (c) any person directly or indirectly controlling, controlled by, or under common control with the other person; and (d) if the other person is an investment company, any investment adviser of that company.

2. Rule 17a-8 under the Act exempts certain mergers, consolidations, and sales of substantially all of the assets of registered investment companies that are affiliated persons, or affiliated persons of an affiliated person, solely by reason of having a common investment adviser, common directors, and/or common officers, provided that certain conditions are satisfied. Applicants believe that rule 17a-8 may not be available to exempt the Reorganization because the Funds may be deemed to be affiliated by reasons other than having a common investment adviser, common directors, and/or common officers. Applicants state that because affiliated persons of ABN AMRO, in a fiduciary capacity, own 5% or more (and in some cases more than 25%) of the outstanding voting securities of the Acquiring Funds, each may be deemed to be affiliated persons of the Acquiring Funds. In addition, applicants state that because affiliating of ABN AMRO also own 5% or more (and in some cases more than 25%) of the outstanding voting securities of the Acquired Funds, in a fiduciary or custodial capacity, or on behalf of brokerage customers, each also may be deemed to be an affiliated person of the Acquired Funds. As a result, the Acquiring Funds may be deemed to be affiliated persons of an affiliated person of the Acquired Funds.

3. Section 17(b) of the Act provides, in relevant part, that the Commission may exempt a transaction from the provisions of section 17(a) if evidence establishes that the terms of the proposed transaction, including the consideration to be paid to received, are reasonable and fair and do not involve overreaching on the part of any person

concerned, and that the proposed transaction is consistent with the policy of each registered investment company concerned and with the general purposes of the Act.

4. Applicants request an order under section 17(b) of the Act exempting them from section 17(a) to the extent necessary to effect the Reorganization. Applicants submit that the Reorganization satisfies the conditions of section 17(b) of the Act. Applicants also state that the Boards, including all of the Independent Trustees, have determined that the participation of the Funds in the Reorganization is in the best interests of each Fund and that such participation will not dilute the interests of the existing shareholders of each Fund. Applicants also state that the Reorganization will be effected on the basis of relative net asset value.

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

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44663; File No. SR-Amex-2001-49]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the American Stock Exchange LLC Relating to Amendments to Amex Rule 236(a)(6)

August 8, 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 July 25, 2001, 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 Exchange. The Exchange filed the proposal pursuant to section 19(b)(3)(A) of the Act,³ and Rule 19b-4(f)(6)⁴ thereunder,⁴ which renders the proposal effective upon filing with the Commission.⁵ The Commission is

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).

⁵ The Exchange provided written notice to the Commission on June 29, 2001 of its intention to file this proposal. See Rule 19b-4(f)(6)(iii). 17 CFR 240.19b-4(f)(6)(iii).

publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Amex proposes to amend Amex Rule 236(a)(6) to delete reference to ITS/CAES securities. The text of the proposed rule language is below. Additions are in italics. Deletions are in brackets.

Trade Through Rule

Rule 236.(a) Definitions

"ITS/CAES Market Maker", as that term is used in this Rule, means a NASD member that is registered as a market maker with the NASD for the purpose of the Applications with respect to one or more specified *System securities* ["ITS/CAES securities" as more fully described in the ITS Plan].

* * * * *

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 its proposal and discussed any comments it received regarding the proposal. 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 Amex proposes to amend the definition of "ITS/CAES Market Maker" in Amex Rule 236(a)(6) to eliminate reference to "ITS/CAES securities". Since 1982, the National Association of Securities Dealers' participation in the Intermarket Trading System Plan ("ITS Plan") had been limited to securities subject to SEC Rule 19c-3⁶ ("ITS/CAES securities"). On December 9, 1999, the Commission adopted amendments to the ITS Plan to expand the ITS/CAES linkage to all "eligible" listed securities.⁷ This renders the term "ITS/CAES securities" unnecessary in Amex Rule 236(a)(6). The term has also been eliminated from the ITS Plan.

⁶ 17 CFR 240.19c-3.

⁷ See Securities Exchange Act Release No. 42212 (December 9, 1999), 64 FR 70297 (December 16, 1999).

2. Statutory Basis

The Exchange believes that the proposal is consistent with section 6(b) of the Act⁸ in general, and furthers the objectives of section 6(b)(5)⁹ in particular in that it is designed to prevent fraudulent and manipulative acts and practices, 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; and is not designed to permit unfair discrimination between customers, issuers, brokers and dealers. In addition, the amendment is consistent with section 11A(a)(1)(D) of the Act¹⁰ which calls for the linkage of all markets for qualified securities.

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

Amex believes 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

Because of the foregoing proposed rule change does not:

- (i) Significantly affect the protection of investors or the public interest;
- (ii) Impose any significant burden on competition; and
- (iii) Become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to section 19(b)(3)(A) of the Act¹¹ and Rule 19b-4(f)(6) thereunder.¹² At any time within 60 days of the filing of the 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 the proposal 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-2001-49 and should be submitted by September 5, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹³

Margaret H. McFarland,

Deputy Secretary.

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BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3348]

State of Louisiana; Amendment #4

In accordance with a notice received from the Federal Emergency Management Agency, dated August 8, 2001, the above-numbered Declaration is hereby amended to extend the deadline for filing applications for physical damages as a result of this disaster to August 24, 2001.

All other information remains the same, i.e., the deadline for filing applications for loans for economic injury is March 11, 2002.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: August 9, 2001.

James E. Rivera,

Acting Associate Administrator for Disaster Assistance.

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¹³ 17 CFR 200.30-3(a)(12).