

Templeton Variable Annuity Fund [File No. 811-5024]

Summary: Applicant seeks an order declaring that it has ceased to be an investment company. On May 8, 1998, applicant transferred its assets to Templeton Stock Fund based on net asset value. Expenses of \$20,946 incurred in connection with the reorganization were paid by Templeton Variable Annuity Fund and Templeton Stock Fund.

Filing Date: The application was filed on June 20, 2001.

Applicant's Address: 500 East Broward Boulevard, Suite 2100, Fort Lauderdale, Florida 33394-3091.

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

Jonathan G. Katz,
Secretary.

[FR Doc. 01-22508 Filed 9-6-01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44483A; File No. SR-Amex-2001-40]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by American Stock Exchange LLC Relating to the Listing and Trading of Institutional Index Notes; Correction

August 30, 2001.

Release No. 34-44483, issued on June 27, 2001, and published in the **Federal Register** on July 6, 2001,¹ contained an error in Part IV.² The term "Industrial Holdings" was mistakenly used. The correct term is "Institutional Holdings."

Accordingly, the term "Institutional Holdings" should replace the term "Industrial Holdings" in Part IV of the Release.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.³

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-22511 Filed 9-6-01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44739A; File No. SR-ISE-00-22]

Self-Regulatory Organizations; International Securities Exchange LLC; Order Approving Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval of Amendments Nos. 1 and 2 to the Proposed Rule Change Relating to Market Maker Financial Requirements; Correction

August 30, 2001.

In Release No. 34-44739, issued on August 22, 2001 (FR Document 01-21739 beginning on page 45713 for Wednesday, August 29, 2001), the conclusion inadvertently referred to the proposed rule change as SR-NYSE-00-22. The conclusion should read that the proposed rule change (SR-ISE-00-22), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-22513 Filed 9-6-01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44734A; File No. SR-NASD-2001-42]

Self-Regulatory Organizations; the National Association of Securities Dealers, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change and Amendment No. 1 To Extend the Expiration Date of Nasdaq's Transaction Credit Pilot Program; Correction

August 30, 2001.

In Release No. 34-44734, issued on August 22, 2001 (FR Document 01-21651 beginning on page 45347 for Tuesday, August 28, 2001), the title inadvertently omitted the name of the self-regulatory organization. The title is corrected to read as set forth above. Additionally, the release contained an inaccurate expiration date for the pilot program. The pilot program is extended for an additional six months, through December 31, 2001, not through September 1, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-22512 Filed 9-6-01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44752; File No. SR-NYSE-2001-28]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the New York Stock Exchange, Inc. To Administer NYSE Rule 91.10 Pursuant to the NYSE's Minor Rule Violation Plan

August 29, 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 21, 2001, the New York Stock Exchange, Inc. ("NYSE" 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 Commission is 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 Exchange proposes to amend the "List of Exchange Rule Violations and Fines Applicable Thereto Pursuant to Rule 476A" for imposition of fines for minor rule violations of rules and/or policies ("List") by adding to the List the failure to comply with the provisions of NYSE Rule 91.10, Taking or Supplying Securities Named in Order. The Exchange believes it is appropriate to make the failure to comply with the provisions of NYSE Rule 91.10 subject to the possible imposition of a fine under NYSE Rule 476A procedures. The text of the proposed rule change is available at the NYSE 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

¹ 17 CFR 200.30-3(a)(12).

¹⁵ U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

¹ See 66 FR 35677.

² See 66 FR 35677, 35680.

³ 17 CFR 200.30-3(a)(12).

¹⁷ CFR 200.30-3(a)(12).

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

NYSE Rule 476A provides that the Exchange may impose a fine, not to exceed \$5,000, on any member, member organization, allied member, approved person, or registered or non-registered employee of a member or member organization for a minor violation of certain specified Exchange rules. The purpose of the NYSE Rule 476A procedure is to provide for a meaningful sanction for a rule violation when the initiation of a disciplinary proceeding under NYSE Rule 476 would be more costly and time-consuming than would be warranted given the minor nature of the violation, or when the violation calls for a stronger regulatory response than an admonition letter would convey. NYSE Rule 476A preserves due process rights, identifies those rule violations that may be the subject of summary fines, and includes a schedule of fines.

In SR-NYSE-84-27,³ which initially set forth the provisions and procedures of Rule 476A, the Exchange indicated it would amend the list of rules from time to time, as it considered appropriate, in order to phase-in the implementation of NYSE Rule 476A as experience with it was gained.

The Exchange proposes to add to the List the failure by specialists or specialist organizations to comply with the provisions of NYSE Rule 91.10. That rule requires that whenever a specialist has elected to take or supply for his or her account the securities named in an order entrusted to the specialist, he or she must summon a representative of the firm that entered the order to confirm, in written format, the acceptance or rejection of such transaction.

The purpose of the proposed change to the List is to facilitate the Exchange's ability to induce compliance with all aspects of the above-cited rule. The Exchange believes failure to comply with the requirements of the rule should

be addressed with an appropriate sanction and seeks Commission approval to add violations of these requirements to the List so as to have a broad range of regulatory responses available. The Exchange believes that this would more effectively encourage compliance by enabling a prompt, meaningful and heightened regulatory response (e.g., the issuance of a fine rather than an admonition letter) to a minor violation of NYSE Rule 91.10.

The Exchange wishes to emphasize the importance it places upon compliance with the above-named rule and all others on the List. While the Exchange, upon investigation, may determine that a violation of any of these rules is a minor violation of the type which is properly addressed by the procedures adopted under NYSE Rule 476A, in those instances where investigation reveals a more serious violation of the above-described rules, the Exchange will provide an appropriate regulatory response. This includes the full disciplinary procedures available under NYSE Rule 476.

2. Statutory Basis

The Exchange believes the proposal will advance the objectives of Section 6(b)(6)⁴ of the Act in that it will provide a procedure whereby member organizations can be appropriately disciplined in those instances when a rule violation is minor in nature, but a sanction more serious than an admonition letter is appropriate. The NYSE believes the proposed rule change provides a fair procedure for imposing such sanctions, in accordance with the requirements of Sections 6(b)(7)⁵ and 6(d)(1)⁶ of the Act.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is 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

The Exchange has neither solicited nor received written comments on 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 appropriate and publishes its reasons for so findings 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, N.W., 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 NYSE. All submissions should refer to file number SR-NYSE-2001-28 and should be submitted by September 28, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷

Jonathan G. Katz,
Secretary.

[FR Doc. 01-22456 Filed 9-6-01; 8:45 am]

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³ Securities Exchange Act Release No. 21688 (January 25, 1985), 50 FR 5025 (February 5, 1985) (approving SR-NYSE-84-27).

⁴ 15 U.S.C. 78f(b)(6).

⁵ 15 U.S.C. 78f(b)(7).

⁶ 15 U.S.C. 78f(d)(1).

⁷ 17 CFR 200.30-3(a)(12).