

connection with the maintenance of the Index.

As discussed more fully above, the PHLX will post an information circular on its web site advising members of the proposed changes to the Index prior to their implementation. The Commission believes that the information circular will help to ensure that market participants have been notified adequately about the impending changes to the Index prior to their implementation.

The Commission finds good cause for approving the proposed rule change and Amendment Nos. 1 and 2 prior to the thirtieth day after the date of publication of notice of filing thereof in the **Federal Register**. The Commission believes that accelerated approval of the proposal will allow investors to trade options on the revised Index beginning on October 22, 2001. As discussed more fully above, the revised procedures for calculating the share amounts of the Index's component securities should benefit investors by allowing them to hedge their Index options positions in a more efficient and cost effective manner. Amendment No. 1 strengthens the PHLX's proposal by, among other things, clarifying that the proposed changes to the procedures for calculating the share amounts of component Index securities may allow market participants to hedge their positions in Index options more effectively and by describing the PHLX's policies regarding the misuse of material, non-public information by PHLX staff responsible for maintaining the Index. Amendment No. 2 strengthens the proposal by clarifying the PHLX's schedule for implementing the proposed changes and ensuring that market participants will have notice of the proposed changes prior to their implementation. Accordingly, the Commission believes that there is good cause, consistent with Sections 6(b)(5) and 19(b)(2) of the Act,³⁹ to approve the proposal and Amendment Nos. 1 and 2 to the proposal on an accelerated basis.

It is therefore ordered, pursuant to section 19(b)(2) of the Act, that the proposed rule change (SR-PHLX-00-75), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁴⁰

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-26084 Filed 10-16-01; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44921; File No. SR-Phlx-00-70]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change and Amendment Nos. 1 and 2 by the Philadelphia Stock Exchange, Inc. Relating to TheStreet.com Internet Index

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 September 8, 2000, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Phlx. The text of the proposal is available for inspection and copying at the places specified in Item III below. On September 14, 2001, Phlx filed Amendment No. 1 to the proposal.³ On October 5, 2001, Phlx filed Amendment No. 2 to the proposal.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons and to approve the proposal, as amended, on an accelerated basis.

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

The Exchange proposes that the approval of the listing and trading of options on the Index be continued upon the removal of a limitation that absent Commission approval, the Index be comprised of no less than 16 component securities and no more than 24 component securities. Under the proposal, the Exchange would instead apply the terms of Phlx Rule

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See letter from Carla Behnfeldt, Director, Legal Department New Product Development Group, Phlx, to Marc McKayle, Special Counsel, Division of Market Regulation, Commission, dated September 12, 2001 ("Amendment No. 1"). In Amendment No. 1, the Phlx described component additions and subtractions to TheStreet.com Internet Index ("Index"), and listed the Index's 23 components and share weightings as of September 11, 2001. The Exchange also indicated that it intended to increase the number of Index components to 25 at the quarterly rebalancing, to become effective on October 22, 2001 ("Effective Date"). The Exchange will post an information circular on the Exchange website, at least ten days prior to the Effective Date, to notify its members of the two new component securities.

⁴ This 19b-4 filing represents Amendment No. 2, which replaces the proposal as originally filed, but incorporates Amendment No. 1 to the filing.

1009A(c)(2) to the Index which specifies that the total number of component securities in an index may not increase or decrease by more than 33 1/3% from the number of component securities in the index at the time of its initial listing.

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 Phlx included statements concerning the purpose of, and the 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 III below. The Phlx 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

Purpose

On November 17, 1998, the Commission issued a Notice of Filing and Immediate Effectiveness for a Phlx proposed rule change relating to listing and trading options on the Index.⁵ Options on the Index were developed pursuant to Phlx Rule 1009A(b) in accordance with the Generic Index Approval Order for the listing and trading of narrow-based index options.⁶ The Notice specified that absent Commission approval, the Exchange would not change the number of components to more than 24 or fewer than 16. The Index initially consisted of 20 component securities. The index is currently composed of 23 component securities.⁷

The Exchange proposes to remove the limitation on the number of the Index's component securities found in the Notice. Instead, the Phlx proposes that the number of the Index's component securities be governed by Phlx Rule 1009A(c)(2) which provides in relevant part that, for options listed on indices pursuant to Phlx Rule 1009A(b), the total number of component securities in the index may not increase or decrease by more than 33 1/3% from the number of component securities in the index at the time of its initial listing. Thus,

⁵ See Securities Exchange Act Release No. 40685 (November 17, 1998), 63 FR 65630 (November 27, 1998) ("Notice").

⁶ See Securities Exchange Act Release No. 34157 (June 3, 1994), 59 FR 30062 (June 9, 1994) (order approving File Nos. SR-Amex-92-35; SR-CBOE-93-59; SR-NYSE-94-17; SR-PSE-94-07; and SR-Phlx-94-10) ("Generic Index Approval Order").

⁷ See Amendment No. 1, *supra* note 3.

³⁹ 15 U.S.C. 78f(b)(5) and 78s(b)(2).

⁴⁰ 17 CFR 200.30-3(a)(12).

under the proposal, in accordance with Phlx Rule 1009A(c)(2), the Exchange would not open any additional series for trading if the number of the Index's component securities is less than 14 or greater than 26.

Given the recent growth in the Internet industry and the proliferation of qualified potential Index constituents, the Exchange believes that the increased flexibility in assigning component stock to the Index as permitted by Phlx Rule 1009A(c)(2), as opposed to the limitation found in the Notice, is appropriate to ensure that Index maintains its intended market character. The Exchange believes that the proposal could enhance the Index and facilitate the development and implementation of new products based upon the Index. Except for the change described herein (and in a separate proposed rule change relating to the name and stock selection methodology of the Index and the determination of share amounts which is proposed to be implemented simultaneously with this proposed rule change),⁸ the attributes of the Index and the options on the Index will remain as described in the Exchange's original proposed rule change to list options on the Index.

In eliminating the restriction that the Index shall have no fewer than 16 and no more than 24 securities without securing Commission approval, the Exchange believes that the Index and the options on the Index will continue to comply with the maintenance criteria set forth in Rule 1009A(c). Specifically, the Index will remain A.M. settled, the components of the Index will be reported securities in accordance with Rule 11Aa3-1 under the Act,⁹ and the current underlying Index value will be reported at least once every fifteen seconds during the time the Index options are traded on the Exchange. In addition, 90% of the weight of the Index and 80% of the total number of components in the Index will satisfy the requirements of Phlx Rule 1009A(c) regarding options eligibility. The five highest weighted components will not in aggregate account for more than 50% of the weight of the Index pursuant to Phlx Rule 1009A(c)(1) and no single security will account for more than 25% of the weight of the Index. Pursuant to Phlx Rule 1009A(c)(2), the Exchange will not open any additional series for trading if the number of components is decreased to below 14 or increased to

greater than 26. The Exchange will continue to rebalance the Index once every calendar quarter.¹⁰

The Exchange plans to increase the number of components securities in the Index as permitted by this proposed rule change during the quarterly rebalancing, which takes place following October expiration on October 19, 2001. On October 12, 2001, the Exchange will post to members an information circular on its website starting that the Exchange will be increasing the number of stocks in the Index to 25 effective Monday morning, October 22, 2001. The information circular, among other things, will identify the two new components securities.

2. Statutory Basis

Phlx believes the proposed rule change is consistent with Section 6(b) of the Act,¹¹ in general, and furthers the objectives of Section 6(b)(5),¹² in particular, because it is designed to promote just and equitable principles of trade, as well as to protect investors and the public interest, by permitting the Exchange to continue listing and trading options on the Index after making enhancements to the Index which should providing investors with an improved means of hedging exposure to market risks associated with the securities issued by companies in the Internet industry.

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

The Phlx does not believe that the proposed rule change will impose any inappropriate 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. 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 Phlx. All submissions should refer to File No. SR-Phlx-00-70 and should be submitted by November 7, 2001.

IV. Commission Findings and Order Granting Accelerated Approval of the Proposed Rule Change

After careful review, 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 exchange, and in particular, the requirements of section 6(b)(5) of the Act.¹³ Specifically, the Commission finds that the Phlx's proposal will prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, and remove impediments to and perfect the mechanism of a free and open market, and, in general, protect investors and the public interest consistent with section 6(b)(5) of the Act.¹⁴ Phlx Rule 1009A(c)(2) is consistent with the objectives of the Generic Index Approval Order, which sets forth generic listing standards for options on narrow-based indexes, including the requirement that the number of component stocks may not increase or decrease by a number exceeding 33 $\frac{1}{3}$ percent of the number of stocks comprising the index at the time of its initial listing. In approving the Generic Index Approval Order, the Commission found that the generic listing standards for narrow-based index options strike a reasonable balance between the Commission's mandates under section 6(b)(5) of the Act¹⁵ to remove impediments to and perfect the mechanism of a free and open market and a national market system, while protecting investors and the public interest. Thus, as no new regulatory issues are raised by this proposal, the Commission believes it is appropriate to remove the component number limitations found in the Notice, and permit the Exchange to manage the

¹³ 15 U.S.C. 78f(b)(5).

¹⁴ *Id.* In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

¹⁵ 15 U.S.C. 78f(b)(5).

⁸ See Securities Exchange Act Release No. 44920 (October 11, 2001) (Approval order for File No. SR-Phlx-00-75, which, among other things, renames the Index "TheStreet.com Internet Sector Index").

⁹ 17 CFR 240.11Aa3-1.

¹⁰ See Securities Exchange Act Release No. 44920, *supra* note 8.

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(5).

Index with greater flexibility under Phlx Rule 1009A(c)(2).

Accordingly, the commission finds good cause, consistent with section 6(b)(5) of the Act,¹⁶ to approve the proposed rule change, and Amendment Nos. 1 and 2, on an accelerated basis prior to the thirtieth day after the date of publication of notice in the **Federal Register**, pursuant to section 19(b)(2) of the Act.¹⁷

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁸ that the proposed rule change (SR-Phlx-00-70), as amended, is hereby approved on an accelerated basis.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁹

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-26085 Filed 10-16-01; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[Public Notice 3798]

Notice of Meetings; United States International Telecommunication Advisory Committee, 2002 International Telecommunication Union, Plenipotentiary Conference, and 2002 World Telecommunication Development Conference

The Department of State announces meetings of the U.S. International Telecommunication Advisory Committee. The purpose of the Committee is to advise the Department on policy and technical issues with respect to the International Telecommunication Union (ITU). The purpose of these meetings is to prepare for the 2002 Plenipotentiary Conference and the 2002 World Telecommunication Development Conference.

An ITAC meeting will be held on Tuesday, October 30, 2001, at the Federal Communications Commission in Room 6-B516 from 1:30 pm to 3 pm to initiate the review of ITU Plenipotentiary Conference issues. Additional meetings are scheduled concerning preparations for the Plenipotentiary Conference on Tuesday, November 27, 2001, on Tuesday, December 18, 2001, on Tuesday, January 15, 2002, on Tuesday, February 5, 2002, and on Tuesday, March 12, 2002. All of

these subsequent meetings are scheduled to begin at 1:30 pm and will be at the Department of State in rooms yet to be determined.

An ITAC meeting concerned with preparations for the 2002 World Telecommunication Development Conference (WTDC) will be held on Thursday, November 1, 2001 from 2 pm to 4 pm in Room 1408 of the State Department. Additional meetings on preparations for the WTDC are scheduled for Thursday, November 15, 2001, Thursday, November 29, 2001, and Thursday, December 20, 2001. Other meeting dates will be announced at the initial meeting.

Members of the general public may attend these meetings. Directions to meeting location and actual room assignments may be determined by calling the ITAC Secretariat at (202) 647-0965/2592. Entrance to the State Department and the Federal Communications Commission is controlled; in order to get precleared for each meeting, people planning to attend should send an e-mail to williamsd@state.gov no later than 48 hours before the meeting. This e-mail should include the name of the meeting and date of meeting, your name, social security number, date of birth, and organizational affiliation. One of the following valid photo identifications will be required for admission to the State Department and the Federal Communications Commission: U.S. driver's license, passport, U. S. Government identification card. Enter the Department of State from the C Street Lobby; in view of escorting requirements, non-Government attendees should plan to arrive not less than 15 minutes before the meeting begins.

Attendees may join in the discussions, subject to the instructions of the Chair. Admission of participants will be limited to seating available.

Dated: October 11, 2001.

Doreen F. McGirr,

Director, Telecommunications Development, U.S. Department of State.

[FR Doc. 01-26310 Filed 10-15-01; 2:36 pm]

BILLING CODE 4710-45-P

DEPARTMENT OF STATE

[Public Notice 3747]

Overseas Security Advisory Council (OSAC) Meeting Notice: Closed Meeting

The Department of State announces a meeting of the U.S. State Department—Overseas Security Advisory Council on

November 6, 7, and 8, in Washington, DC. Pursuant to section 10(d) of the Federal Advisory Committee Act and 5 U.S.C. 552b(c) [1] and [4], it has been determined the meeting will be closed to the public. Matters relative to classified national security information as well as privileged commercial information will be discussed. The agenda will include updated committee reports, a world threat overview and a round table discussion that calls for the discussion of classified and corporate proprietary/security information as well as private sector physical and procedural security policies and protective programs at sensitive U.S. Government and private sector locations overseas.

For more information contact Marsha Thurman, Overseas Security Advisory Council, Department of State, Washington, DC 20522-1003, phone: 202-663-0533.

Dated: September 25, 2001.

Peter E. Bergin,

Director of the Diplomatic Security Service, U.S. Department of State.

[FR Doc. 01-26119 Filed 10-16-01; 8:45 am]

BILLING CODE 4710-24-P

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

African Growth and Opportunity Act Implementation Subcommittee of the Trade Policy Staff Committee; Extension of Deadline for the Submission of Public Comments on Annual Review of Country Eligibility for Benefits Under the African Growth and Opportunity Act, Title I of the Trade and Development Act of 2000

ACTION: Extension of deadline for submission of comments.

SUMMARY: The African Growth and Opportunity Act Implementation Subcommittee of the Trade Policy Staff Committee (the "Subcommittee") is extending the deadline for the submission of written public comments for the annual review of the eligibility of sub-Saharan African countries to receive the benefits of the African Growth and Opportunity Act (AGOA) from October 10, 2001, to November 6, 2001.

DATES: The deadline for comments is November 6, 2001.

FOR FURTHER INFORMATION CONTACT: Office of African Affairs, Office of the United States Trade Representative, 600 17th Street, NW., Room 501, Washington DC, 20508. Telephone (202) 395-9514.

¹⁶ 15 U.S.C. 78f(b)(5).

¹⁷ 15 U.S.C. 78s(b)(5).

¹⁸ *Id.*

¹⁹ 17 CFR 200.30-3(a)(12).