accidents and its elimination would not affect the probability of accidents previously evaluated.

In the 20 years since the TMI–2 accident and the consequential promulgation of post accident sampling requirements, operating experience has demonstrated that a PASS provides little actual benefit to post accident mitigation. Past experience has indicated that there exists in-plant instrumentation and methodologies available in lieu of a PASS for collecting and assimilating information needed to assess core damage following an accident. Furthermore, the implementation of Severe Accident Management Guidance (SAMG) emphasizes accident management strategies based on in-plant instruments. These strategies provide guidance to the plant staff for mitigation and recovery from a severe accident. Based on current severe accident management strategies and guidelines, it is determined that the PASS provides little benefit to the plant staff in coping with an accident.

The regulatory requirements for the PASS can be eliminated without degrading the plant emergency response. The emergency response, in this sense, refers to the methodologies used in ascertaining the condition of the reactor core, mitigating the consequences of an accident, assessing and projecting offsite releases of radioactivity, and establishing protective action recommendations to be communicated to offsite authorities. The elimination of the PASS will not prevent an accident management strategy that meets the initial intent of the post-TMI–2 accident guidance through the use of the SAMGs, the emergency plan (EP), the emergency operating procedures (EOP), and site survey monitoring that support modification of emergency plan protective action recommendations (PARs).

Therefore, the elimination of PASS requirements from Technical Specifications (TS) (and other elements of the licensing bases) does not involve a significant increase in the consequences of any accident previously evaluated.

Criterion 2—The Proposed Change Does Not Create the Possibility of a New or Different Kind of Accident from any Previously Evaluated.

The elimination of PASS related requirements will not result in any failure mode not previously analyzed. The PASS was intended to allow for verification of the extent of reactor core damage and also to provide an input to offsite dose projection calculations. The PASS is not considered an accident precursor, nor does its existence or elimination have any adverse impact on the pre-accident state of the reactor core or post accident confinement of radioisotopes within the containment building.

Therefore, this change does not create the possibility of a new or different kind of accident from any previously evaluated.

Criterion 3—The Proposed Change Does Not Involve a Significant Reduction in the Margin of Safety.

The elimination of the PASS, in light of existing plant equipment, instrumentation, procedures, and programs that provide effective mitigation of and recovery from reactor accidents, results in a neutral impact to the margin of safety. Methodologies that are not reliant on PASS are designed to provide rapid assessment of current reactor core conditions and the direction of degradation while effectively responding to the event in order to mitigate the consequences of the accident. The use of a PASS is redundant and does not provide quick recognition of core events or rapid response to events in progress. The intent of the requirements established as a result of the TMI–2 accident can be adequately met without reliance on a PASS.

Therefore, this change does not involve a significant reduction in the margin of safety.

Based upon the reasoning presented above and the previous discussion of the amendment request, the requested change does not involve a significant hazards consideration.

Dated at Rockville, Maryland, this 18th day of December 2001.

For the Nuclear Regulatory Commission.

William D. Beckner,

Chief, Technical Specification Branch, Division of Regulatory Improvement Programs, Office of Nuclear Reactor Regulation.

[FR Doc. 01–31803 Filed 12–26–01; 8:45 am]

BILLING CODE 7590–01–P

POSTAL SERVICE

United Postal Service Board of Governors; Sunshine Act Meeting

TIMES AND DATES: 8 a.m., Monday, January 7, 2002; 8:30 a.m., Tuesday, January 8, 2002.

PLACE: Washington, D.C., at U.S. Postal Service Headquarters, 475 L'Enfant Plaza, SW., in the Benjamin Franklin Room.

STATUS: January 7—8 a.m. (Closed); January 8—8:30 a.m. (Open).

MATTERS TO BE CONSIDERED:

Monday, January 7—8 a.m. (Closed)

1. Personnel Matters and Compensation Issues.
2. Management Compensation Strategy.
3. Financial Performance.
4. Strategic Planning.

Tuesday, January 8—8:30 a.m. (Open)

1. Minutes of the Previous Meetings, December 3–4, and December 13, 2001.
2. Remarks of the Postmaster General and CEO.
3. Consideration of Board Resolution on Capital Funding.
4. Annual Report on Government in the Sunshine Act Compliance.
5. Fiscal Year 2001 Annual Report.

Tuesday, January 8—8:30 a.m. (Open) [continued]

6. Semipostal Stamps.
7. Quarterly Report on Financial Performance.
8. Quarterly Report on Service Performance.
9. Election of Chairman and Vice Chairman of the Board of Governors.
10. Tentative Agenda for the February 4–5, 2002, meeting in Phoenix, Arizona.

CONTACT PERSON FOR MORE INFORMATION: David G. Hunter, Secretary of the Board, U.S. Postal Service, 475 L'Enfant Plaza, SW., Washington, DC 20260–1000. Telephone (202) 268–4800.

David G. Hunter,

Secretary.

[FR Doc. 01–31965 Filed 12–21–01; 1:34 pm]

BILLING CODE 7710–12–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC–25320; 812–12684]

Sensar Corporation; Notice of Application

December 19, 2001.

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

ACTION: Notice of an application for an order under section 6(c) of the Investment Company Act of 1940 (the ''Act'').

SUMMARY OF APPLICATION: Sensar Corporation (''Applicant'') requests an order exempting it from all provisions of the Act until the earlier of one year from the date that the requested order is

issued or the date that it no longer may be deemed to be an investment company.

FILING DATES: The application was filed on November 13, 2001, and amended on December 19, 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 January 11, 2002, and should be accompanied by proof of service on applicant, 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. Applicant, c/o Stoel Rives LLP, 201 South Main Street, Suite 1100, Salt Lake City, UT 84111.

FOR FURTHER INFORMATION, CONTACT: Stacy L. Fuller, Senior Counsel, at 202–942–0553, or Janet M. Grossnickle, Branch Chief, at 202–942–0564 (Division of Investment Management, Office of Investment Company Regulation).

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 (telephone 202–942–8090).

Applicant's Representations

1. Applicant is a Nevada corporation whose principal offices are in Utah. Prior to August 1999, Applicant was engaged in the design, development, manufacturing, and marketing of analytical scientific instrumentation. Between March and August 1999, Applicant sold substantially all of its assets related to such business and began to search for an acquisition. In September 1999, Applicant entered into negotiations with Net2Wireless Corporation (now known as Jigami Corporation) (''Jigami'') to acquire Jigami, and devoted substantial time in the remainder of 1999 and 2000 to completing the acquisition. On December 1, 2000, Nasdaq informed Applicant that it had determined to deny the listing application for the combined company (or initiate delisting proceedings against Applicant if Jigami merged into Applicant). The proposed merger was abandoned, and on December 4, 2000, Applicant and Jigami entered into a settlement, whereby Applicant received 3,000,000 shares of Jigami stock and a warrant to acquire another 1,000,000 shares, representing approximately 14.1% of the outstanding capital stock of Jigami. As a result of the settlement, on December 4, 2000, Applicant's assets consisted of approximately (a) $3.25 million of cash, (b) $2 million of Jigami securities, and (c) $67,000 of other assets that were not securities.

2. In January 2001, Applicant determined that it might be deemed to be an investment company under section 3(a)(1)(C) of the Act as of the date that it acquired the securities of Jigami. Based on the information available to Applicant at that time, Applicant did not believe that it could alter its investment in Jigami so as to reduce the value of its investment securities to less than 40% of its total assets (exclusive of government securities and cash). Accordingly, Applicant determined that its best alternative was to try to qualify, and make election under section 54 of the Act, to become a business development company, as defined in section 2(a)(48) of the Act (''BDC''). On January 22, 2001, as part of its plan to become a BDC, Applicant purchased 3.5% of the outstanding shares of common stock of a privately held company (''Private Company'') for $750,000.

3. At the end of the first quarter of 2001, Applicant wrote down the value of the Jigami investment to zero. As of March 31, 2001, Applicant's assets consisted of approximately (a) $2.35 million of cash, (b) $750,000 of Private Company's securities, and (c) $82,000 of other assets that were not securities. In light of the changes in Applicant's assets, Applicant then began to focus its efforts on a revised strategy of actively attempting to purchase an operating business.

Applicant's Legal Analysis

1. Under section 3(a)(1)(C) of the Act, an issuer is an investment company if it is engaged or proposes to engage in the business of investing, reinvesting, owning, holding or trading in securities, and owns or proposes to acquire investment securities having a value exceeding 40 percent of the value of such issuer's total assets (exclusive of government securities and cash items) on an unconsolidated basis. Section 3(a)(2) of the Act defines ''investment securities'' to include all securities except government securities, securities issued by employees' securities companies, and securities issued by majority-owned subsidiaries of the owner that are not investment companies and are not relying on the exception from the definition of investment company in section 3(c)(1) or 3(c)(7) of the Act.

2. Applicant states that the Jigami securities acquired on December 4, 2000, and the Private Company securities acquired on January 22, 2001, constitute ''investment securities'' within the meaning of section 3(a)(2) of the Act. Applicant states that because investment securities have represented substantially all of its non-cash assets since December 4, 2000, Applicant may be deemed to be an investment company within the meaning of section 3(a)(1)(C) of the Act.

3. Section 6(c) of the Act permits the Commission to exempt any person from any provision of the Act, if and to the extent 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 policy and provisions of the Act.

4. Applicant requests an exemption under section 6(c) from all provisions of the Act until the earlier of one year from the date that the requested order is issued or the date that Applicant no longer may be deemed to be an investment company. Applicant believes that within the period covered by the requested order, it will be able to complete an acquisition of or a merger with an operating business.

5. Applicant states that its failure to become primarily engaged in a non-investment business or an excepted business within the past year was due to factors beyond its control and that, during the period, its officers tried in good faith to invest Applicant's assets in a non-investment business or excepted business. Specifically, Applicant states that once it realized that it might be deemed to be an investment company under section 3(a)(1)(C), it took steps to comply with the Act, first by pursuing BDC status, and later by pursuing a merger or acquisition. Applicant states that in its pursuit of a suitable merger with or acquisition of an operating business, it has actively investigated 30 companies and completed field due diligence on four such companies. Applicant contends that it has been hampered in its efforts to find a suitable partner or target by the recent economic downturn. Applicant further states that on or about December 13, 2001, Applicant entered into a non-binding letter of intent with VitalStream, Inc.

(''VitalStream''), a California-based digital broadcasting company, pursuant to which VitalStream would merge with and into a wholly-owned subsidiary of Applicant. Applicant states that it expects the proposed merger to close in the first or second quarter of 2002. Applicant further states that, in addition to seeking to merge with or acquire an operating business, it has attempted to sell the Private Company securities by convincing Private Company to repurchase the securities, discussing a sale with existing shareholders of Private Company, and contacting other persons who have shown an interest in Private Company. Applicant states that it is continuing to attempt to find a purchaser for its block of Private Company securities. In addition, Applicant states that since determining to pursue operating company status at the end of the first quarter of 2001, it has declined to make additional investments in Private Company and has not acquired any other investment securities. Applicant also states that it will hold its cash assets in federally insured money market or demand accounts. Finally, Applicant notes that on November 7, 2001, the Board formalized the decision to pursue operating company status by adopting a resolution that directs Applicant to abandon its efforts to become a BDC and take whatever steps are necessary to become an operating company.

6. Applicant contends that registration under the Act would involve an unnecessary burden and expense for Applicant and its shareholders and would serve no regulatory purpose. For the reasons discussed above, Applicant asserts that the requested relief is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Applicant's Conditions

1. Applicant will not acquire additional investment securities, as defined in section 3(a)(2) of the Act, or engage in the trading of securities for short-term speculative purposes.

2. Applicant will not hold itself out as being engaged in the business of investing, reinvesting, owning, holding or trading in securities.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–31740 Filed 12–26–01; 8:45 am]

BILLING CODE 8010–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–45166, File No. 4–208]

Joint Industry Plan; Order Approving Amendments To Add Chicago Board Options Exchange, Inc. as Participant to Joint-SRO Plan Under Rule 11Ac1–5

December 18, 2001.

I. Introduction

On July 11, 2001, the Chicago Board Options Exchange, Inc. (''CBOE'' or ''Exchange'') submitted to the Securities and Exchange Commission (''SEC'' or ''Commission'') in accordance with section 11A of the Securities Exchange Act of 1934 (''Act'')[1] and rule 11Aa3–2 thereunder,[2] a proposed amendment to the national market system plan establishing procedures under rule 11Ac1–5 (''Joint-SRO Plan'' or ''Plan'').[3] Under the proposed amendment, the CBOE would be added as a participant to the Joint-SRO Plan. Notice of filing and an order granting temporary effectiveness of the proposal through December 19, 2001 was published in the **Federal Register** on August 21, 2001.[4] The Commission did not receive any comments on the proposed amendment. This order approves the amendment on a permanent basis.

II. Discussion

The Joint-SRO Plan establishes procedures for market centers to follow in making their monthly reports required pursuant to rule 11Ac1–5, available to the public in a uniform, readily accessible, and usable electronic format. The current participants to the Plan are the American Stock Exchange LLC, Boston Stock Exchange, Inc., Chicago Stock Exchange, Inc., Cincinnati Stock Exchange, Inc., National Association of Securities Dealers, Inc., New York Stock Exchange, Inc., Pacific Exchange, Inc., and Philadelphia Stock Exchange, Inc.

The amendment adds the CBOE as a participant to the Joint-SRO Plan. Section III(b) of the Joint-SRO Plan provides that a national securities exchange or national securities association may become a party to the Plan by: (1) Executing a copy of the Plan, as then in effect (with the only changes being the addition of the new participant's name in section II(a) of the Plan and the new participant's single-digit code in section VI(a)(1) of the Plan) and (ii) submitting such executed plan to the Commission for approval. The CBOE submitted a signed copy of the Joint-SRO Plan to the Commission in accordance with the procedures set forth in the Plan regarding new participants.

After careful review, the Commission finds that the amendment to the Joint-SRO Plan is consistent with the requirements of the Act and the rules and regulations thereunder. Specifically, the Commission finds that the proposed amendment is consistent with the requirements of section 11A of the Act,[5] and rule 11Aa3–2[6] thereunder. The Plan established appropriate procedures for market centers to follow in making their monthly reports required pursuant to rule 11Ac1–5 available to the public in a uniform, readily accessible, and usable electronic format. The amendment to include the CBOE as a participant in the Joint-SRO Plan should contribute to the maintenance of fair and orderly markets and remove impediments to and perfect the mechanisms of a national market system by facilitating the uniform public disclosure of order execution information by all market centers. The Commission believes that it is necessary and appropriate in the public interest, for the maintenance of fair and orderly markets, to remove impediments to, and perfect mechanisms of, a national market system to allow the CBOE to become a participant in the Joint-SRO Plan. The Commission finds, therefore, that approving the amendment to the Joint-SRO Plan is appropriate and consistent with section 11A of the Act.[7]

III. Conclusion

It is therefore ordered, pursuant to section 11A(a)(3)(B) of the Act[8] and rule 11Aa3–2 thereunder,[9] that the amendment to the Joint-SRO Plan to add the CBOE as a participant is approved and the CBOE is authorized to act jointly with the other participants to the Joint-SRO Plan in planning, developing, operating, or regulating the Plan as a means of facilitating a national market system.

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[1] 15 U.S.C. 78k–1.

[2] 17 CFR 240.11Aa3–2.

[3] *See* Securities and Exchange Act Release No. 44177 (April 12, 2001), 66 FR 19814.

[4] *See* Securities and Exchange Act Release No. 44703 (August 15, 2001), 66 FR 43924.

[5] 15 U.S.C. 78k–1.

[6] 17 CFR 240.11Aa3–2.

[7] 15 U.S.C. 78k–1.

[8] 17 CFR 200.30$^{1}/_{3}$(a)(16).

[9] 17 CFR 240.11Aa3–2.