

communication from an issuer or trustee regarding a debt security other than a municipal security to the beneficial owner of such security. The proposed rule change also clarifies IM-2260 (Suggested Rate of Reimbursement) to reflect that, in forwarding proxies and other materials, members may not charge for envelopes that are provided by the issuer or the trustee, as well as by persons soliciting proxies.

The proposed rule change was published for comment in the **Federal Register** on March 6, 2002.³ The Commission received no comments on the proposal.

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 association⁴ and, in particular, the requirements of Section 15A of the Act⁵ and the rules and regulations thereunder. The Commission finds specifically that the proposed rule change is consistent with Section 15A(b)(6) of the Act,⁶ which requires, among other things, that the rules of an association be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest.⁷ The Commission believes that the proposed rule change is a reasonable customer protection measure for holders of non-municipal debt securities, as it clarifies that members have an affirmative obligation to make reasonable efforts to forward certain information regarding these debt securities to their beneficial owners.

In addition, the Commission notes that this proposed rule change is consistent with a similar proposed rule change relating to municipal securities submitted by the Municipal Securities Rulemaking Board ("MSRB") and recently approved by the Commission.⁸ In that filing, the MSRB amended its

Rule G-15 to provide that brokers, dealers and municipal securities dealers that safekeep municipal securities must make reasonable efforts to retransmit official communications to their safekeeping clients.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁹ that the proposed rule change (File No. SR-NASD-2002-11) be, and it hereby is, approved.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 02-9458 Filed 4-17-02; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-45748; File No. SR-PCX-2002-15]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change and Amendment No. 1 by the Pacific Exchange, Inc. To Adopt a Volume Discount Program for Market Makers

April 12, 2002.

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 February 28, 2002, the Pacific Exchange, Inc. ("PCX" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. On April 11, 2002, the Exchange amended the proposal.³ The Exchange has designated

⁹ 15 U.S.C. 78s(b)(2).

¹⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 768s(b)(1).

² 17 CFR 240.196-4.

³ See April 10, 2002 letter from Cindy L. Sink, Senior Attorney, Regulatory Policy, PCX, to Joseph Morra, Special Counsel, Division of Market Regulation, SEC and attachments ("Amendment No. 1"). In Amendment No. 1, the PCX (1) provided a new Exhibit A that replaces and supersedes the Exhibit A that was filed with the original proposed rule change; and (2) clarified that the Volume Discount Program for Market Makers applies to all market makers, including Lead Market Makers, regardless of individual performance, whenever the overall volume on the Exchange reaches the designated amounts. For purposes of calculating the

this proposal as one establishing or changing a due, fee, or other charge imposed by the CHX under section 19(b)(3)(A)(ii) of the Act,⁴ which renders the proposal 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

The Exchange proposes to adopt a Volume Discount Program for Market Makers ("Program"). The Program is intended to provide PCX members with rebates once the PCX reaches volume levels that are adequate to sustain the operating and capital investment needs of the Exchange. The text of the proposed rule change is below. Additions are in italics.

PCX Options: Trade-Related Charges

* * * * *

Volume Discount Program

<i>PCX quarterly average daily contract volume</i>	<i>Per contract reduction in market maker transaction charge for following quarter</i>
449,000 or lower	No reduction.
450,000 to 474,999 ...	\$0.01.
475,000 to 499,999 ...	\$0.02.
500,000 to 524,999 ...	\$0.03.
525,000 or higher	\$0.04.
* * * * *	

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 PCX 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 PCX has prepared summaries, set forth in Sections A, B and C below, of the most significant aspects of such statements.

60-day abrogation period, the Commission considers the period to have commenced on April 11, 2002, the date the PCX filed Amendment No. 1.

⁴ 15 U.S.C. 78s(b)(3)(A)(ii).

³ See Securities Exchange Act Release No. 45483 (February 27, 2002), 67 FR 10245.

⁴ 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).

⁵ 15 U.S.C. 78o-3.

⁶ 15 U.S.C. 78o-3 (b)(6).

⁷ *Id.*

⁸ See Securities Exchange Act Release No. 45562 (March 14, 2002), 67 FR 13030 (March 20, 2002).

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

1. Purpose

The Exchange proposes to adopt the Program, which is intended to provide PCX members with rebates once the PCX reaches volume levels that are adequate to sustain the operating and capital investment needs of the Exchange. The Program provides rate relief to market makers by reducing the market maker transaction charge once the PCX achieves certain volume thresholds. The volume thresholds will be calculated on a quarterly basis, and any rate reduction will be for the following quarter. The quarterly volume thresholds and corresponding quarterly market maker rate reduction for the following quarter are listed in Section I above.

The first rate reduction will be for the second quarter of 2002, dependent on the PCX's quarterly average daily contract volumes for the first quarter of 2002. The volume discount is adjusted quarterly based on the PCX's prior quarter average daily contract volume. For example, if PCX volumes for the first quarter of 2002 average 475,000 contracts and the volumes for the second quarter average 425,000 contracts, the per contract reduction in the market maker transaction charge for the second quarter will be \$0.02, even though second quarter volumes are below the level qualifying for a discount, and there will be no volume discount for the third quarter, regardless of PCX's third quarter volumes.

2. Statutory Basis

The Exchange believes the proposal is consistent with the requirements of section 6(b) of the Act,⁵ in general, and furthers the objectives of Section 6(b)(4),⁶ in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its members.

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

Written comments on the proposed rule change were neither solicited nor received.

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

The proposed rule change has become effective pursuant to section 19(b)(3)(A)(ii) of the Act⁷ and subparagraph (f)(2) of Rule 19b-4 thereunder,⁸ because it involves a due, fee, or other charge. 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 PCX. All submissions should refer to file number SR-PCX-2002-15 and should be submitted by May 9, 2002.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Margaret H. McFarland,

Deputy Secretary.

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⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

⁸ 17 CFR 240.19b-4(f)(2).

⁹ 17 CFR 200.30-3(a)(12).

DEPARTMENT OF STATE

[Public Notice 3918]

Advisory Committee on International Law; Notice of Committee Renewal

The Department of State has renewed the Charter of the Advisory Committee on International Law. This advisory committee will continue to obtain the views and advice of a cross-section of the country's outstanding members of the legal profession on significant issues of international law. The committee's consideration of legal issues in the conduct of our foreign affairs provides a unique contribution to the creation and promotion of U.S. foreign policy. The Under Secretary for Management has determined that the committee is necessary and in the public interest.

The committee consists of former Legal Advisers of the Department of State and not more than twenty individuals appointed by the Legal Adviser of the Department of State. The committee will follow the procedures prescribed by the Federal Advisory Committee Act (FACA). Meetings will be open to the public unless a determination is made in accordance with section 10(d) of the FACA, 5 U.S.C. §§ 552b(c)(1) and (4), that a meeting or a portion of the meeting should be closed to the public. Notice of each meeting will be provided for publication in the **Federal Register** as far in advance as possible prior to the meeting.

For further information, please call: Mary Catherine Malin, Attorney-Adviser, Office of the Assistant Legal Adviser for United Nations Affairs, (202 647-2767).

Dated: March 29, 2002.

D. Stephen Mathias,

Assistant Legal Adviser for United Nations Affairs, Department of State.

[FR Doc. 02-9502 Filed 4-17-02; 8:45 am]

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DEPARTMENT OF STATE

[Public Notice 3990]

Bureau of Educational and Cultural Affairs Request for Grant Proposals: African Workforce Development

SUMMARY: The Near East/South Asia/Africa Division of the Office of Citizen Exchanges, Bureau of Educational and Cultural Affairs (ECA), announces an open competition to spur development of the African workforce for effective and satisfying participation in 21st century businesses, government, NGOs, and other venues. U.S.-based public and private non-profit organizations meeting

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4).