

the Act. As with Rule 11a-2, the focus of Rule 11a-3 is primarily on sales or administrative charges that would be incurred by investors for effecting exchanges. Applicants assert that the terms of the proposed offer are consistent with the Commission's recent substantive approach in Rule 11a-3, because no additional sales charges will be incurred as a result of the exchange and no administrative fees will be charged to effect the exchange. However, because the investment company involved in the proposed exchange offer is a separate account and because it is organized as a unit investment trust rather than as a management investment company, Applicants may not rely upon Rule 11a-3 despite the fact that their proposal would satisfy its substantive provisions.

55. Applicants assert that the terms of the proposed exchange offer do not present the abuses against which Section 11 was intended to protect. No additional sales load will be imposed at the time of exchange. No charge will be imposed at that time, other than a \$200 exchange fee to reimburse Minnesota Life for all or a portion of its administrative costs associated with the exchange. No new evidence of insurability will be required for the exchange.

56. The policy value and death benefit of a New Policy acquired in the proposed exchange will be precisely the same immediately after the exchange as that of the Old Policy exchanged immediately prior to the exchange. Accordingly, the exchanges, in effect, will be relative net asset value exchanges that would be permitted under Section 11(a) if the Account were registered as a management investment company rather than as a unit investment trust.

57. Policy owners will receive sufficient information to determine which Policy is best for them.

Conclusion

For the reasons summarized above, Applicants represent that the Exchange Offer is consistent with the protections provided by Section 11 of the Act and does not involve any of the switching abuses that led to the adoption of Section 11. Permitting Policy owners to evaluate the relative merits of the Old and New Policies and to select the one that best suits their circumstances and preferences fosters competition and is consistent with the public interest and the protection of investors. Approval of the terms of the Exchange Offer is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes

fairly intended by the policies and provisions of the Act.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02-26154 Filed 10-11-02; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting Notice

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following meetings during the week of October 14, 2002: an Open Meeting will be held on Wednesday, October 16, 2002 at 10 a.m., and a Closed Meeting will be held on Thursday, October 17, 2002, at 10 a.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (7), (9)(B) and (10) and 17 CFR 200.402(a)(3), (5), (7), (9)(ii) and (10), permit consideration of the scheduled matters at the Closed Meeting.

The subject matter of the Open Meeting scheduled for Wednesday, October 16, 2002 will be:

1. The Commission will consider publication of acknowledgements of receipt of Forms 1-N from the Chicago Mercantile Exchange Inc., OneChicago, LLC and Nasdaq LIFFE Markets, LLC to trade security futures.

The Commission will also consider whether to delegate authority to the Director of the Division of Market Regulation to publish in the **Federal Register** acknowledgements of receipt of Forms 1-N filed pursuant to Section 6(g) of the Securities Exchange Act of 1934.

2. The Commission will consider whether to propose rules relating to Sections 404, 406 and 407 of the Sarbanes-Oxley Act of 2002. The proposed rules would require companies to include in their Exchange Act filings: (1) an annual internal control report, (2) disclosure regarding whether a company has adopted a code of ethics that applies to certain senior officers, and (3) disclosure regarding

whether a company has a financial expert on its audit committee.

3. The Commission will consider whether to propose amendments to implement Section 303 of the Sarbanes-Oxley Act of 2002. Section 303(a) prohibits an issuer's officers, directors, and persons acting under the direction of an officer or director, from taking any action to fraudulently influence, coerce, manipulate or mislead the auditor of the issuer's financial statements for the purpose of rendering those financial statements materially misleading.

The subject matter of the Closed Meeting scheduled for Thursday, October 17, 2002 will be:

Formal orders of investigation; Institution and settlement of injunctive actions; and Institution and settlement of administrative proceedings of an enforcement nature.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 942-7070.

Dated: October 9, 2002.

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 02-26221 Filed 10-9-02; 4:34 pm]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: [67 FR 62997, October 9, 2002.]

STATUS: Closed Meeting.

PLACE: 450 Fifth Street, NW., Washington, DC.

DATE AND TIME OF PREVIOUSLY ANNOUNCED MEETING: Thursday, October 10, 2002 at 2:30 p.m.

CHANGE IN THE MEETING: Additional Item.

The following item has been added to the Closed Meeting scheduled for Thursday, October 10, 2002 at 2:30 p.m.: regulatory matter.

Commissioner Goldschmid, as duty officer, determined that Commission business required the above change and that no earlier notice thereof was possible.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted

or postponed, please contact: The Office of the Secretary at (202) 942-7070.

Dated: October 10, 2002.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02-26267 Filed 10-10-02; 11:33 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-46618; File No. SR-Amex-2002-79]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change and Amendment No. 1 by the American Stock Exchange LLC To Extend a Suspension of Transaction Charges for Certain Exchange Traded Funds

October 8, 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 September 27, 2002, 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. On October 2, 2002, the Amex amended the proposed rule change.³ The Exchange filed the proposal pursuant to Section 19(b)(3)(A) of the Act,⁴ and Rule 19b-4(f)(6) thereunder,⁵ which renders the proposal effective upon filing with the Commission.⁶ 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 Amex proposes to extend until October 31, 2002, the suspension of Amex transaction charges for the

Lehman 1-3 year Treasury Bond Fund; iShares Lehman 7-10 year Treasury Bond Fund; Lehman 20+ year Treasury Bond Fund; and iShares GS \$ InvesTop Corporate Bond Fund for specialist, Registered Trader, and broker-dealer orders. The text of the proposed rule change is available at the Amex 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 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 has suspended transaction charges for transactions in the iShares Lehman 1-3 year Treasury Bond Fund (Symbol: SHY); iShares Lehman 7-10 year Treasury Bond Fund (Symbol: IEF); iShares Lehman 20+ year Treasury Bond Fund (Symbol: TLT); and iShares GS \$ InvesTop Corporate Bond Fund (Symbol: LQD) ("Funds") (collectively, "Securities") for (1) customer orders and (2) until September 30, 2002, specialist, Registered Trader, and broker-dealer orders.⁷ With this proposed rule change, the Amex is extending until October 31, 2002, the suspension of transaction charges for specialist, Registered Trader, and broker-dealer orders. No other changes are proposed with this filing, and this filing has no bearing on the suspension of transaction charges as they pertain to customer orders.

The Exchange believes a suspension of fees for the Securities is appropriate to enhance the competitiveness of executions in the Securities on the Amex. The Exchange will reassess the fee suspension as appropriate, and will file any modification to the fee suspension with the Commission.

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)(4)⁹ in particular in that it is intended to assure the equitable allocation of reasonable dues, fees, and other charges among the Amex's members and issuers and other persons using its facilities.

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

The Exchange does not believe that the proposed rule change will impose a 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 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 Act¹⁰ and Rule 19b-4(f)(6) thereunder.¹¹ 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.

The Amex has requested that the Commission waive the 5-day pre-filing notice requirement and the 30-day operative delay. The Commission believes waiving the 5-day pre-filing notice requirement and the 30-day operative delay is consistent with the protection of investors and the public interest. Waiver of the notice requirement and acceleration of the operative date will permit the Amex to suspend these fees immediately. For these reasons, the Commission designates the proposal to be effective and operative upon filing with the Commission.¹²

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(4).

¹⁰ 15 U.S.C. 78s(b)(3)(A).

¹¹ 17 CFR 240.19b-4(f)(6).

¹² For purposes only of accelerating the operative date of this proposal, the Commission has considered the proposed rule's impact on

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See September 30, 2002 letter from Geraldine M. Brindisi, Vice President and Corporate Secretary, Amex, to Nancy Sanow, Assistant Director, Division of Market Regulation, Commission, and attachments ("Amendment No. 1"). Amendment No. 1 completely replaces and supersedes the original filing. The Commission considers the 60-day abrogation period to have commenced on October 2, 2002, the date the Amex filed Amendment No. 1.

⁴ 15 U.S.C. 78s(b)(3)(A).

⁵ 17 CFR 240.19b-4(f)(6).

⁶ The Exchange asked the Commission to waive the 5-day pre-filing notice requirement and the 30-day operative delay. See Rule 19b-4(f)(6)(iii). 17 CFR 240.19b-4(f)(6)(iii).

⁷ See Securities Exchange Act Release No. 46486 (September 10, 2002), 67 FR (September 17, 2002)(SR-Amex-2002-71).