

activities can be conducted in compliance with the Commission's requirements and that the health and safety of the public will be protected if Ms. McGinn were permitted at this time to be involved in NRC licensed activities. Therefore, the public health, safety and interest require that Ms. McGinn be prohibited from any involvement in NRC-licensed activities for a period of three years from the date of this Order. Additionally, Ms. McGinn is required to notify the NRC of her first employment in NRC-licensed activities at any time following the prohibition period. Furthermore, pursuant to 10 CFR 2.202, I find that the deliberate nature of Ms. Patricia A. McGinn's conduct described above, in a sensitive area like nuclear security, is such that the public health, safety and interest require that this Order be immediately effective.

Accordingly, pursuant to Sections 53, 103, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202, 10 CFR 50.5, and 10 CFR 150.20, *it is hereby ordered, effective immediately, that:*

1. Ms. Patricia A. McGinn is prohibited for three years from the date of this Order from engaging in NRC-licensed activities. NRC-licensed activities are those activities that are conducted pursuant to a specific or general license issued by the NRC, including, but not limited to, those activities of Agreement State licensees conducted pursuant to the authority granted by 10 CFR 150.20.

2. If Ms. Patricia A. McGinn is currently involved with another licensee in NRC-licensed activities, she must immediately cease those activities, and inform the NRC of the name, address and telephone number of the employer, and provide a copy of this order to the employer.

3. At any time after the three year period of prohibition has expired, Ms. Patricia A. McGinn shall, within 20 days of acceptance of her first employment offer involving NRC-licensed activities or her becoming involved in NRC-licensed activities, as defined in Paragraph IV.1 above, provide notice to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, of the name, address, and telephone number of the employer or the entity where she is, or will be, involved in the NRC-licensed activities. In the notification, Ms. McGinn shall include a statement of her commitment to compliance with regulatory requirements and the basis why the Commission should have confidence

that she will now comply with applicable NRC requirements.

The Director, Office of Enforcement, may, in writing, relax or rescind any of the above conditions upon demonstration by Ms. Patricia A. McGinn of good cause.

In accordance with 10 CFR 2.202, Ms. Patricia A. McGinn must, and any other person adversely affected by this Order may, submit an answer to this Order, and may request a hearing on this Order, within 20 days of the date of this Order. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be made in writing to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and include a statement of good cause for the extension. The answer may consent to this Order. Unless the answer consents to this Order, the answer shall, in writing and under oath or affirmation, specifically admit or deny each allegation or charge made in this Order and shall set forth the matters of fact and law on which Ms. Patricia A. McGinn or other person adversely affected relies and the reasons as to why the Order should not have been issued. Any answer or request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, Attn: Rulemakings and Adjudications Staff, Washington, DC 20555. Copies also shall be sent to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, to the Assistant General Counsel for Materials Litigation and Enforcement at the same address, to the Regional Administrator, NRC Region II, 61 Forsyth St. SW, Suite 23T85, Atlanta, GA 30303-8931, and to Ms. Patricia A. McGinn if the answer or hearing request is by a person other than Ms. Patricia A. McGinn. Because of continuing disruptions in delivery of mail to United States Government offices, it is requested that answers and requests for hearing be transmitted to the Secretary of the Commission either by means of facsimile transmission to 301-415-1101 or by e-mail to *hearingdocket@nrc.gov* and also to the Office of the General Counsel either by means of facsimile transmission to 301-415-3725 or by e-mail to *OGCMailCenter@nrc.gov*. If a person other than Ms. Patricia A. McGinn requests a hearing, that person shall set forth with particularity the manner in which his or her interest is adversely affected by this Order and

shall address the criteria set forth in 10 CFR 2.714(d).<sup>1</sup>

If a hearing is requested by Ms. Patricia A. McGinn or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

Pursuant to 10 CFR 2.202(c)(2)(i), Ms. Patricia A. McGinn, may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be effective and final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a hearing request has not been received. An answer or a request for hearing shall not stay the immediate effectiveness of this order.

Dated this 31st day of October 2002.

For the Nuclear Regulatory Commission.

**William F. Kane,**

*Deputy Executive Director for Reactor Programs.*

[FR Doc. 02-28482 Filed 11-7-02; 8:45 am]

BILLING CODE 7590-01-P

## RAILROAD RETIREMENT BOARD

### 2003 Railroad Experience Rating Proclamations, Monthly Compensation Base and Other Determinations

**AGENCY:** Railroad Retirement Board.

**ACTION:** Notice.

**SUMMARY:** Pursuant to section 8(c)(2) and section 12(r)(3) of the Railroad Unemployment Insurance Act (Act) (45 U.S.C. 358(c)(2) and 45 U.S.C. 362(r)(3), respectively), the Board gives notice of the following:

1. The balance to the credit of the Railroad Unemployment Insurance

<sup>1</sup> The most recent version of Title 10 of the Code of Federal Regulations, published January 1, 2002, inadvertently omitted the last sentence of 10 CFR 2.714 (d) and paragraphs (d)(1) and (d)(2) regarding petitions to intervene and contentions. For the complete, corrected text of 10 CFR 2.714 (d), please see 67 FR 20884; April 29, 2002.

(RUI) Account, as of June 30, 2002, is \$39,708,270.49;

2. The September 30, 2002, balance of any new loans to the RUI Account, including accrued interest, is \$8,008,135.40;

3. The system compensation base is \$3,138,111,805.91 as of June 30, 2002;

4. The cumulative system unallocated charge balance is (\$246,803,499.90) as of June 30, 2002;

5. The pooled credit ratio for calendar year 2003 is zero;

6. The pooled charged ratio for calendar year 2003 is zero;

7. The surcharge rate for calendar year 2003 is 2.5 percent;

8. The monthly compensation base under section 1(i) of the Act is \$1,120 for months in calendar year 2003;

9. The amount described in section 1(k) of the Act as "2.5 times the monthly compensation base" is \$2,800 for base year (calendar year) 2003;

10. The amount described in section 2(c) of the Act as "an amount that bears the same ratio to \$775 as the monthly compensation base for that year as computed under section 1(i) of this Act bears to \$600" is \$1,447 for months in calendar year 2003;

11. The amount described in section 3 of the Act as "2.5 times the monthly compensation base" is \$2,800 for base year (calendar year) 2003;

12. The amount described in section 4(a-2)(i)(A) of the Act as "2.5 times the monthly compensation base" is \$2,800 with respect to disqualifications ending in calendar year 2003;

13. The maximum daily benefit rate under section 2(a)(3) of the Act is \$55 with respect to days of unemployment and days of sickness in registration periods beginning after June 30, 2003.

**DATES:** The balance in notice (1) and the determinations made in notices (3) through (7) are based on data as of June 30, 2002. The balance in notice (2) is based on data as of September 30, 2002. The determinations made in notices (5) through (7) apply to the calculation, under section 8(a)(1)(C) of the Act, of employer contribution rates for 2003. The determinations made in notices (8) through (12) are effective January 1, 2003. The determination made in notice (13) is effective for registration periods beginning after June 30, 2003.

**ADDRESSES:** Secretary to the Board, Railroad Retirement Board, 844 Rush Street, Chicago, Illinois 60611–2092.

#### FOR FURTHER INFORMATION CONTACT:

Marla L. Huddleston, Bureau of the Actuary, Railroad Retirement Board, 844 Rush Street, Chicago, Illinois 60611–2092, telephone (312) 751–4779.

**SUPPLEMENTARY INFORMATION:** The RRB is required by section 8(c)(1) of the

Railroad Unemployment Insurance Act (Act) (45 U.S.C. 358(c)(1)) as amended by Pub. L. 100–647, to proclaim by October 15 of each year certain system-wide factors used in calculating experience-based employer contribution rates for the following year. The RRB is further required by section 8(c)(2) of the Act (45 U.S.C. 358(c)(2)) to publish the amounts so determined and proclaimed. The RRB is required by section 12(r)(3) of the Act (45 U.S.C. 362(r)(3)) to publish by December 11, 2002, the computation of the calendar year 2003 monthly compensation base (section 1(i) of the Act) and amounts described in sections 1(k), 2(c), 3 and 4(a-2)(i)(A) of the Act which are related to changes in the monthly compensation base. Also, the RRB is required to publish, by June 11, 2003, the maximum daily benefit rate under section 2(a)(3) of the Act for days of unemployment and days of sickness in registration periods beginning after June 30, 2003.

#### Surcharge Rate

A surcharge is added in the calculation of each employer's contribution rate, subject to the applicable maximum rate, for a calendar year whenever the balance to the credit of the RUI Account on the preceding June 30 is less than the greater of \$100 million or the amount that bears the same ratio to \$100 million as the system compensation base for that June 30 bears to the system compensation base as of June 30, 1991. If the RUI Account balance is less than \$100 million (as indexed), but at least \$50 million (as indexed), the surcharge will be 1.5 percent. If the RUI Account balance is less than \$50 million (as indexed), but greater than zero, the surcharge will be 2.5 percent. The maximum surcharge of 3.5 percent applies if the RUI Account balance is less than zero.

The system compensation base as of June 30, 1991 was \$2,763,287,237.04. The system compensation base for June 30, 2002 was \$3,138,111,805.91. The ratio of \$3,138,111,805.91 to \$2,763,287,237.04 is 1.13564445. Multiplying 1.13564445 by \$100 million yields \$113,564,445. Multiplying \$50 million by 1.13564445 produces \$56,782,223. The Account balance on June 30, 2002, was \$39,708,270.49. Accordingly, the surcharge rate for calendar year 2003 is 2.5 percent.

#### Monthly Compensation Base

For years after 1988, section 1(i) of the Act contains a formula for determining the monthly compensation base. Under the prescribed formula, the monthly compensation base increases by approximately two-thirds of the

cumulative growth in average national wages since 1984. The monthly compensation base for months in calendar year 2003 shall be equal to the greater of (a) \$600 or (b) \$600 [1 + {(A – 37,800)/56,700}], where A equals the amount of the applicable base with respect to tier 1 taxes for 2003 under section 3231(e)(2) of the Internal Revenue Code of 1986. Section 1(i) further provides that if the amount so determined is not a multiple of \$5, it shall be rounded to the nearest multiple of \$5.

The calendar year 2003 tier 1 tax base is \$87,000. Subtracting \$37,800 from \$87,000 produces \$49,200. Dividing \$49,200 by \$56,700 yields a ratio of 0.86772487. Adding one gives 1.86772487. Multiplying \$600 by the amount 1.86772487 produces the amount of \$1,120.63, which must then be rounded to \$1,120. Accordingly, the monthly compensation base is determined to be \$1,120 for months in calendar year 2003.

#### Amounts Related to Changes in Monthly Compensation Base

For years after 1988, sections 1(k), 2(c), 3 and 4(a-2)(i)(A) of the Act contain formulas for determining amounts related to the monthly compensation base.

Under section 1(k), remuneration earned from employment covered under the Act cannot be considered subsidiary remuneration if the employee's base year compensation is less than 2.5 times the monthly compensation base for months in such base year. Multiplying 2.5 by the calendar year 2003 monthly compensation base of \$1,120 produces \$2,800. Accordingly, the amount determined under section 1(k) is \$2,800 for calendar year 2003.

Under section 2(c), the maximum amount of normal benefits paid for days of unemployment within a benefit year and the maximum amount of normal benefits paid for days of sickness within a benefit year shall not exceed an employee's compensation in the base year. In determining an employee's base year compensation, any money remuneration in a month not in excess of an amount that bears the same ratio to \$775 as the monthly compensation base for that year bears to \$600 shall be taken into account. The calendar year 2003 monthly compensation base is \$1,120. The ratio of \$1,120 to \$600 is 1.86666667. Multiplying 1.86666667 by \$775 produces \$1,447. Accordingly, the amount determined under section 2(c) is \$1,447 for months in calendar year 2003.

Under section 3, an employee shall be a "qualified employee" if his/her base

year compensation is not less than 2.5 times the monthly compensation base for months in such base year.

Multiplying 2.5 by the calendar year 2003 monthly compensation base of \$1,120 produces \$2,800. Accordingly, the amount determined under section 3 is \$2,800 for calendar year 2003.

Under section 4(a-2)(i)(A), an employee who leaves work voluntarily without good cause is disqualified from receiving unemployment benefits until he has been paid compensation of not less than 2.5 times the monthly compensation base for months in the calendar year in which the disqualification ends. Multiplying 2.5 by the calendar year 2003 monthly compensation base of \$1,120 produces \$2,800. Accordingly, the amount determined under section 4(a-2)(i)(A) is \$2,800 for calendar year 2003.

#### **Maximum Daily Benefit Rate**

Section 2(a)(3) contains a formula for determining the maximum daily benefit rate for registration periods beginning after June 30, 1989, and after each June 30 thereafter. Legislation enacted on October 9, 1996, revised the formula for indexing maximum daily benefit rates. Under the prescribed formula, the maximum daily benefit rate increases by approximately two-thirds of the cumulative growth in average national wages since 1984. The maximum daily benefit rate for registration periods beginning after June 30, 2003, shall be equal to 5 percent of the monthly compensation base for the base year immediately preceding the beginning of the benefit year. Section 2(a)(3) further provides that if the amount so computed is not a multiple of \$1, it shall be rounded down to the nearest multiple of \$1.

The calendar year 2002 monthly compensation base is \$1,100. Multiplying \$1,100 by 0.05 yields \$55.00, an even multiple of \$1. Accordingly, the maximum daily benefit rate for days of unemployment and days of sickness beginning in registration periods after June 30, 2003, is determined to be \$55.

Dated: November 4, 2002.

By Authority of the Board.

**Beatrice Ezerski,**

*Secretary to the Board.*

[FR Doc. 02-28459 Filed 11-7-02; 8:45 am]

**BILLING CODE 7905-01-P**

#### **SECURITIES AND EXCHANGE COMMISSION**

**[Rel. No. IC-25792; File No. 812-12875]**

#### **Allstate Life Insurance Company, et al.; Notice of Application**

November 4, 2002.

**AGENCY:** Securities and Exchange Commission (“SEC” or “Commission”).

**ACTION:** Notice of application for an amended order under Section 6(c) of the Investment Company Act of 1940, as amended (“Act”) granting exemptions from the provisions of Sections 2(a)(23) and 27(i)(2)(A) of the Act and Rule 22c-1 thereunder.

**APPLICANTS:** Allstate Life Insurance Company (“Allstate”), Allstate Life Insurance Company of New York (“Allstate Life of New York”), Glenbrook Life & Annuity Company (“Glenbrook”), Lincoln Benefit Life Company (“Lincoln Benefit”), Northbrook Life Insurance Company (“Northbrook,” together with Allstate, Allstate Life of New York, Glenbrook and Lincoln Benefit, the “Life Companies”), Allstate Life Insurance Company Separate Account A (“Allstate Separate Account A”), and Allstate Distributors, L.L.C., (“Allstate Distributors”) (collectively, the “Applicants”).

**SUMMARY OF APPLICATION:** Applicants seek an order to amend an Existing Order (described below) to grant exemptions from the provisions of Sections 2(a)(32) and 27(i)(2)(A) of the Act and Rule 22c-1 thereunder to the extent necessary to permit Applicants to recapture certain bonuses applied to contributions made under (a) certain amended deferred variable annuity contracts and certificates, described herein, including certain amended certificate data pages and endorsements, that Allstate will issue in the future through Allstate Separate Account A (the “Amended Contracts”), and (b) under contracts and certificates, including certain certificate data pages and endorsements, that the Life Companies may issue in the future through any separate account of the Life Companies (“Future Account”) and that are substantially similar in all material respects to the Amended Contracts (“Future Contracts”). Applicants also request that the order being sought extend to the Allstate LifeContracts, “Future Contracts” (hereinafter “Future Contracts Covered by the Existing Order”), and “Affiliated Broker-Dealers” as defined in the application for the Existing Order (“Prior Application”) which definitions are described below,

and to broker-dealers who are not affiliated with the Life Companies (“Unaffiliated Broker-Dealers”).

**FILING DATE:** The application (“Application”) was filed on August 28, 2002.

**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 Secretary of the Commission and serving Applicants with a copy of the request, personally or by mail. Hearing requests must be received by the Commission by 5:30 p.m. on December 4, 2002, and should be accompanied by proof of service on Applicants in the form of an affidavit or, for lawyers, a certificate of service.

Hearing requests should state the nature of the requester’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 Secretary of the Commission.

**ADDRESSES:** Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Applicants, Angela King, Esq., Assistant Counsel, Allstate Life Insurance Company, 3100 Sanders Road, Northbrook, Illinois 60062; with a copy to Richard T. Choi, Esq., Foley & Lardner, 3000 K Street, NW, Suite 500, Washington, DC 20007.

**FOR FURTHER INFORMATION CONTACT:** Alison Toledo, Senior Counsel, or Lorna MacLeod, Branch Chief, Office of Insurance Products, Division of Investment Management, at (202) 942-0670.

**SUPPLEMENTARY INFORMATION:** The following is a summary of the Application. The complete Application is available for a fee from the Public Reference Branch of the Commission, 450 Fifth Street, NW., Washington, DC 20549-0102, (202) 942-8090.

#### **Applicant’s Representations**

1. On June 5, 2001, the Commission issued an order (“Existing Order”) <sup>1</sup> exempting certain transactions of the Life Companies, the Existing Separate Accounts (defined below), Allstate Distributors, and ALFS, Inc. (“ALFS”) (collectively, the “Prior Applicants”), from the provisions of Sections 2(a)(32) and 27(i)(2)(A) of the Act and Rule 22c-1, thereunder. The Existing Order provides relief to the extent necessary to permit the recapture, under specified circumstances, of certain credits

<sup>1</sup> Allstate Life Insurance Company, Investment Company Act Release No. 24998 (June 5, 2001)(File No. 812-12386).