

require or permit the attorney to withdraw and notify the Commission of the withdrawal.

3. The Commission will consider whether to adopt amendments mandated by Section 401(a) of the Sarbanes-Oxley Act of 2002. The rules would require a public company to provide in its "Management's Discussion and Analysis" section of Commission filings: (1) A discussion of off-balance sheet arrangements; and (2) a table of payments under specified contractual obligations due in short- and long-term periods.

4. The Commission will consider adopting amendments to its existing requirements regarding auditor independence to enhance the independence of accountants that audit and review financial statements and prepare attestation reports filed with the Commission. As directed by Section 208(a) of the Sarbanes-Oxley Act of 2002, the Commission is considering adopting rules to:

- Revise its regulations related to the non-audit services that, if provided to an audit client, would impair an accounting firm's independence;
- Require that an issuer's audit committee pre-approve all audit and non-audit services provided to the issuer by the auditor of an issuer's financial statements;
- Prohibit certain audit partners on the audit engagement team from providing audit services to the issuer for more than five or seven consecutive years, depending on the partner's role in the audit engagement;
- Prohibit an accounting firm from auditing an issuer's financial statements if certain members of management of that issuer had been members of the accounting firm's audit engagement team within the one-year period preceding the commencement of audit procedures;
- Require that the auditor of an issuer's financial statement report certain matters to the issuer's audit committee, including "critical" accounting policies used by the issuer; and
- Require disclosures to investors of information related to the audit and non-audit services provided by, and fees paid by the issuer to, the auditor of the issuer's financial statements.

In addition, under the rules to be considered by the Commission, an accountant would not be independent from an audit client if certain audit partners of the accounting firm, who are members of the engagement team, received compensation based on their selling any service to that client other than audit, review and attest services.

5. The Commission will consider whether to adopt amendments to implement section 802 of the Sarbanes-Oxley Act of 2002. The rule, if adopted, would specify that auditors should retain records relevant to the audits and reviews of financial statements filed with the Commission, including workpapers and other documents that form the basis of the audit or review and memoranda, correspondence, communications, other documents, and records (including electronic records), which are created, sent or received in connection with the audit or review and contain conclusions, opinions, analyses, or financial data related to the audit or review.

6. The Commission will consider whether to adopt amendments to its registration and reporting forms for registered management investment companies, as well as new rule 30b1-4 and new Form N-PX under the Investment Company Act of 1940. These rules would require mutual funds and other registered management investment companies to disclose the policies and procedures that they use to determine how to vote proxies relating to portfolio securities. They would also require registered management investment companies to file with the Commission on an annual basis, and make available to shareholders, their proxy voting records.

7. The Commission will consider whether to adopt a new rule and amendments to its recordkeeping rules for registered investment advisers under the Investment Advisers Act. The new rule would require investment advisers to adopt proxy voting policies and procedures, describe the policies and procedures to clients and provide clients with copies on request, and disclose how clients can obtain information about how the adviser voted their proxies. The recordkeeping amendments would require advisers to keep certain records regarding client proxies.

The subject matter of the Closed Meeting scheduled for Thursday, January 23, 2003 will be: Formal orders of investigation; Institution and settlement of administrative proceedings of an enforcement nature; and Institution and settlement of injunctive actions.

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: January 15, 2003.

Jonathan G. Katz,
Secretary.

[FR Doc. 03-1282 Filed 1-15-03; 4:09 pm]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #P004]

State of South Carolina

As a result of the President's major disaster declaration for Public Assistance on January 8, 2003 the U.S. Small Business Administration is activating its disaster loan program only for private non-profit businesses that provide essential services of a governmental nature. I find that Cherokee, Greenville, Laurens, Spartanburg, Union, and York Counties in the State of South Carolina constitute

a disaster area due to damages caused by a severe ice storm occurring from December 4, 2002, and continuing through December 6, 2002. Applications for loans for physical damage as a result of this disaster may be filed until the close of business on March 10, 2003 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308.

The interest rates are:

	Percent
For Physical Damage:	
Non-Profit Organizations Without Credit Available Elsewhere	3.324
Non-Profit Organizations With Credit Available Elsewhere ...	5.500

The number assigned to this disaster for physical damage is P00411.

(Catalog of Federal Domestic Assistance Program Nos. 59008)

Dated: January 13, 2003.

Herbert L. Mitchell,
Associate Administrator for Disaster Assistance.

[FR Doc. 03-1231 Filed 1-17-03; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Notice of Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under subpart B (formerly subpart Q) during the Week Ending January 10, 2003.

The following Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits were filed under subpart B (formerly subpart Q) of the Department of Transportation's Procedural Regulations (*See* 14 CFR 301.201 *et seq.*). The due date for Answers, Conforming Applications, or Motions to Modify Scope are set forth below for each application. Following the Answer period DOT may process the application by expedited procedures. Such procedures may consist of the adoption of a show-cause order, a tentative order, or in appropriate cases a final order without further proceedings.

Docket Number: OST-2003-14213.

Date Filed: January 7, 2003.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: January 28, 2003.

Description: Application of Delaware Skyways, LLC, pursuant to 49 U.S.C.