

Staff Assistant to the Wage and Hour Administrator. Effective January 21, 2003.

Special Assistant to the Deputy Under Secretary for International Affairs, Bureau of International Labor Affairs. Effective January 23, 2003.

Chief of Staff to the Assistant Secretary for Policy. Effective January 23, 2003.

Special Assistant to the Secretary of Labor. Effective January 23, 2003.

Staff Assistant to the Assistant Secretary for Public Affairs. Effective January 27, 2003.

Chief Economist to the Assistant Secretary for Policy. Effective January 28, 2003.

Special Assistant to the Assistant Secretary for Mine Safety and Health. Effective January 29, 2003.

#### *Department of State*

Senior Advisor to the Coordinator for International Information Programs. Effective January 2, 2003.

Legislative Management Officer to the Assistant Secretary for Legislative and Intergovernmental Affairs. Effective January 6, 2003.

Public Affairs Specialist to the Assistant Secretary for International Organizational Affairs. Effective January 8, 2003.

Correspondence Specialist to the Assistant Secretary for Legislative and Intergovernmental Affairs. Effective January 10, 2003.

Special Advisor to the Assistant Secretary for International Organizational Affairs. Effective January 10, 2003.

Legislative Management Officer to the Assistant Secretary for Legislative and Intergovernmental Affairs. Effective January 17, 2003.

Protocol Officer (Visits) to the Deputy Chief of Protocol. Effective January 24, 2003.

#### *Department of the Treasury*

Special Assistant to the Director of Strategic Planning, Scheduling and Advance. Effective January 2, 2003.

Senior Advisor to the Assistant Secretary\Deputy Secretary for International Affairs. Effective January 27, 2003.

#### *Environmental Protection Agency*

Associate Assistant Administrator to the Associate Administrator for Research and Development. Effective January 24, 2003. Federal Communications Commission

Deputy Director, Office of Media Relations to the Chief of Staff. Effective January 29, 2003.

#### *Federal Emergency Management Agency*

Policy Advisor to the Deputy Director, Federal Emergency Management Agency. Effective January 10, 2003.

#### *Federal Housing Finance Board*

Staff Assistant to the Chairman. Effective January 15, 2003. Federal Maritime Commission

Counsel to the Commissioner. Effective January 28, 2003.

#### *Office of National Drug Control Policy*

Special Assistant to the Director. Effective January 7, 2003. Office of Personnel Management

Special Assistant to the Director, Office of Communications. Effective January 6, 2003.

Special Assistant to the Director. Effective January 7, 2003.

White House Liaison to the Chief of Staff. Effective January 27, 2003.

#### *Overseas Private Investment Corporation*

Program Specialist to the President for Overseas Private Investment Corporation. Effective January 15, 2003.

#### *President's Commission on White House Fellowships*

Special Assistant (Office Automation) to the Director, Presidential Commission on White House Fellowships. Effective January 9, 2003.

Education and Special Projects Director to the Director, President's Commission on White House Fellowships. Effective January 23, 2003.

#### *Small Business Administration*

Special Assistant to the Chief of Staff. Effective January 21, 2003.

Special Assistant to the Deputy Administrator. Effective January 23, 2003.

**Authority:** 5 U.S.C. 3301 and 3302; E.O. 10577, 3 CFR 1954—1958 Comp., P.218

**Kay Coles James,**

*Office of Personnel Management, Director.*

[FR Doc. 03-5538 Filed 3-7-03; 8:45 am]

**BILLING CODE 6325-38-P**

## **SECURITIES AND EXCHANGE COMMISSION**

### **Sunshine Act; Meetings**

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 March 10, 2003: Closed Meetings will be held on Tuesday, March 11, 2003 at 10 a.m., and on Wednesday, March 12, 2003 at 2:30 p.m.

Commissioner Goldschmid, as duty officer, determined that no earlier notice thereof was possible.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meetings. 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 Meetings.

The subject matter of the Closed Meeting scheduled for Tuesday, March 11, 2003 will be:

Institution and settlement of administrative proceedings of an enforcement nature;  
Institution and settlement of injunctive actions; and  
Opinions.

The subject matter of the Closed Meeting scheduled for Wednesday, March 12, 2003 will be:

Formal orders of investigations;  
Institution of administrative proceedings of an enforcement nature;  
Institution of injunctive actions;  
Adjudicatory matters;  
Opinion.

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: March 5, 2003.

**Jonathan G. Katz,**  
*Secretary.*

[FR Doc. 03-5769 Filed 3-6-03; 2:13 pm]

**BILLING CODE 8010-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-47429; File No. SR-Amex-2003-08]

### **Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange LLC To Increase to Five Hundred Contracts the Maximum Permissible Number of Equity and Index Option Contracts Executable Through Auto-Ex**

March 3, 2003.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934

("Act")<sup>1</sup> and rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February 10, 2003, 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 Amex. 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 increase to 500 contracts the maximum permissible number of equity and index option contracts in an order executable through its automatic execution system, Auto-Ex.

The text of the proposed rule change is available at the Office of the Secretary, 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 Amex included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. 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**

In 1985, the Exchange implemented the Auto-Ex system, which automatically executes public customer market and marketable limit orders in options at the best bid or offer displayed at the time the order is entered into the Amex Order File ("AOF"). There are, however, limitations on the number of option contracts that can be entered into or executed by these systems. AOF, which handles limit orders routed to the specialist's book as well as orders routed to Auto-Ex, allows for the entry of orders of up to 2500 option contracts.<sup>3</sup> Auto-Ex, however, is only permitted to execute equity option orders and index option orders of up to

250 contracts.<sup>4</sup> As a result, market and marketable limit orders of more than 250 contracts are routed by AOF to the specialist's book.

The Exchange now proposes to increase to 500 contracts the maximum permissible number of equity and index option contracts in an order that can be executed through the Auto-Ex system. It is proposed that this increase to 500 contracts in permissible order size for Auto-Ex be implemented on a case-by-case basis for an individual option class or for all option classes when two floor governors or senior floor officials deem such an increase appropriate. Currently, the Amex posts applicable quote size parameters on its web page and represents that it will continue to do so. The Exchange represents that it has sufficient systems capacity necessary to accommodate implementation of the proposed increase.

The Exchange represents that the Commission, in its March 2002 Order permitting the Amex to expand the maximum Auto-Ex size to 250 contracts, was concerned at the time that an increase in the Auto-Ex order size could create greater risks for market participants. In particular, the Commission noted that a larger Auto-Ex size could subject market makers to greater financial risk due to the automatic execution of such orders at the quoted price. The Amex subsequently adopted a rule<sup>5</sup> that would allow it to match the automatic execution sizes of other options exchanges provided the Exchange submits a filing pursuant to section 19(b)(3)(A) of the Act.<sup>6</sup> In April 2002, pursuant to Amex rule 933, Commentary .03 and section 19(b)(3)(A) of the Act, the Amex filed a notice of immediate effectiveness with the Commission and increased its Auto-Ex size for QQQ options to up to 2,000 contracts for the two near-term expiration months and 1,000 contracts for all other expiration months in order to match Primary Market Makers' size guarantees in QQQ options on the International Securities Exchange, Inc. ("ISE").<sup>7</sup> Since April 29, 2002, the

Exchange represents that it has established an Auto-Ex size of 1,000 contracts for all QQQ options series. The Exchange states that, to date, it is unaware of any increased risks to market participants and the marketplace as a result of the greater Auto-Ex size for QQQ options.

The Exchange also believes that the increased Auto-Ex size of up to 250 contracts for all other options classes at the Exchange has similarly not created greater financial risks or other known system difficulties. The Exchange has set the Auto-Ex order size to the 250-contract maximum in a number of actively-traded option classes that, the Exchange believes, are the classes with the greatest liquidity and trading interest.<sup>8</sup> For example, options in Microsoft Corporation (MSFT) and General Electric Co. (GE) have Auto-Ex sizes of 250 contracts. The Exchange states that market participants have further indicated that even larger sizes would provide greater benefits to their customers and proprietary trading strategies. The Exchange maintains that an increase in the permissible size of orders executable through Auto-Ex will provide more efficient executions due to the speed of execution obtained by Auto-Ex versus manual handling. The Exchange states that customers and other market participants are increasingly demanding that the Exchange automatically execute larger option order sizes that in the past would have received manual handling. The Exchange believes that an increase in the Auto-Ex size of up to 500 contracts will meet this demand of the marketplace.

The Exchange's Auto-Ex system provides that all customer and broker-dealer market and marketable limit orders within the appropriate size parameters are executed at the prevailing best bid or offer, with both the specialist and registered options traders ("ROTs") as the contra-party to

Amex rule change with respect to maximum Auto-Ex size for the QQQ options was submitted as a change effective on filing pursuant to section 19(b)(3)(A) of the Act, 15 U.S.C. 78s(b)(3)(A).

<sup>8</sup> The Exchange states that, as of February 7, 2003, it had established a maximum 250-contract Auto-Ex size for the following options classes: (1) Altria Group, Inc. (MO); (2) Advanced Micro Devices Inc. (AMD); (3) Applied Materials (AMST); (4) ARIBA, Inc. (ARBA); (5) Brocade Communication Systems (BRCD); (6) Capital One Financial Corporation (COF); (7) Exxon Mobile Corporation (XOM); (8) General Electric Co. (GE); (9) Home Depot Inc. (HD); (10) Intel Corporation (INTC); (11) Johnson & Johnson Company (JNJ); (12) Microsoft Corporation (MSFT); (13) Motorola, Inc. (MOT); (14) Oracle Corporation (ORCL); (15) Qlogic Corporation (QLGC); (16) Qualcomm Corporation (QCOM); (17) Texas Instruments (TXN); (18) The Coca-Cola Co. (KO); and (19) United Parcel Services, Inc. (UPS).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Securities Exchange Act Release No. 44065 (March 12, 2001), 66 FR 15513 (March 19, 2001).

<sup>4</sup> See Securities Exchange Act Release No. 45628 (March 22, 2002), 67 FR 15262 (March 29, 2002) ("March 2002 Order"). The Amex notes that the Auto-Ex guarantee size for Nasdaq-100 Tracking Stock ("QQQ") options is up to 2,000 contracts for the two near-term expiration months and 1,000 contracts for all other expiration months. See Securities Exchange Act Release No. 45828 (April 25, 2002), 67 FR 22140 (May 2, 2002).

<sup>5</sup> See Amex rule 933, Commentary .03; see also Securities Exchange Act Release No. 45828 (April 25, 2002), 67 FR 22140 (May 2, 2002).

<sup>6</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>7</sup> See Securities Exchange Act Release No. 45828 (April 25, 2002), 67 FR 22140 (May 2, 2002). The

the transaction. Auto-Ex trades are automatically allocated on a rotating basis to the specialist and to each ROT that has signed on to Auto-Ex.<sup>9</sup> If an Auto-Ex trade is greater than 10 contracts, the Auto-Ex system divides the execution into lots of 10 or fewer contracts and allocates a lot to each Auto-Ex participant.<sup>10</sup> Accordingly, for actively-traded option classes in large trading crowds, the Auto-Ex allocation of executed contracts into lots of 10 contracts operates so that an Auto-Ex size of 250 contracts is spread out among several ROTs, thereby significantly reducing the potential financial risk that a single ROT may incur. The Exchange believes that an increase of the Auto-Ex eligible size to 500 will not significantly increase the financial risks of ROTs for such actively-traded option classes.

The Exchange believes that market participants desire, and will support, an increase in Auto-Ex eligible sizes of up to 500 contracts. The Exchange represents that, as of April 29, 2002, it has established an Auto-Ex size of 1,000 contracts for all QQQ options series. The Amex believes that the proposed increase in Auto-Ex eligible size for all other options is necessary in order for the Exchange to address market demands and for the purpose of competing effectively with other options exchanges that may not be so restricted.

The Amex notes that the Chicago Board Options Exchange, Inc. ("CBOE") has received regulatory approval, with respect to option classes that disseminate quotations with size, to automatically execute orders in such options through its RAES system up to the disseminated size, which may be larger than 250 contracts.<sup>11</sup> Furthermore, the Amex notes that the ISE automatically executes a customer order for the disseminated quote size once such order hits the available option quote.<sup>12</sup> As a result, the disseminated size for a particular option

<sup>9</sup> At the start of each trading day, the order in which trades are allocated to the specialist and traders signed on to Auto-Ex is randomly determined.

<sup>10</sup> For example, an option class that allows up to 50 contracts to be executed through Auto-Ex would have a trade of 25 contracts divided into lots of 10, 10 and 5. See Securities Exchange Act Release No. 47229 (January 22, 2003), 68 FR 5060 (January 31, 2003) (File No. SR-Amex-00-30).

<sup>11</sup> See Securities and Exchange Act Release No. 45676 (March 29, 2002), 67 FR 16478 (April 5, 2002) (CBOE File No. 2001-70); see also CBOE rule 6.8 (c)(v) and Commentary .09 to CBOE rule 6.8.

<sup>12</sup> See Securities Exchange Act Release No. 42455 (February 24, 2000), 65 FR 11388 (March 2, 2000). The ISE operates an electronic marketplace where orders and quotes are entered into a central order book. Trades are then executed automatically when orders and quotes match.

quote is the actual size of an order that will be automatically executed. Accordingly, the Amex believes that, based on competitive considerations, an increase in the maximum Auto-Ex eligible size will provide customers with increased opportunities for better and more efficient executions.

The Exchange represents that Auto-Ex has been extremely successful in enhancing execution and operational efficiencies during emergency situations and during other, non-emergency situations for certain option classes. The Exchange believes that automatic executions of orders for up to 500 contracts will allow for the quick, efficient execution of public customer orders, as well as broker-dealer orders on a case-by-case basis consistent with the Exchange's recent ability to provide automatic executions of broker-dealer transactions.<sup>13</sup>

## 2. Statutory Basis

The proposed rule change is consistent with section 6(b)<sup>14</sup> of the Act, in general, and furthers the objectives of section 6(b)(5)<sup>15</sup> of the Act, in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

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

The Amex does not believe that the proposed rule change will impose any 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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or

<sup>13</sup> See Securities Exchange Act Release No. 46479 (September 10, 2002) 67 FR 58654 (September 17, 2002).

<sup>14</sup> 15 U.S.C. 78f(b).

<sup>15</sup> 15 U.S.C. 78f(b)(5).

(ii) as to which the Exchange consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

## IV. Solicitation of Comments

The Commission invites interested persons to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change 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 Amex. All submissions should refer to File No. SR-Amex-2003-08 and should be submitted by March 31, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>16</sup>

**Margaret H. McFarland,**  
*Deputy Secretary.*

[FR Doc. 03-5568 Filed 3-7-03; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-47432; File No. SR-Amex-2003-09]

### **Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the American Stock Exchange LLC, Relating to the Adoption of a Per Contract Licensing Fee for the iShares Goldman Sachs Corporate Bond Fund**

March 3, 2003.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February

<sup>16</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.