

filed with the Securities and Exchange Commission ("Commission") a proposed rule change (File No. SR-MSRB-2001-08) (the "proposed rule change") relating to official communications under Rules G-15 and G-8. The MSRB submitted the proposed rule change pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 19b-4 thereunder.<sup>1</sup>

The Commission published the proposed rule change for comment in the **Federal Register** on February 8, 2001.<sup>2</sup> The Commission received no comment letters regarding the forgoing proposal. This order approves the proposal.

### I. Description of the Proposed Rule Change

The MSRB's proposed rule change amended Rule G-15 on confirmation, clearance and settlement of transactions with customers and Rule G-8 on books and records. The proposed rule change requires brokers, dealers and municipal securities dealers (collectively "dealers") that safekeep municipal securities to retransmit official documents about municipal securities issues to their safekeeping clients under certain conditions. The amendment to Rule G-15 provides that, upon request for retransmission, dealers who serve as safekeeping agents must undertake "reasonable efforts" to retransmit "official communications" to their safekeeping clients. For their retransmission efforts, the amendment provides that dealers receive "adequate compensation".<sup>4</sup> Without an offer of adequate compensation, dealers are not required to effect the retransmission.

The proposed amendment includes a "compensation threshold". For

<sup>1</sup> 15 U.S.C. 78s(b)(1) and 17 CFR 240.19b-4 thereunder.

<sup>2</sup> See Release No. 34-45363 (January 30, 2002), 67 FR 6067.

<sup>3</sup> The proposed rule change defines an "official communication" as a document or collection of documents addressed to beneficial owners that was prepared or authorized by an issuer of municipal securities, a trustee for an issue of municipal securities, a state or federal tax authority or a custody agent for a stripped coupon municipal securities program in its capacity as custody agent. See Release No. 34-45363 (January 30, 2002), 67 FR 6067.

<sup>4</sup> Rule G-15 does not provide specific guidance to define adequate compensation; however, the proposed rule change references the rates of compensation for transmittal of documents detailed in NASD interpretation IM-2260, on Suggested Rates of Reimbursement, relating to forwarding of proxy and other materials. See *id.*; see also *NASD Manual (CCH)* ¶ 4233. As under NASD Rule 2260, compensation under Rule G-15 is intended to reimburse a dealer for its out of pocket expenses, including reasonable clerical expenses, associated with the particular retransmission. See *NASD Manual (CCH)* ¶ 4231.

retransmission where the total compensation sought will be less than \$500, the dealer should begin retransmitting immediately and ask for the calculated compensation concurrently. For retransmission where the total compensation sought will be greater than \$500, the dealer may choose instead to promptly contact the party offering compensation, inform it of the amount of compensation required, obtain specific agreement on the amount of compensation and wait for receipt of such compensation prior to proceeding with the retransmission.

In addition, the amendment allows dealers in certain circumstances to send to the party requesting an official communication retransmission a list of beneficial owners who do not object to the disclosure of their name, contact information and security positions ("non-objecting beneficial owners") in lieu of retransmitting documents. The customer account information amendment to Rule G-8 ensures that dealers retain an official record of a customer's written authorization, if any, as to the customer's status as a non-objecting beneficial owner.

The MSRB realizes that some dealers today retransmit documents to their customers voluntarily, or under specific terms of their safekeeping agreements, and in many cases do so without compensation from the party requesting retransmission. It is not the intent of the proposed rule change to discourage retransmissions of official communications in these cases. Rather, the purpose of the proposed rule change is to ensure that parties needing to transmit official communications to beneficial owners may rely on dealers undertaking reasonable efforts, under the explicit terms of Rules G-15 and G-8, to retransmit such official communications and maintain appropriate records.

### II. Discussion

The MSRB believes that the proposed rule filing, relating to official communications, will promote just and equitable principles of trade and fosters an open market for municipal securities. Additionally, the MSRB believes that the proposed rule change will not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act since it applies equally to all dealers in municipal securities.

The Commission must approve a proposed MSRB rule change if the Commission finds that the MSRB's proposal is consistent with the requirements of the Exchange Act and the rules and regulations thereunder

that govern the MSRB.<sup>5</sup> The language of Section 15(b)(2)(C) of the Exchange Act requires that the MSRB's rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principals of trade, to foster cooperation and coordination with persons engaged in regulating, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national system, and, in general, to protect investors and the public interest.<sup>6</sup>

After careful review, the Commission finds that the MSRB's proposed rule change relating to official communications meets this standard. The Commission believes that this proposed rule change is consistent with the requirements of the Exchange Act, and the rules and regulations thereunder. In particular, the Commission finds that the proposed rule is consistent with the requirements of Section 15B(b)(2)(C) of the Exchange Act, set forth above.

### III. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Exchange Act that the proposed rule change (File No. SR-MSRB-2001-08) be, and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>7</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02-6715 Filed 3-19-02; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-45547; File No. SR-NYSE-2002-12]

### Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the New York Stock Exchange, Inc. to Eliminate References to Quoting in Fractions

March 12, 2002.

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 March 5,

<sup>5</sup> Additionally, in approving this rule, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

<sup>6</sup> 15 U.S.C. 78o-4(b)(2)(c).

<sup>7</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.

2002, the New York Stock Exchange, Inc. ("NYSE" 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 NYSE. 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 NYSE proposes to amend its rules to eliminate references to fractional pricing increments and to make such rules compatible with quoting in decimals. The text of the proposed rule change is available at the NYSE 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, 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 Exchange 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 Exchange proposes to amend its rules to change references to fractional pricing increments to decimal pricing of equities as described herein. This submission is in accordance with the Commission's order<sup>3</sup> requiring self-regulatory organizations to submit rule filings regarding decimal pricing pursuant to section 19(b)(2) of the Act.<sup>4</sup> The Commission previously reviewed the Exchange's filing proposing amendments to Exchange rules to accommodate phasing in the quoting of decimals commencing August 28, 2000.<sup>5</sup> The Exchange completed the conversion to quoting all listed stocks in decimals on January 29, 2001.

<sup>3</sup> See Securities Exchange Act Release No. 44846 (September 25, 2001), 66 FR 49983 (October 1, 2001).

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 43230 (August 30, 2000), 65 FR 54589 (September 8, 2000) (SR-NYSE-2000-22).

In SR-NYSE-2000-22,<sup>6</sup> the Exchange proposed a Minimum Price Variation ("MPV") of one cent (0.01) for equities. The Exchange proposes to continue the MPV for equities of one cent (0.01). The rule changes proposed herein, therefore, primarily delete references to quoting in fractions that were retained in Exchange rules to accommodate securities that continued quoting in fractions during the phase in of full decimalization.

*Summary of Rule Amendments:* Other rules proposed to be amended are summarized below.

*Rule 15 (ITS and Pre-Opening Application).* The changes to Rule 15 remove references to fractions in the sections dealing with Intermarket Trading System procedures for openings.

*Rule 64 (Bonds, Rights and 100 Share-Unit Stocks).* Floor Official approval must be obtained for a non-regular way trade that is 2/16 or .10 away from the regular way bid or offer. For trades during the last calendar week of the year, the approval level is 1/4 or .25. The fractional references will be removed.

*Rule 72(b) (Clean Agency Cross).* Decimals will replace fractions used in the two examples.

*Rule 79A.30 (Miscellaneous Requirements on Stock and Bond Market Procedures).* Examples in fractions will be deleted.

*Rule 105 (Guidelines For Specialists' Specialty Stock Option Transactions Pursuant to Rule 105).* References to fractions in the example will be deleted.

*Rule 123A.30 (Percentage Orders).* Percentage orders may be converted on a destabilizing tick if the order meets certain requirements of size (10,000 shares or more or \$500,000 in market value) and the execution price of the converted percentage order is no more than 1/4 or .25 point away from the last sale. Percentage orders may also be converted on a destabilizing tick to narrow a quotation spread as long as the bid is no more than 1/8 or .10 higher than the last sale. The 1/8 and 1/4 parameters will be removed.

*Rule 123A.40 (Stop Orders).* Floor Official approval must be obtained when a specialist's transaction for his or her own account elects stop orders and the transaction is more than 2/16 or .10 away from the previous transaction. The 2/16 parameter will be removed.

*Rule 192 (Part-Paid Securities).* Examples in fractions will be deleted.

*Rule 440B.15 (Short Sale Rule Interpretations).* The examples in the last paragraph that delineate the prices at which short sales may be made are

<sup>6</sup> *Id.*

amended to show a one cent MPV for stocks.

##### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of section 6(b)(5) of the Act,<sup>7</sup> which requires an exchange to have rules that are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest.

#### 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

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 (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

Interested persons are invited 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

<sup>7</sup> 15 U.S.C. 78f(b)(5).

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 the filing will also be available for inspection and copying at the principal offices of the Exchange. All submissions should refer to File No. SR-NYSE-2002-12 and should be submitted by April 10, 2002.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>8</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02-6641 Filed 3-19-02; 8:45 am]

BILLING CODE 8010-01-P

## SOCIAL SECURITY ADMINISTRATION

### The Ticket To Work and Work Incentives Advisory Panel Teleconferences

**AGENCY:** Social Security Administration (SSA).

**ACTION:** Notice of Teleconferences.

**DATES:** Wednesday April 3, 2002 and Tuesday April 9, 2002.

**TELECONFERENCES:** Wednesday April 3, 2002, 1:30 PM to 3:30 PM and Tuesday April 9, 2002, 1:30 PM to 3:30 PM.

### Ticket To Work and Work Incentives Advisory Panel Conference Calls

*Call-in number:* 888-603-9224.

*Pass code:* 11212.

*Leader/Host:* Sarah Wiggins Mitchell.

### SUPPLEMENTARY INFORMATION:

*Type of meeting:* These teleconference meetings are open to the public. The interested public is invited to participate by calling into the teleconference at the number listed above. Public testimony will not be taken.

*Purpose:* In accordance with section 10(a)(2) of the Federal Advisory Committee Act, the Social Security Administration (SSA) announces this teleconference meeting of the Ticket to Work and Work Incentives Advisory Panel (the Panel). Section 101(f) of Public Law 106-170 establishes the Panel to advise the Commissioner of SSA, the President, and the Congress on issues related to work incentives programs, planning and assistance for individuals with disabilities as provided

under section 101(f)(2)(A) of the TWWIIA. The Panel is also to advise the Commissioner on matters specified in section 101(f)(2)(B) of that Act, including certain issues related to the Ticket to Work and Self-Sufficiency Program established under section 101(a) of that Act.

*Agenda:* The Panel will deliberate on the implementation of TWWIIA and conduct administrative business. Topics of discussion on April 3, 2002 will include a briefing and discussion on issues related to forthcoming regulatory packages on certain provisions of TWWIIA, including Protection & Advocacy, Expedited Reinstatement, Continuing Disability Review Protection and referrals to Vocational Rehabilitation. Topics of discussion on April 9, 2002 and will include deliberations on the Panel's Annual Report and Progress Report on the Ticket to Work Program. The agenda for these meetings will posted on the Internet at <http://www.ssa.gov/work/panel/> one week prior to each teleconference or can be received in advance electronically or by fax upon request.

*Contact Information:* Records are being kept of all Panel proceedings and will be available for public inspection by appointment at the Panel office. Anyone requiring information regarding the Panel should contact the TWWIIA Panel staff by:

- mail addressed to Ticket to Work and Work Incentives Advisory Panel Staff, Social Security Administration, 400 Virginia Avenue, SW, Suite 700, Washington, DC, 20024;
- telephone contact with Kristen Breland at (202) 358-6430;
- fax at (202) 358-6440;
- or e-mail to [TWWIIAPanel@ssa.gov](mailto:TWWIIAPanel@ssa.gov)

Dated: March 14, 2002.

**Deborah M. Morrison,**

*Designated Federal Officer.*

[FR Doc. 02-6816 Filed 3-19-02; 8:45 am]

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## DEPARTMENT OF STATE

### [Public Notice 3949]

### Determination: Assistance for the Implementation Monitoring Committee To Implement the Burundi Peace Process

Pursuant to section 451 of the Foreign Assistance Act of 1961, as amended, (the "Act") (22 U.S.C. 2261) and section 1-100 of Executive Order 12163, as amended, I hereby authorize, notwithstanding any other provision of law, the use of up to \$1,000,000 in FY

2001 funds made available under Chapter 4 of Part II of the Act, in order to provide assistance authorized by Part I of the Act to support the Implementation Monitoring Committee provided for in the August 2000 Arusha Peace and Reconciliation Agreement for Burundi to help implement the Burundi peace agreement.

This Determination shall be reported to Congress promptly and published in the **Federal Register**.

Dated: March 11, 2002.

**Colin L. Powell,**

*Secretary of State, Department of State.*

[FR Doc. 02-6720 Filed 3-19-02; 8:45 am]

BILLING CODE 4710-10-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

[Summary Notice No. PE-2002-16]

### Petitions for Exemption

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of dispositions of prior petitions.

**SUMMARY:** Pursuant to FAA's rulemaking provisions governing the application, processing, and disposition of petitions for exemption part 11 of Title 14, Code of Federal Regulations (14 CFR), this notice contains a summary of dispositions of petitions previously received. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of any petition or its final disposition.

### FOR FURTHER INFORMATION CONTACT:

Denise Emrick (202) 267-5174, Office of Rulemaking (ARM-1), Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591.

This notice is published pursuant to 14 CFR 11.85 and 11.91.

Issued in Washington, DC, on March 14, 2002.

**Donald P. Byrne,**

*Assistant Chief Counsel for Regulation.*

### Disposition of Petitions

*Docket No.:* FAA-2002-11494.

*Petitioner:* Segrave Aviation, Inc.

*Section of 14 CFR Affected:* 14 CFR § 135.143(c)(2).

*Description of Relief Sought/*

*Disposition:* To permit Segrave to operate certain aircraft under part 135

<sup>8</sup> 17 CFR 200.30-3(a)(12).