

to the payment of the costs of construction of the Facilities, or in the case of proceeds from the sale of Refunding Bonds, to the payment of the principal, premium (if any) and/or interest on Revenue Bonds to be refunded.

The Order also authorized Appalachian to convey an undivided interest in a portion of the Facilities to the County, and to reacquire that interest under an installment sales arrangement ("Sales Agreement") requiring Appalachian to pay as the purchase price semi-annual installments in an amount that, together with other funds held by the Trustee under the Indenture for that purpose, will enable the County to pay, when due, the interest and principal on the Revenue Bonds. The County has issued and sold eight series of bonds in the aggregate principal amount of \$350 million of which \$130 million presently are outstanding.

It is now proposed that the County will issue and sell an additional series of Bonds in the aggregate principal amount of up to \$10 million ("Series L Refunding Bonds") the proceeds of which will be used to provide for the redemption on or prior to maturity of \$10 million principal amount of the Series H Bonds of the County. Appalachian proposes to enter into an amended Sales Agreement in connection with the Series L Refunding Bonds under essentially the same terms and conditions of the original Sales Agreement.

It is contemplated that the Series L Refunding Bonds will be sold under arrangements with a group of underwriters with such terms as shall be specified by Appalachian. The Series L Refunding Bonds shall have a stated maturity of no more than forty years, a fixed rate of interest that shall not exceed 8% per annum or an initial rate of interest by any fluctuating rate Bonds that shall not exceed 8%. If it is deemed advisable, the Series L Refunding Bonds may be provided some form of credit enhancement, including, but not limited to, a letter of credit, bond insurance, standby purchase agreement or surety bond.

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

Margaret H. McFarland,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44768; File No. SR-Amex-2001-36]

Self-Regulatory Organizations; Order Approving Proposed Rule Change by the American Stock Exchange LLC Relating to Hearing Fees for Issuer Requests for Review of Initial Listing and Delisting Decisions

September 6, 2001.

On June 1, 2001, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4² thereunder, a proposed rule change relating to hearing fees for issuer requests for review of initial listing and delisting decisions. Specifically, the proposed rule change would amend Amex Rules 1010(c), 1203(a), and 1204(c) of the Amex Company Guide to impose hearing fees on issuers in connection with issuer requests for review of Exchange initial listing or delisting decisions.

The proposed rule change was published for comment in the **Federal Register** on August 1, 2001.³ The Commission received no comments on the proposal.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange⁴ and, in particular, the requirements of Section 6 of the Act⁵ and the rules and regulations thereunder. The Commission finds that the proposed rule change is consistent with Section 6(b)(4) of the Act,⁶ which requires, among other things, that the rules of an exchange provide for the equitable allocation of reasonable dues, fees, and other charges among issuers. The Commission believes that the fees are reasonable because they are designed to recoup the costs of processing requests for review and holding the subsequent proceedings.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁷ that the proposed rule change (File No. SR-

AMEX-2001-36) be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁸

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-22983 Filed 9-12-01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44772; File No. SR-CBOE-2001-36]

Self-Regulatory Organizations; the Chicago Board Options Exchange, Inc.; Order Granting Approval to Proposed Rule Change and Amendment No. 1 To Exempt Certain Spread Transactions From the Marketing Fee and To Amend the Definition of Deep-in-the-Money Options To Include a Spread Traded at Maximum Value

September 7, 2001.

On June 21, 2001, the Chicago Board Options Exchange, Inc. ("CBOE") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4² thereunder, a proposed rule change to exempt certain spread transactions from its marketing fee and to amend the definition of deep-in-the-money options to include a spread traded at maximum value. The CBOE filed Amendment No. 1 to the proposed rule change on July 18, 2001.³

The proposed rule change, as amended, was published for comment in the **Federal Register** on August 8, 2001.⁴ The Commission received no comments on the proposal.

The Commission finds that the proposed rule change, as amended, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange⁵ and, in particular, the requirements of Section 6 of the

¹ 17 CFR 200.30-3(a)(12).

² 15 U.S.C. 78s(b)(1).

³ 17 CFR 240.19b-4.

⁴ See letter from Steve Youhn, Legal Department, CBOE, to Nancy Sanow, Assistant Director, Division of Market Regulation, Commission, dated July 17, 2001. The CBOE originally submitted the filing pursuant to Section 19(b)(3)(A) of the Act, but submitted the amended filing pursuant to Section 19(b)(2) of the Act.

⁵ See Securities Exchange Act Release No. 44629 (July 31, 2001), 66 FR 41639.

⁶ In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 44589 (July 26, 2001), 66 FR 39806 (August 1, 2001).

⁴ In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁵ 15 U.S.C. 78f.

⁶ 15 U.S.C. 78f(b)(4).

⁷ 15 U.S.C. 78s(b)(2).

Act⁶ and the rules and regulations thereunder. The Commission finds that the proposed rule change, as amended, is consistent with Section 6(b)(4) of the Act⁷ because it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among CBOE members.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act⁸, that the proposed rule change, as amended, (File No. SR-CBOE-2001-36) be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁹

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01-22984 Filed 9-12-01; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44769; File No. SR-NYSE-99-25]

Self-Regulatory Organizations; New York Stock Exchange, Inc.; Order Granting Approval to Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval to Amendment No. 3 to Proposed Rule Change Relating to Error Accounts, Floor Member Account Disclosure, and Erroneous Transaction Reports

September 6, 2001.

I. Introduction

On June 15, 1999, the New York Stock Exchange, Inc. ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to require that each member maintain an error account, and to require each member to report to the Exchange any securities account in which the member has a financial interest or over which the member has discretionary authority. The proposed rule change also includes provisions concerning error transaction procedures, recordkeeping, and other related matters. On December 13, 1999, the NYSE filed Amendment No. 1 to the proposed rule change with the Commission.³ The proposed rule

change, as amended, was published for comment in the **Federal Register** on February 10, 2000.⁴ The Commission received no comments on the proposal.

On January 8, 2001, the NYSE filed Amendment No. 2 to the proposed rule change with the Commission. Amendment No. 2 added provisions to the proposed rule change to: (a) specify that no non-error trading may take place in a member's error account; (b) require a member to inform the NYSE anytime the member closes a securities account in which the member has an interest; and (c) provide a means for an error to be accepted, under certain conditions, where an order has been correctly executed, but the wrong price and/or the wrong size has been reported to the customer. Amendment No. 2 was published for comment in the **Federal Register** on July 14, 2001.⁵ The Commission received no comments on Amendment No. 2.

On August 13, 2001, the NYSE filed Amendment No. 3 to the proposed rule change with the Commission. Amendment No. 3 would amend NYSE Rule 134 to require each member who initiates a transaction on the Floor of the Exchange to offset an error to create a time-stamped order ticket to evidence the transaction and to indicate that the transaction is to cover an error.

This order approves the proposed rule change as amended, accelerates approval of Amendment No. 3, and solicits comments from interested persons on that amendment.

II. Discussion

The Commission finds that the proposed rule change as amended is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange⁶ and, in particular, the requirements of section 6 of the Act⁷ and the rules and regulations thereunder. The Commission finds specifically that the provisions of the proposed rule change contained in the original filing and the amendments are consistent with section 6(b)(5) of the Act⁸ because they will enable the NYSE to more effectively monitor the activities

change, as well as a provision concerning the reporting of profitable errors.

⁴ See Securities Exchange Act Release No. 42381 (February 3, 2000), 65 FR 6673.

⁵ See Securities Exchange Act Release No. 44427 (June 21, 2001), 66 FR 33282.

⁶ In approving this proposed rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁷ 15 U.S.C. 78f.

⁸ 15 U.S.C. 78f(b)(5).

of its members and investigate circumstances of suspected abuse.⁹

The Commission also notes that these provisions are likely to aid the NYSE in fulfilling some of the requirements of the undertakings included in the order issued by the Commission relating to the settlement of an enforcement action against the NYSE for failure to enforce compliance with section 11(a)¹⁰ and Rule 11a-1¹¹ under the Act and NYSE Rules 90, 95, and 111.¹²

The Commission finds that Amendment No. 3 is consistent with the Act because it will help provide a more complete and accurate record of errors that occur on the Floor and enhance the ability of the Exchange to examine a member's error account activities. The Commission finds good cause to approve Amendment No. 3 to the proposed rule change prior to the thirtieth day after the date of publication of notice of filing of Amendment No. 3 in the **Federal Register**. The Commission believes that Amendment No. 3 will improve the overall effectiveness of the proposed rule change, while imposing no significant additional regulatory burden. Accelerated approval of the amendment will enable the Exchange to implement its several changes related to error transactions and erroneous reports at once.

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning Amendment No. 3, including whether the amendment 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

⁹ The Commission notes that the recordkeeping provision of the proposed rule change requires a member or member organization to maintain, besides the information specifically identified in the rule, "such other information [with respect to errors] as the Exchange may from time to time require." To adopt any such additional requirement, the Exchange would need to file a rule change proposal with the Commission pursuant to the provisions of Rule 19b-4 under the Act.

¹⁰ 15 U.S.C. 78k(a).

¹¹ 17 CFR 240.11a-1.

¹² See *In the Matter of New York Stock Exchange, Inc.*, Securities Exchange Act Release No. 41574 (June 29, 1999); Administrative Proceeding File No. 3-9925.

⁶ 15 U.S.C. 78f.

⁷ 15 U.S.C. 78f(b)(4).

⁸ 15 U.S.C. 78s(b)(2).

¹ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Amendment No. 1 added further procedures and recordkeeping requirements to the proposed rule