

Act<sup>6</sup> 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 Act<sup>7</sup> 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 Act<sup>8</sup>, 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.<sup>9</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

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

BILLING CODE 8010-01-M

## 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")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> 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.<sup>3</sup> The proposed rule

change, as amended, was published for comment in the **Federal Register** on February 10, 2000.<sup>4</sup> 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.<sup>5</sup> 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 exchange<sup>6</sup> and, in particular, the requirements of section 6 of the Act<sup>7</sup> 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 Act<sup>8</sup> because they will enable the NYSE to more effectively monitor the activities

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

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

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

<sup>6</sup> 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).

<sup>7</sup> 15 U.S.C. 78f.

<sup>8</sup> 15 U.S.C. 78f(b)(5).

of its members and investigate circumstances of suspected abuse.<sup>9</sup>

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)<sup>10</sup> and Rule 11a-1<sup>11</sup> under the Act and NYSE Rules 90, 95, and 111.<sup>12</sup>

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

<sup>9</sup> 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.

<sup>10</sup> 15 U.S.C. 78k(a).

<sup>11</sup> 17 CFR 240.11a-1.

<sup>12</sup> 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.

<sup>6</sup> 15 U.S.C. 78f.

<sup>7</sup> 15 U.S.C. 78f(b)(4).

<sup>8</sup> 15 U.S.C. 78s(b)(2).

<sup>1</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.

<sup>3</sup> Amendment No. 1 added further procedures and recordkeeping requirements to the proposed rule

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 NYSE. All submissions should refer to File No. SR-NYSE-99-25 and should be submitted by October 4, 2001.

#### IV. Conclusion

For the reasons discussed above, the Commission finds that the proposal, as amended, is consistent with the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to section 19(b)(2) of the Act,<sup>13</sup> that the proposed rule change (File No. SR-NYSE-99-25), as amended, be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>14</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 01-22953 Filed 9-12-01; 8:45 am]

**BILLING CODE 8010-01-M**

#### SMALL BUSINESS ADMINISTRATION

##### [Declaration of Disaster #3354]

##### Commonwealth of Virginia; Amendment #3

In accordance with a notice received from the Federal Emergency Management Agency, dated August 27, 2001, the above numbered declaration is hereby amended to establish the incident period as occurring on July 8, 2001 and continuing through August 27, 2001.

All other information remains the same, i.e., the deadline for filing applications for physical damage is September 10, 2001, and for loans for economic injury the deadline is April 12, 2002.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: August 31, 2001.

**James E. Rivera,**

*Acting Associate Administrator for Disaster Assistance.*

[FR Doc. 01-22967 Filed 9-12-01; 8:45 am]

**BILLING CODE 8025-01-P**

#### SMALL BUSINESS ADMINISTRATION

##### [Declaration of Disaster #3363]

##### Commonwealth of Kentucky

Scott County and the contiguous counties of Bourbon, Fayette, Franklin, Harrison, Grant, Owen and Woodford in the Commonwealth of Kentucky constitute a disaster area due to damages caused by severe thunderstorms that occurred on July 22, 2001, and continued through July 27, 2001. Applications for loans for physical damage as a result of this disaster may be filed until the close of business on October 29, 2001 and for economic injury until the close of business on May 29, 2002 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:	
Homeowners With Credit Available Elsewhere .....	6.625
Homeowners Without Credit Available Elsewhere .....	3.312
Businesses With Credit Available Elsewhere .....	8.000
Businesses and Non-Profit Organizations Without Credit Available Elsewhere .....	4.000
Others (including Non-Profit Organizations) With Credit Available Elsewhere .....	7.125
For Economic Injury:	
Businesses and Small Agricultural Cooperatives Without Credit Available Elsewhere .....	4.000

The number assigned to this disaster for physical damage is 336311 and for economic injury the number assigned is 9M4600.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: August 29, 2001.

**Hector V. Barreto,**

*Administrator.*

[FR Doc. 01-22968 Filed 9-12-01; 8:45 am]

**BILLING CODE 8025-01-P**

#### SMALL BUSINESS ADMINISTRATION

##### [Declaration of Disaster #3347; State of Texas Amendment #5]

##### State of Texas

In accordance with a notice received from the Federal Emergency Management Agency, dated August 30, 2001, the above-numbered Declaration

is hereby amended to extend the deadline for filing applications for physical damages as a result of this disaster to October 7, 2001.

All other information remains the same, i.e., the deadline for filing applications for loans for economic injury is March 8, 2002.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: September 4, 2001.

**James E. Rivera,**

*Acting Associate Administrator for Disaster Assistance.*

[FR Doc. 01-22964 Filed 9-12-01; 8:45 am]

**BILLING CODE 8025-01-P**

#### SMALL BUSINESS ADMINISTRATION

##### [Declaration of Disaster #3354]

##### Commonwealth of Virginia (Amendment #4)

In accordance with a notice received from the Federal Emergency Management Agency, dated August 28, 2001, the above numbered Declaration is hereby amended to extend the deadline for filing applications for physical damages as a result of this disaster to October 10, 2001.

All other information remains the same, i.e., the deadline for filing applications for loans for economic injury is April 12, 2002.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: September 4, 2001.

**James E. Rivera,**

*Acting Associate Administrator for Disaster Assistance.*

[FR Doc. 01-22966 Filed 9-12-01; 8:45 am]

**BILLING CODE 8025-01-P**

#### SMALL BUSINESS ADMINISTRATION

##### [Declaration of Disaster #3345; Amendment #8]

##### State of West Virginia

In accordance with notices received from the Federal Emergency Management Agency, dated September 4 and September 5, 2001, the above numbered declaration is hereby amended to establish the incident period for this disaster as occurring May 15, 2001 and continuing through September 4, 2001. The above numbered declaration is also amended to extend the deadline for filing applications for physical damages as a result of this disaster to October 10, 2001.

All other information remains the same, i.e., the deadline for filing

<sup>13</sup> 15 U.S.C. 78s(b)(2).

<sup>14</sup> 17 CFR 200.30-3(a)(12).