

be listed on an Exchange without the need for filing pursuant to rule 19b-4 under the Exchange Act.

2. The prospectus and the Product Description of each Trust will clearly disclose that, for purposes of the Act, Trust Shares are issued by that Trust and the acquisition of Trust Shares by investment companies is subject to the restrictions of section 12(d)(1) of the Act.

3. As long as a Trust operates in reliance on the requested order, the Trust Shares will be listed on an Exchange.

4. The Web site for the Trusts, which will be publicly accessible at no charge, will contain the following information, on a per Trust Share basis, for each Trust: (a) The prior business day's NAV and the reported closing price, and a calculation of the premium or discount of such price against such NAV; and (b) data in chart format displaying the frequency distribution of discounts and premiums of the daily closing price against the NAV, within appropriate ranges, for each of the four previous calendar quarters. In addition, the Product Description for each Trust will state that the Web site for the Trusts has information about the premiums and discounts at which the Trust Shares have traded.

5. The prospectus and annual report for each Trust will also include: (a) the information listed in condition 4(b) above, (i) in the case of the prospectus, for the most recently completed year (and the most recently completed quarter or quarters, as applicable), and (ii) in the case of the annual report, for the immediately preceding five years, as applicable; and (b) the following data, calculated on a per Trust Share basis for one, five and ten year periods (or life of the Trust), (i) the cumulative total return and the average annual total return based on NAV and market price, and (ii) the cumulative total return of the relevant Benchmark Index.

6. Before a Trust may rely on the order, the Commission will have approved pursuant to rule 19b-4 under the Exchange Act, an Exchange rule requiring Exchange members and member organizations effecting transactions in Trust Shares to deliver a Product Description to purchasers of Trust Shares.

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. 34-46666; File No. SR-MSRB-2002-09]

### Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Order Granting Approval of the Proposed Rule Change Relating to Arbitration

October 16, 2002.

On August 19, 2002, pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> the Municipal Securities Rulemaking Board ("Board" or "MSRB") filed with the Securities and Exchange Commission ("Commission" or "SEC") a proposed rule change (File No. SR-MSRB-2002-09). The proposed rule change relates to MSRB Rule G-35, on arbitration.

The Commission published the proposed rule change for comment in the **Federal Register**, September 9, 2002.<sup>3</sup> The Commission did not receive any comment letters relating to the forgoing proposed rule change.

#### I. Description of the Proposed Rule Change

In 1997, the MSRB amended Rule G-35, on arbitration, to provide that it would not accept any new arbitration claims filed on or after January 1, 1998 (the "1997 amendments").<sup>4</sup> The MSRB noted that any customer or securities dealer with a claim, dispute or controversy against a broker, dealer or municipal securities dealer ("dealer") involving its municipal securities activities may submit that claim to the arbitration forum of any self-regulatory organization ("SRO") of which the dealer is a member, including the National Association of Securities Dealers, Inc. ("NASD"). Bank dealers, however, are unique in that they are subject to the MSRB's rules but are not members of any other SRO. Thus, it was necessary to provide an alternative arbitration forum for claims involving the municipal securities activities of bank dealers. The 1997 amendments accomplished this by providing that as of January 1, 1998 every bank dealer, as defined in Rule D-8,<sup>5</sup> shall be subject to the NASD's Code of Arbitration

Procedure (the "NASD's Code") for every claim, dispute or controversy arising out of or in connection with the municipal securities activities of the bank dealer acting in its capacity as such. Furthermore, the 1997 amendments required that bank dealers abide by the NASD's Code as if they were "members" of the NASD for purposes of arbitration.

At the time of the 1997 amendments, the MSRB stated that it would "continue to operate its program in order to administer its current, open cases and any new claims received prior to January 1, 1998, but will discontinue administering its arbitration program when all such cases have been closed."<sup>6</sup> The MSRB further stated that, at such time, it would submit a filing to the Commission to delete sections 1 through 37 of Rule G-35, and rescind Rule A-16, on arbitration fees and deposits.<sup>7</sup> On May 14, 2002, the MSRB transferred its final, open arbitration case to the NASD. There are no further arbitration cases pending before the MSRB. Accordingly, the MSRB submitted the proposed rule change to delete sections 1 through 37 of Rule G-35, on arbitration, and to rescind Rule A-16, on arbitration fees and deposits. The proposed rule change also incorporates by reference into Rule G-35 changes to the NASD's Code.<sup>8</sup> The MSRB notes that any customer or securities dealer with a claim, dispute or controversy against a bank dealer involving its municipal securities activities may continue to submit that claim to the NASD's arbitration program.

As noted in the 1997 amendments, the MSRB deems it no longer appropriate to administer an arbitration program. All non-bank dealers engaged in municipal securities activities are members of the NASD, and the NASD's arbitration program is available to those dealers and their customers for any claim, dispute or controversy arising out of, or in connection with, the municipal securities activities of such dealers. The MSRB believes that the proposed rule change provides for the protection of investors and the public interest including those investors who wish to

<sup>6</sup> File No. SR-MSRB-1997-04 at page 2.

<sup>7</sup> *Id.* at page 3.

<sup>8</sup> In April 2002, at the request of the SEC's Division of Market Regulation, the MSRB requested that, pursuant to section 36 of the Act and Rule 0-12 thereunder, the SEC grant an exemption from the requirements of section 19(b) of the Act and Rule 19b-4 thereunder to allow the MSRB to incorporate by reference into Rule G-35 any changes to the NASD's Code without requiring that the MSRB submit a separate filing for each such change. See letter from Diane G. Klinke, General Counsel, MSRB, to Jonathan G. Katz, Secretary, SEC, dated April 4, 2002.

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

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

<sup>3</sup> See Release No. 34-46440 (August 30, 2002), 67 FR 57255.

<sup>4</sup> File No. SR-MSRB-1997-04, approved in Release No. 34-39378 (Dec. 1, 1997).

<sup>5</sup> Rule D-8 defines "bank dealer" to mean a municipal securities dealer which is a bank or a separately identifiable department or division of a bank as defined in Rule G-1.

pursue arbitration claims against bank dealers in connection with their municipal securities activities by ensuring that there is an arbitration forum available (*i.e.*, the NASD arbitration program) for such claims.

## II. Summary of Comments

The Commission did not receive any comment letters addressing the MSRB's proposed rule change.

## III. Discussion

The Commission must approve a proposed MSRB rule change if the Commission finds that the proposal is consistent with the requirements set forth under the Act and the rules and regulations thereunder, which govern the MSRB.<sup>9</sup> The language of Section 15B(b)(2)(C) of the 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 in municipal securities, and, in general, to protect investors and the public interest.<sup>10</sup>

The MSRB does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act since it would continue to subject bank dealers to the NASD's Code of Arbitration Procedure in connection with their municipal securities activities. Non-bank dealers already are subject to the NASD's Code by virtue of being NASD members.

After careful review, the Commission finds that the MSRB's proposed rule change relating to Rule G-35, on arbitration, meets the requisite statutory standard. The Commission believes that this proposed rule change is consistent with the requirements of the Act, and the rules and regulations thereunder. In addition, the Commission finds that the proposed rule is consistent with the requirements of section 15B(b)(2)(C) of the Act, as set forth above.

## IV. Conclusion

It is therefore ordered, pursuant to section 19(b)(2) of the Exchange Act,<sup>11</sup> that the proposed rule change (File No.

SR-MSRB-2002-09) be and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>12</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 02-26887 Filed 10-22-02; 8:45 am]

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## SOCIAL SECURITY ADMINISTRATION

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

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

**ACTION:** Notice of Meeting.

**DATES:** November 12, 2002, 10 a.m.-4:20 p.m.; November 13, 2002, 9 a.m.-5 p.m.; November 14, 2002, 9 a.m.-1:00 p.m.

**ADDRESSES:** Hyatt Regency Albuquerque, at Albuquerque Convention Center, 330 Tijeras NW., Albuquerque, NM 87102, (505) 842-1234, Fax: (505) 842-1184.

#### SUPPLEMENTARY INFORMATION:

*Type of meeting:* This is a quarterly meeting open to the public. The public is invited to participate by coming to the address listed above. Public comment will be taken during the quarterly meeting. The public is also invited to submit comments in writing on the implementation of the Ticket to Work and Work Incentives Improvement Act (TWWIIA) of 1999 at any time.

*Purpose:* In accordance with section 10(a)(2) of the Federal Advisory Committee Act, the Social Security Administration (SSA) announces a 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 President, the Congress and the Commissioner of the Social Security Administration 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.

*Interested parties are invited to attend the meeting.* The Panel will use the meeting time to receive briefings, hear presentations, conduct full Panel deliberations on the implementation of TWWIIA and receive public testimony.

The focus of this meeting will be on marketing, public education, training and technical assistance activities in support of implementation of TWWIIA.

The Panel will meet in person commencing on Tuesday, November 12, 2002 from 10 a.m. to 4:20 p.m.; Wednesday, November 13, 2002 from 9 a.m. to 5 p.m.; and Thursday, November 14, 2002 from 9 a.m. to 1 p.m.

*Agenda:* The Panel will hold a quarterly meeting. Briefings, presentations, full Panel deliberations and other Panel business will be held Tuesday, Wednesday and Thursday, November 12, 13, and 14, 2002. Public testimony will be heard in person Tuesday, November 12, 2002 from 3:50 p.m. to 4:20 p.m. and on Thursday, November 14, 2002 from 9 a.m. to 9:30 a.m. The Panel is particularly interested in hearing public comment regarding marketing, public education, training and technical assistance activities in support of implementation of TWWIIA.

Members of the public must schedule a timeslot in order to comment. In the event that the public comments do not take up the scheduled time period for public comment, the Panel will use that time to deliberate and conduct other Panel business.

Individuals interested in providing testimony in person should contact the Panel staff as outlined below to schedule time slots. Each presenter will be called on by the Chairperson in the order in which they are scheduled to testify and is limited to a maximum five-minute verbal presentation. Full written testimony on TWWIIA Implementation, no longer than 5 pages, may be submitted in person or by mail, fax or email on an on-going basis to the Panel for consideration.

Since seating may be limited, persons interested in providing testimony at the meeting should contact the Panel staff by e-mailing Kristen M. Breland, at [kristen.m.breland@ssa.gov](mailto:kristen.m.breland@ssa.gov) or calling (202) 358-6423.

The full agenda for the meeting will be posted on the Internet at <http://www.ssa.gov/work/panel> at least one week before the meeting or can be received in advance electronically or by fax upon request.

**Contact Information:** Anyone requiring information regarding the Panel should contact the TWWIIA Panel staff. 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 Panel staff by:

- Mail addressed to Social Security Administration, Ticket to Work and Work Incentives Advisory Panel Staff,

<sup>9</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>10</sup> 15 U.S.C. 78o-4(b)(2)(C).

<sup>11</sup> 15 U.S.C. 78s(b)(2).

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