

underlying linked security. Accordingly, the level of risk involved in the purchase or sale of the Notes is similar to the risk involved in the purchase or sale of traditional common stock. Nonetheless, because the final rate of return of the Notes is derivatively priced, based on the performance of a portfolio of securities, and the components of the Industrial 15 Index are more likely to change each year, over the term of the Notes, than products previously issued, there are several issues regarding the trading of this type of product.

The Commission notes that Nasdaq's rules and procedures that address the special concerns attendant to the trading of hybrid securities will be applicable to the Notes. In particular, by imposing the hybrid listing standards and the suitability, disclosure, and compliance requirements noted above, the Commission believes that Nasdaq has addressed adequately the potential problems that could arise from the hybrid nature of the Notes. Moreover, Nasdaq will distribute a circular to its membership calling attention to the specific risks associated with the Notes.

In approving the product, the Commission recognizes that the components are likely to change each year over the life of the product. Nevertheless, the Commission believes that this is acceptable because the Amex has clearly stated the guidelines and formula for replacing components from a specific group of well-known and highly capitalized securities. Each year, as noted above, the portfolio of securities comprising the Industrial 15 Index will represent the fifteen highest dividend yielding Qualifying Stocks in the S&P Industrial Index. Nasdaq represents that the Amex will do the calculation for replacements based on a set formula to determine which of the S&P Industrial Index securities will be in the Index for the following year. The Commission believes that within these confines the potential frequent changes in the components of the Industrial 15 Index are reasonable and will meet the expectation of investors.

In addition, the Commission notes that the Notes are non-principal protected. The Notes may not have a minimum principal amount that will be repaid, and payments on the Notes prior to or at maturity may be less than their original issue price. The Commission also recognizes that during the designated month, investors may require the issuer to repurchase the Notes at a redemption amount based on the value of the Industrial 15 Index at such repurchase date.

The Commission notes that the Notes are dependent upon the individual credit of the issuer, Merrill Lynch. To some extent, this credit risk is minimized by Nasdaq's listing standards in NASD Rules 4420(f)(1) and 4420(f)(2), which provide that only issuers satisfying substantial asset and equity requirements may issue securities such as the Notes. In addition, Nasdaq's hybrid listing standards further require that the Notes have at least \$4 million in market value.²² In any event, financial information regarding Merrill Lynch, in addition to the information on the issuers of the underlying securities comprising the Industrial 15 Index, will be publicly available.²³

The Commission also has a systemic concern, however, that a broker-dealer, such as Merrill Lynch, or a subsidiary providing a hedge for the issuer will incur position exposure. As discussed in the prior approval orders for similar instruments (e.g., the Select Ten Notes and the Industrial 15 Notes for the Amex), the Commission believes this concern is minimal given the size of the Notes issuance in relation to the net worth of Merrill Lynch.

The Commission also believes that the listing and trading of the Notes should not unduly impact the market for the underlying securities comprising the Industrial 15 Index. First, the underlying securities comprising the S&P Industrial Index, from which the Industrial 15 Index components are selected, are well-capitalized, highly liquid stocks. Second, because all of the components of the Industrial 15 Index will be equally weighted, initially and immediately following each annual reconstitution of the Industrial 15 Index, no single stock or group of stocks will likely dominate the Industrial 15 Index. Finally, the issuers of the underlying securities comprising the Industrial 15 Index are subject to reporting requirements under the Act, and all of the portfolio securities are either listed or traded on, or traded through the facilities of, U.S. securities markets. Additionally, Nasdaq's surveillance procedures will serve to deter as well as detect any potential manipulation.

Finally, the Commission notes that the value of the Industrial 15 Index will be disseminated at least once every fifteen seconds throughout the trading day. The Commission believes that providing access to the value of the Industrial 15 Index at least once every fifteen seconds throughout the trading day is extremely important and will

provide benefits to investors in the product.

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice thereof in the **Federal Register**. In determining to grant the accelerated approval for good cause, the Commission notes that the Industrial 15 Index is a portfolio of highly capitalized and actively traded securities similar to hybrid securities products that have been approved by the Commission for U.S. exchange trading and is also similar to several other instruments currently listed and traded on the Amex and the NYSE, including the Industrial 15 Notes on the Amex.²⁴ Additionally, the Notes will be listed pursuant to existing hybrid security listing standards as described above. Based on the above, the Commission finds, consistent with Section 15A(b) of the Act,²⁵ that there is good cause for accelerated approval of the product.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,²⁶ that the proposed rule change (SR-NASD-2003-115), is hereby approved on an accelerated

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.²⁷

Margaret H. McFarland,
Deputy Secretary.

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SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3528]

State of Ohio; (Amendment #2)

In accordance with the notice received from the Department of Homeland Security—Federal Emergency Management Agency, effective July 29, 2003, the above numbered declaration is hereby amended to include Crawford and Pike counties as disaster areas due to damages caused by severe storms and flooding occurring on July 4, 2003 and continuing through July 11, 2003.

In addition, applications for economic injury loans from small businesses located in the contiguous counties of Adams, Highland, Huron, Jackson, Marion, Morrow, Richland, Ross, Scioto, Seneca and Wyandot in the State of

²² See NASD Rule 4420(f)(1)(D).

²³ The companies that comprise the Industrial 15 Index are reporting companies under the Act.

²⁴ See *supra* notes 19–20.

²⁵ 15 U.S.C. 78o–3(b).

²⁶ 15 U.S.C. 78s(b)(2).

²⁷ 17 CFR 200.30–3(a)(12).

Ohio may be filed until the specified date at the previously designated location. All other counties contiguous to the above named primary counties have been previously declared.

All other information remains the same, *i.e.*, the deadline for filing applications for physical damage is September 15, 2003, and for economic injury the deadline is April 15, 2004.

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

Dated: July 30, 2003.

Cheri L. Cannon,
Acting Associate Administrator for Disaster Assistance.

[FR Doc. 03-19885 Filed 8-4-03; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3533]

State of Tennessee

As a result of the President's major disaster declaration on July 29, 2003, I find that Shelby County in the State of Tennessee constitutes a disaster area due to damages caused by severe storms, high winds and heavy rain occurring on July 21 through July 22, 2003. Applications for loans for physical damage as a result of this disaster may be filed until the close of business on September 29, 2003 and for economic injury until the close of business on April 29, 2004 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.

In addition, applications for economic injury loans from small businesses located in the following contiguous counties may be filed until the specified date at the above location: Fayette and Tipton in the State of Tennessee; Crittenden County in the State of Arkansas; and DeSoto and Marshall counties in the State of Mississippi.

The interest rates are:

	Percent
For Physical Damage:	
Homeowners with credit available elsewhere	5.625
Homeowners without credit available elsewhere	2.812
Businesses with credit available elsewhere	5.906
Businesses and non-profit organizations without credit available elsewhere	2.953
Others (including non-profit organizations) with credit available elsewhere	5.500

	Percent
Economic Injury: Businesses and small agricultural cooperatives without credit available elsewhere	2.953

The number assigned to this disaster for physical damage is 353311. For economic injury the number is 9W6000 for Tennessee; 9W6100 for Arkansas; and 9W6200 for Mississippi.

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

Dated: July 30, 2003.

Herbert L. Mitchell,
Associate Administrator for Disaster Assistance.

[FR Doc. 03-19883 Filed 8-4-03; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3531]

State of Texas (Amendment #2)

In accordance with notices received from the Department of Homeland Security—Federal Emergency Management Agency, effective July 28, 2003, the above numbered declaration is hereby amended to establish the incident period for this disaster as beginning on July 15, 2003 and continuing through July 28, 2003. This declaration is also amended to include DeWitt, Frio, Karnes, Live Oak and San Patricio counties as disaster areas due to damages caused by Hurricane Claudette occurring on July 15, 2003 and continuing through July 28, 2003.

In addition, applications for economic injury loans from small businesses located in the contiguous counties of Atascosa, Dimmit, Duval, Gonzales, Jim Wells, LaSalle, McMullen, Medina, Nueces, Uvalde, Wilson and Zavala in the State of Texas may be filed until the specified date at the previously designated location. All other counties contiguous to the above named primary counties have been previously declared.

All other information remains the same, *i.e.*, the deadline for filing applications for physical damage is September 16, 2003, and for economic injury the deadline is April 19, 2004.

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

Dated: July 30, 2003.

Herbert L. Mitchell,
Associate Administrator for Disaster Assistance.

[FR Doc. 03-19884 Filed 8-4-03; 8:45 am]

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DEPARTMENT OF STATE

[Public Notice 4431]

Office of Visa Services; 60-Day Notice of Proposed Information Collection: Form DS-3032, Choice of Address and Agent for Immigrant Visa Applicants; OMB Control Number 1405-0126

AGENCY: Department of State.

ACTION: Notice.

SUMMARY: The Department of State is seeking Office of Management and Budget (OMB) approval for the information collection described below. The purpose of this notice is to allow 60 days for public comment in the **Federal Register** preceding submission to OMB. This process is conducted in accordance with the Paperwork Reduction Act of 1995.

The following summarizes the information collection proposal to be submitted to OMB:

Type of Request: Extension of currently approved collection.

Originating Office: Bureau of Consular Affairs, Department of State (CA/VO).

Title of Information Collection: Choice of Address and Agent For Immigrant Visa Applicants.

Frequency: Once per respondent.

Form Number: DS-3032.

Respondents: Aliens applying for Immigrant Visas whose petitions have been approved in U.S.

Estimated Number of Respondents: 330,000 per year.

Average Hours Per Response: 10 minutes.

Total Estimated Burden: 55,000 hours per year.

Public comments are being solicited to permit the agency to:

- Evaluate whether the proposed information collection is necessary for the proper performance of the functions of the agency.

- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection, including the validity of the methodology and assumptions used.

- Enhance the quality, utility, and clarity of the information to be collected.

- Minimize the reporting burden on those who are to respond, including through the use of automated collection techniques or other forms of technology.

FOR FURTHER INFORMATION CONTACT: Public comments, or requests for additional information regarding the collection listed in this notice should be directed to Brendan Mullarkey of the Office of Visa Services, U.S. Department of State, 2401 E St. NW, RM L-703,