

affect its obligation to be registered under section 12(g) of the Act.⁴

Any interested person may, on or before May 14, 2003, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609, facts bearing upon whether the application has been made in accordance with the rules of the BSE and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁵

Jonathan G. Katz,
Secretary.

[FR Doc. 03-10261 Filed 4-24-03; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: (65 FR 19240, April 18, 2003).

STATUS: Closed meeting.

PLACE: 450 Fifth Street, NW., Washington, DC.

ANNOUNCEMENT OF ADDITIONAL MEETING: Additional meeting.

A Closed Meeting will be held on Thursday, April 24, 2003 at 10:30 a.m. to continue discussion of agenda items from the Tuesday, April 22, 2003 Closed Meeting.

Commissioner Atkins, as duty officer, determined that no earlier notice thereof was possible.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matter will attend the Closed Meeting.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact the Office of the Secretary at (202) 942-7070.

Dated: April 23, 2003.

Jonathan G. Katz,
Secretary.

[FR Doc. 03-10376 Filed 4-23-03; 12:20 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-47704; File No. SR-NASD-2003-70]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the National Association of Securities Dealers, Inc. Relating to the Listing and Trading of Market Recovery Notes Linked to the PHLX Semiconductor Sector

April 18, 2003.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and rule 19b-4 thereunder,² notice is hereby given that on April 9, 2003, the National Association of Securities Dealers, Inc. ("NASD" or "Association"), through its subsidiary, The Nasdaq Stock Market, Inc. ("Nasdaq"), filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in items I and II below, which items have been prepared by Nasdaq. The Commission is publishing this notice to solicit comments on the proposed rule change, from interested persons and is approving the proposal on an accelerated basis.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Nasdaq proposes to list and trade Market Recovery NotesSM Linked to the PHLX Semiconductor SectorSM ("Notes") issued by Merrill Lynch & Co., Inc. ("Merrill Lynch").

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, Nasdaq 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 III below. Nasdaq 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

Nasdaq proposes to list and trade notes, the return on which is based upon the PHLX Semiconductor Sector ("Index").³

Description of the Notes

The Notes are a series of senior non-convertible debt securities of Merrill Lynch that will not be secured by collateral. The Notes will have a term of not less than one and not more than ten years. The Notes will be issued in denomination of whole units ("Unit"), with each Unit representing a single Note. The original public offering price is expected to be \$10 per Unit. The Notes will not pay interest and are not subject to redemption by Merrill Lynch or at the option of any beneficial owner before maturity.⁴

At maturity, if the value of the Index has increased, a beneficial owner will be entitled to receive a payment on the Notes based on triple the amount of that percentage increase, not to exceed a maximum payment per Unit (the "Capped Value").⁵ Thus, the Notes provide investors the opportunity to obtain leveraged returns based on the Index. Unlike ordinary debt securities, the Notes do not guarantee any return of principal at maturity. Therefore, if the value of the Index has declined at maturity, a beneficial owner will receive less, and possibly significantly less, than the original public offering price of \$10 per Unit.⁶

The payment that a beneficial owner will be entitled to receive (the "Redemption Amount") depends entirely on the relation of the average of the values of the Index at the close of the market on five business days shortly before the maturity of the Notes (the "Ending Value") and the closing value of the Index on the date the Notes are priced for initial sale to the public (the "Starting Value").

If the Ending Value is less than or equal to the Starting Value, the

³ The Commission's approval of the listing and trading of this product does not address whether a licensing agreement issue exists. See *In the Matter of the American Stock Exchange, Inc.*, Securities Exchange Act Release No. 42312 (January 4, 2000).

⁴ The actual maturity date will be determined at the time on the day the Notes are priced for initial sale to the public.

⁵ The actual Capped Value will be determined at the time of issuance of the Notes.

⁶ Any amount the beneficial owner would receive at maturity (which is less than the original offering price) would correspond to any decline in the value of the Index.

⁴ 15 U.S.C. 78l(g).

⁵ 17 CFR 200.30-3(a)(1).

⁴ 15 U.S.C. 78l(g).

⁵ 17 CFR 200.30-3(a)(1).