

owners will be entitled to retain any investment gain attributable to the bonus, the amount of such gain will be determined on the basis of the current net asset value of the respective Accounts. Applicants assert that, therefore, no dilution will occur upon the recapture of the bonus. Applicants also submit that the second harm that rule 22c-1 was designed to address, namely, speculative trading practices calculated to take advantage of backward pricing, will not occur as a result of the recapture of the bonus. However, to avoid any uncertainty as to full compliance with the Act, Applicants requested an exemption from the provisions of Section 22(c) and Rule 22c-1 to the extent deemed necessary to permit them to recapture the bonus under the Contracts.

Conclusion

Applicants submit, based on the grounds summarized above, that their exemptive request meets the standards set out in Section 6(c) of the Act, namely, that the exemptions requested are necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act, and that, therefore, the Commission should grant the requested order.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-22663 Filed 9-1-00; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting, Agency Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following meetings during the week of September 4, 2000.

A closed meeting will be held on Thursday, September 7, 2000 at 11:00 a.m.

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 matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552(c)(4), (8), (9)(A) and (10) and

17 CFR 200.402(a)(4), (8), (9)(A) and (10), permit consideration for the scheduled matters at the closed meeting.

The subject matters of the closed meeting scheduled Thursday, September 7, 2000 will be: institution and settlement of injunctive actions; and institution and settlement of administrative proceedings of an enforcement nature.

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: August 31, 2000.

Jonathan G. Katz,

Secretary.

[FR Doc. 00-22769 Filed 8-31-00; 11:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43216; File No. SR-ISE-00-07]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the International Securities Exchange LLC Relating to Decimal Pricing

August 28, 2000.

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 August 3, 2000, the International Securities Exchange LLC ("ISE" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the ISE. The Exchange filed the proposal pursuant to section 19(b)(3)(A) of the Act,³ and Rule 19b-4(f)(6) thereunder,⁴ which renders the proposal effective upon filing with the Commission.⁵ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The ISE proposes to amend its rules to provide for the implementation of

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).

⁵ ISE provided written notice to the Commission on July 26, 2000 of its intent to file this proposal. See Rule 19b-4(f)(6)(iii). 17 CFR 240.19b-4(f)(6)(iii).

decimal pricing. The ISE believes the proposed rule change conforms to the uniform industry approach to implementing decimal pricing contained in the joint submission to the Commission by the ISE and other interested parties dated July 24, 2000, entitled "Decimals Implementation Plan for the Equities and Options Markets" ("Decimals Plan"). The text of the Proposed rule change is below. Proposed new language is in italics. Deletions are in brackets.

Rule 710. Minimum Pricing Variations [Fractional Changes]

(a)-(c) No change.

(d) *Conversion to Decimal Pricing Increments. Notwithstanding any other provision of this Rule, the Exchange will convert to decimal pricing increments for all options traded on the Exchange by April 9, 2001, or by such other date as the President of the Exchange shall determine consistent with any order issued by the Securities and Exchange Commission (SEC) or plan filed by the Exchange with the SEC. The President shall determine the schedule for this conversion, and shall designate those options that will trade in decimal increments during the conversion process. Decimal pricing increments shall be as follows:*

(1) *if the options contract is trading at less than \$3,000 per option, \$.05; and*

(2) *if the options contract is trading at \$3.00 per option or higher, \$.10;*

provided that the President shall have the ability to designate certain options as trading at an increment of \$.01 as part of a pilot program conducted in conformity with a plan filed with the SEC.

* * * * *

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

In its filing with the Commission, the ISE included statements concerning the purpose of and basis for its proposal and discussed any comments it received regarding the proposal. The text of these statements may be examined at the places specified in Item IV below. The ISE has prepared summaries, set forth in Sections A, B and C below, of the most significant aspect of such statements.

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

1. Purpose

The Commission has ordered the securities exchanges and other interested parties to implement decimal