

was issued. The applicant requests an exemption from the requirement of 10 CFR 72.248(c)(6), which states that "Updates [of the FSAR] shall be filed every 24 months from the date of issuance of the CoC." NRC issued the CoC for the HI-STORM 100 cask system on May 31, 2000, (CoC effective date), which would require filing by May 31, 2002, to satisfy 10 CFR 72.248(c)(6). The proposed action before the Commission is whether to approve a delay in the filing of the updated FSAR, and whether to grant this exemption pursuant to 10 CFR 72.7.

Need for the Proposed Action

Holtec requested the exemption to 10 CFR 72.248(c) to allow sufficient time to incorporate the FSAR changes that are associated with its license application to amend the CoC for the HI-STORM 100 storage cask system. This license application and amendment was designated as Amendment No. 1 to CoC Number 1014. The Commission issued a direct final rule and a proposed rule to amend its regulations to include Amendment No. 1 to the CoC for the HI-STORM 100 in its list of approved spent fuel storage casks on March 27, 2002, (67 FR 14627 and FR 14662). A final effective rule is not expected to be in place prior to May 31, 2002. Therefore, Holtec has requested to file an updated FSAR within 60 days after Amendment No. 1 is issued (effective date of final rule), in lieu of May 31, 2002. Holtec stated that approval of this delay will allow the compilation of FSAR changes related to Amendment No. 1, with other FSAR changes that are allowed under 10 CFR 72.48.

Otherwise, an update to the FSAR by May 31, 2002, would not include FSAR changes associated with Amendment No. 1.

Environmental Impacts of the Proposed Action

The Environmental Assessment for the final rule, "Storage of Spent Nuclear Fuel in NRC-Approved Storage Casks at Nuclear Power Reactor Sites" (55 FR 29181 (1990)), considered the potential environmental impacts of storage casks that are used to store spent nuclear fuel under a CoC, and concluded that there would be no significant environmental impacts. The proposed action now under consideration would not affect the use of the HI-STORM 100 cask system to store spent nuclear fuel under the approved CoC, and in accordance with the regulations of 10 CFR part 72. Filing an updated FSAR to the NRC by a certificate holder is an administrative requirement and does not involve any radioactive materials or use of natural

resources. Therefore, there are no radiological impacts or non-radiological impacts from a delay in filing an updated FSAR. Based upon this information, a delay in filing will have no significant impact on the environment.

Alternative to the Proposed Action

Since there is no environmental impact associated with the proposed action, any alternatives with equal or greater environmental impact are not evaluated. The alternative to the proposed actions would be to deny approval of the exemption and not allow a delay in the filing of the updated FSAR. This alternative would have the same environmental impact.

Given that there are no significant differences in environmental impact between the proposed action and the alternative considered, and that the applicant has a legitimate need to delay the filing of an updated FSAR, the Commission concludes that the preferred alternative is to grant the exemption to 10 CFR 72.248(c)(6).

Agencies and Persons Consulted

Ms. Alyse Peterson, Project Manager, New York State Energy Research and Development Authority, was contacted about the Environmental Assessment for the proposed action and had no comments.

Finding of No Significant Impact

The environmental impacts of the proposed action have been reviewed in accordance with the requirements set forth in 10 CFR part 51. Based upon the foregoing Environmental Assessment, the Commission finds that the proposed action of granting an exemption from 10 CFR 72.248(c)(6) will not significantly impact the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed exemption, and has made a finding of no significant impact on the environment for the proposed exemption.

Conclusion

The proposed exemption requested by Holtec will not authorize use of the HI-STORM 100 storage cask design specified in Amendment No. 1 to the CoC. Authorization will only occur if and when Amendment No. 1 to the CoC, is issued by the NRC (effective date of final rule). In addition, NRC approval or denial of this exemption request should not be construed as an NRC predisposition to favorably or unfavorably consider any comments

received on the proposed rule for Amendment No. 1 to the CoC.

For further details with respect to the exemption request, see the letters dated January 17 and April 10, 2002, which are available for public inspection at the Commission's Public Document Room, One White Flint North Building, 11555 Rockville Pike, Rockville, MD, or from the publicly available records component of NRC's Agencywide Documents Access and Management System (ADAMS) under Accession Nos. ML020520212 and ML021070603. The NRC maintains ADAMS, which provides text and image files of NRC's public documents. These documents may be accessed through the NRC's Public Electronic Reading Room on the Internet at <http://www.nrc.gov/reading-rm/adams.html>. If you do not have access to ADAMS or if there are problems in accessing the documents located in ADAMS, contact the NRC Public Document Room (PDR) Reference staff at 1-800-397-4209, 301-415-4737 or by email to pdrr@nrc.gov.

Dated at Rockville, Maryland, this 15th day of May 2002.

For the Nuclear Regulatory Commission.

E. William Brach,

Director, Spent Fuel Project Office, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 02-12992 Filed 5-22-02; 8:45 am]

BILLING CODE 7590-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 25577; 812-12190]

SA Funds—Investment Trust and Assante Asset Management Inc.; Notice of Application

May 17, 2002.

AGENCY: Securities and Exchange Commission ("Commission").

ACTION: Notice of an application under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from section 15(a) of the Act and rule 18f-2 under the Act.

Summary of the Application: Applicants, SA Funds—Investment Trust (the "Trust") and Assante Asset Management Inc. ("Adviser"), request an order to permit them to enter into and materially amend subadvisory agreements without shareholder approval.

Filing Dates: The application was filed on July 24, 2000 and amended on May 7, 2002.

Hearing or Notification of Hearing: An order granting the application will be

issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on June 11, 2002, and should be accompanied by proof of service on applicants in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Applicants, c/o Stephanie M. Nichols, Esq., State Street Corporation, One Federal Street, 9th Floor, Boston, Massachusetts 02110.

FOR FURTHER INFORMATION CONTACT: Emerson S. Davis, Sr., Senior Counsel, at (202) 942-0714, or Nadya B. Roytblat, Assistant Director, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the Commission's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549-0102 (telephone (202) 942-8090).

Applicants' Representations

1. The Trust, a Delaware business trust, is registered under the Act as an open-end management investment company. The Trust is currently comprised of eight series, each with its own investment objectives, policies and restrictions (each a "Fund" and collectively, the "Funds"). The Adviser, an indirect wholly-owned subsidiary of Assante Corporation, is registered under the Investment Advisers Act of 1940 ("Advisers Act") and serves as the investment adviser to each of the Funds.¹

¹ Applicants also request relief with respect to any future Funds, and any other registered open-end management investment company and its series that in the future (a) are advised by the Adviser or a person controlling, controlled by, or under common control with the Adviser, (b) operates in substantially the same manner as the Funds with regard to the Adviser's responsibility to select, evaluate and supervise Subadvisers, as defined below, and (c) complies with the terms and conditions in this application ("Future Funds," and together with the Funds, the "Funds"). The only existing investment company that currently intends to rely on the requested order is named as an applicant. No Fund will contain in its name the name of any Subadviser, as defined below.

2. The Trust, on behalf of each Fund, and the Adviser have entered into an investment advisory and administrative services agreement ("Advisory Agreement") that was approved by the board of trustees of the Trust (the "Board"), including a majority of the trustees who are not "interested persons," as defined in section 2(a)(19) of the Act ("Independent Trustees") and the initial shareholder of each Fund. Under the terms of the Advisory Agreement, the Adviser, subject to Board oversight, has overall supervisory responsibility for the investment program for each Fund. The Adviser and each Fund have entered into separate investment subadvisory agreements ("Subadvisory Agreements") with one or more subadvisers ("Subadvisers") pursuant to which the Subadviser makes the specific investment decisions for the Fund. Each Subadviser is registered or exempt from registration under the Advisers Act.

3. Pursuant to the Advisory Agreement, the Adviser continuously evaluates the performance of each Subadviser, recommends to the Board the appointment of new Subadvisers as circumstances warrant, and negotiates and renegotiates the terms of the Subadvisory Agreements, including the subadvisory fees, with the Subadvisers. The Adviser selects Subadvisers based on the Adviser's continuing evaluation of their skills in managing assets pursuant to particular investment styles. The Adviser also recommends to the Board the termination of Subadvisers. Each Fund pays the Adviser a fee payable monthly at an annual rate based on the Fund's average daily net assets. The Trust also pays to the Adviser the subadvisory fees of the Subadvisers at a rate that has been negotiated between the Adviser and Subadvisers, subject to approval by the Board. The Adviser then pays the Subadvisers the subadvisory fees.

4. Applicants request an order to permit the Adviser, subject to the oversight of the Board, to enter into and materially amend Subadvisory Agreements without shareholder approval. Applicants state that shareholder approval of a Subadvisory Agreement with a Subadviser that would be an "affiliated person," as defined in section 2(a)(3) of the Act, of the Trust or the Adviser (other than by reason of serving as a Subadviser to one or more of the Funds (an "Affiliated Subadviser")) will be obtained. None of the current Subadvisers is an Affiliated Subadviser.

Applicants' Legal Analysis

1. Section 15(a) of the Act provides, in relevant part, that it is unlawful for any person to act as an investment adviser to a registered investment company except pursuant to a written contract that has been approved by the vote of the company's outstanding voting securities. Rule 18f-2 under the Act provides that each series or class of stock in a series company affected by a matter must approve such matter if the Act requires shareholder approval.

2. Section 6(c) of the Act provides that the Commission may exempt any person, security, or transaction or any class or classes of persons, securities, or transactions from any provision of the Act, or from any rule thereunder, if such exemption is 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. Applicants request an exemption under section 6(c) of the Act from section 15(a) of the Act and rule 18f-2 under the Act to permit them to enter into and materially amend Subadvisory Agreements without shareholder approval.

3. Applicants assert that the shareholders are relying on the Adviser and the Board to select Subadvisers to manage the Fund's portfolio. Applicants assert that, from the perspective of the investor, the role of the Subadvisers with respect to the Funds is comparable to that of individual portfolio managers employed by traditional investment advisory firms. Applicants believe that permitting the Adviser to perform those duties for which the shareholders of the Funds are paying the Adviser—the selection, supervision and evaluation of Subadvisers—without incurring unnecessary delay or expense is appropriate in the interests of the Funds' shareholders and will allow each Fund to operate more efficiently. Applicants note that the Advisory Agreement will remain subject to section 15(a) of the Act and rule 18f-2 under the Act, including the requirements for shareholder approval. Applicants also note that shareholders of a Fund will approve any change to a Subadvisory Agreement if such change would result in an increase in the overall management and advisory fees payable by the Fund that have been approved by the shareholders of the Fund.

Applicants' Conditions

Applicants agree that any order granting the requested relief will be subject to the following conditions:

1. Before a Fund may rely on the order requested in this application, the operation of the Fund in the manner described in this application will be approved by a majority of the Fund's outstanding voting securities, as defined in the Act, or by its initial shareholder, provided that, in the case of approval by the initial shareholder, the pertinent Fund's shareholders purchase shares on the basis of a prospectus containing the disclosure contemplated by condition 2 below.

2. Each Fund relying on the requested relief will disclose in its prospectus the existence, substance and effect of any order granted pursuant to the application. In addition, each Fund will hold itself out to the public as employing the management structure described in the application. The prospectus will prominently disclose that the Adviser has the ultimate responsibility (subject to oversight by the Board) to oversee the Subadvisers and recommend their hiring, termination, and replacement.

3. At all times, a majority of the Board will be Independent Trustees, and the nomination of new or additional Independent Trustees will be at the discretion of the then-existing Independent Trustees.

4. The Adviser will not enter into a Subadvisory Agreement with any Affiliated Subadviser without that agreement, including the compensation to be paid thereunder, being approved by the shareholders of the applicable Fund.

5. When a Subadviser change is proposed for a Fund with an Affiliated Subadviser, the Board, including a majority of the Independent Trustees, will make a separate finding, reflected in the Trust's Board minutes, that the change is in the best interests of the Fund and its shareholders and does not involve a conflict of interest from which the Adviser or the Affiliated Subadviser derives an inappropriate advantage.

6. Within 90 days of the hiring of any new Subadviser, the Fund shareholders will be furnished all information about a new Subadviser that would be contained in a proxy statement, including any change in such disclosure caused by the addition of a new Subadviser. Each Fund will meet this condition by providing shareholders with an information statement meeting the disclosure requirements of Regulation 14C, Schedule 14C, and Item 22 of Schedule 14A under the Securities Exchange Act of 1934 within 90 days of the hiring of a Subadviser.

7. The Adviser will provide management services to each Fund, including overall supervisory

responsibility for the general management and investment of each Fund's portfolio, and, subject to review and approval by the Board, will: (a) Set each Fund's overall investment strategies; (b) select Subadvisers; (c) monitor and evaluate the performance of Subadvisers; (d) ensure that Subadvisers comply with each Fund's investment objectives, policies, and restrictions by, among other things, implementing procedures reasonably designed to ensure compliance; and (e) allocate and, where appropriate, reallocate a Fund's assets among its Subadvisers when a Fund has more than one Subadviser.

8. No trustee or officer of the Trust, or director or officer of the Adviser will own directly or indirectly (other than through a pooled investment vehicle that is not controlled by such person) any interest in a Subadviser except for: (a) Ownership of interests in the Adviser or any entity that controls, is controlled by, or is under common control with the Adviser; or (b) ownership of less than 1% of the outstanding securities of any class of equity or debt of a publicly-traded company that is either a Subadviser or an entity that controls, is controlled by, or is under common control with a Subadviser.

9. Any change to a Subadvisory Agreement that would result in an increase in the overall management and advisory fees payable by the Fund will be approved by the shareholders of the Fund.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 02-12980 Filed 5-22-02; 8:45 am]

BILLING CODE 8010-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-45929; File No. SR-Amex-2001-74]

Self-Regulatory Organizations; American Stock Exchange LLC; Order Granting Approval to Proposed Rule Change as Amended by Amendment Nos. 1 and 2 and Notice of Filing and Order Granting Accelerated Approval of Amendment No. 3 to Proposed Rule Change Relating to the Codification of the Exchange's Auto-Ex Policy and Calculation of the NBBO for Use in Auto-Ex

May 15, 2002.

I. Introduction

On September 10, 2001, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change³ relating to disengagement of the Exchange's automatic execution system ("Auto-Ex"), and declaring quotes from away markets unreliable. On January 31, 2002 and April 8, 2002, Amex submitted Amendment Nos. 1⁴ and 2⁵ to the proposed rule change, respectively. The proposed rule change, as amended by Amendment Nos. 1 and 2, was published for comment in the **Federal Register** on April 15, 2002.⁶

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The Exchange filed this proposed rule change pursuant to the requirements of Section IV.B.h.(i)(bb) of the Commission's September 11, 2000 Order Instituting Public Administrative Proceedings Pursuant to Section 19(h)(1) of the Act, which required the Amex (as well as the other floor-based options exchanges) to adopt new, or amend existing rules concerning automatic quotation and execution systems which specify the circumstances, if any, by which automated execution systems would be disengaged or operated in any manner other than the normal manner set forth in the exchange's rules; and, requires the documentation of the reasons for each decision to disengage an automatic execution system or operate it in any manner other than the normal manner. See Securities Exchange Act Release No. 43268 (September 11, 2000), Administrative Proceeding File No. 3-10282.

⁴ See letter from Claire P. McGrath, Senior Vice President and Deputy General Counsel, Amex, to Elizabeth King, Associate Director, Division of Market Regulation ("Division"), Commission, dated January 30, 2002 ("Amendment No. 1"). Amendment No. 1 supersedes and replaces the original filing in its entirety.

⁵ See letter from Claire P. McGrath, Senior Vice President and Deputy General Counsel, Amex, to Elizabeth King, Associate Director, Division, Commission, dated April 1, 2002 ("Amendment No. 2").

⁶ See Securities Exchange Act Release No. 45711 (April 9, 2002), 67 FR 18274 (April 15, 2002).