requires, in relevant part, that the rules of a registered securities association be designated to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and to protect investors and the public interest. Section 15A(g)(3) provides that a registered securities association may deny membership to, or condition the membership of, a registered broker or dealer if such broker or dealer does not meet the requisite levels of knowledge and competence. Section 15A(j) (as enacted) [11] provides that a registered securities association shall create a limited qualification category for any associated person of a member who effects sales as part of a primary offering of securities not involving a public offering, pursuant to Section 3(b), 4(2), or 4(6) of the Securities Act of 1933 and the rules and regulations thereunder, and shall deem qualified in such limited qualification category, without testing, any bank employee who, within the six month period preceding the date of the enactment of the GLBA, engaged in effecting such sales.

IV. Conclusion

For the above reasons, the Commission finds that the proposed rule change is consistent with the provisions of the Act, in general, and with Sections 15A(b)(6), 15A(g)(3), and 15A(j) in particular.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[12] that the proposed rule change, SR–NASD–00–69, be and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[13]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–12134 Filed 5–14–01; 8:45 am]

BILLING CODE 8010–01–M

of GLBA and effective on May 12, 2001. *See* note, 3, *supra.*)

[11] *See* note 10, *supra.*

[12] 15 U.S.C. 78s(b)(2).

[13] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–44280; File No. SR–NASD–2001–06]

Self-Regulatory Organizations; Order Approving Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval to Amendments No. 3 and No. 4 by the National Association of Securities Dealers, Inc. Amending the NASD By-Laws

May 8, 2001.

I. Introduction

On January 18, 2001, the National Association of Securities Dealers, Inc. (''NASD'') filed with the Securities and Exchange Commission (''Commission''), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b-4 thereunder,[2] a proposed rule change amending the NASD By-Laws.[3] On February 5, 2001, the NASD submitted Amendment No. 1 to the proposed rule change.[4] On February 26, 2001, the NASD submitted Amendment No. 2 to the proposed rule change.[5] The proposed rule change was published for comment in the **Federal Register** on March 6, 2001.[6] On April 20, 2001, the NASD submitted Amendment No. 3 to the proposed rule change.[7] On May 7, the NASD submitted Amendment No. 4 to the proposed rule change.[8]

The Commission received no comments on the proposal.[9] This order approves the proposed rule change, as amended. In addition, the Commission is publishing this notice to solicit comments on Amendments No. 3 and No. 4 and is simultaneously approving Amendments No. 3 and No. 4 on an accelerated basis.

II. Description of the Proposal

In its proposed rule change, NASD proposed amendments to its By-Laws to address several corporate governance issues, including the treatment of staff Governors as ''neutral'' for purposes of Industry/Non-Industry balancing on the NASD's Board of Governors (the ''Board''); the role of the national Nominating Committee (''NNC'') in contested elections; the petition process by which individuals and slates can be included in the election process; the Industry classifications that must be represented on the Board; and other clarifying amendments, including the addition of certain definitions and changes to conform certain provisions of the NASD By-Laws to Delaware law and the deletion of terms that are no longer applicable. Additionally, the amendments reflect the new NASD corporate structure, including the creation of NASD Dispute Resolution, Inc., a wholly owned subsidiary of the NASD.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] The Commission notes that NASD's proposal, as published in the Federal Register for notice and public comment, contained an erroneous filing date. The correct date on which NASD filed File No. SR–NASD–2001–06 with the Commission, as noted above, was January 18, 2001.

[4] Letter from T. Grant Callery, Senior Vice President and General Counsel, NASD, to Katherine A. England, Assistant Director, Division of Market Regulation (''Division''), Commission, dated February 2, 2001 (''Amendment No. 1''). In Amendment No. 1 the NASD provided the final ballot summary of the membership vote regarding the proposed amendments to the NASD By-Laws, indicating that the NASD membership approved the proposed amendments.

[5] Letter from T. Grant Callery, Senior Vice President and General Counsel, NASD, to Katherine A. England, Assistant Director, Division, Commission, dated February 23, 2001 (''Amendment No. 2''). In Amendment No. 2 the NASD amended proposed Article VII, Section 10(a)(ii) of the By-Laws to state ''(ii) in the case of petitions in support of more than one person, petitions in support of the nominations of such persons duly executed by ten percent of the members.''

[6] Securities Exchange Act Release No. 44004 (February 26, 2001), 66 FR 13601 (March 6, 2001).

[7] Letter from T. Grant Callery, Senior Vice President and General Counsel, NASD, to Katherine A. England, Assistant Director, Division, Commission, dated April 19, 2001 (''Amendment No. 3''). In Amendment No. 3 the NASD amended proposed Article VII, Section 11(b) of the By-Laws to clarify its proposed rules regarding National Nominating Committee (''NNC'') participation in contested Board elections by stating that the NNC may support its nominees by sending up to two mailings on their behalf ''in lieu of mailings sent by its candidates under Article VII, Section 12.''

[8] Letter from T. Grant Callery, Senior Vice President and General Counsel, NASD, to Katherine A. England, Assistant Director, Division, Commission, dated May 7, 2001 (''Amendment No. 4''). In Amendment No. 4, the NASD amended the following sections of its By-laws to remove proposed deletions to the term ''Nasdaq'' contained in its original filing: Article IV, Section 1(a)(1); Article V, Section 2(a)(1); Article VI, Section 1; Article VII, Section 1(c); Article XIII, Section 1(b); and Article XV, Section 4(b), In addition, NASD withdrew its proposed modification to Article VII, Section 3(a) in its entirety.

[9] The Commission was forwarded one item of email correspondence relating to the substance of this proposal. *See* email from Robert Glauber, CEO and President, NASD to Arthur Levitt, Chairman, Commission, on December 26, 2000, incorporating email from Alan Davidson, President, Independent Broker-Dealer Association, dated December 21, 2000, responding to the NASD's correspondence to its members about the proposed changes to its By-Laws referenced in this proposal. The commenter opposed the NASD's proposed rule change, as originally proposed, specifically the portion of the proposal allowing limited NNC participation in contested elections. The commenter argued that the purpose of the NNC is to nominate, not to use its official capacity to support candidates for the NASD Board. The commenter argued that the NASD Board was effectively manipulating the election process by allowing an appointed (as opposed to an elected) committee to campaign in favor of certain candidates.

The proposed rule change further implements the Restructuring Plan approved by NASD members on April 14, 2000.[10] The restructuring broadens the ownership in Nasdaq through a two-phase private placement of common stock and warrants to NASD members, Nasdaq issuers, and certain others. Prior to the private placement, the NASD owned 100 percent of Nasdaq. Now, after the closing of the second phase of the private placement, Nasdaq has numerous shareholders, but the NASD retains voting control over Nasdaq.[11] Regardless of the restructuring, the NASD and Nasdaq continue to be subject to the provisions and requirements of the NASD's August 8, 1996 settlement order with the Commission (''1996 Order'').[12]

Summary of Amendments

First, the NASD has proposed to reclassify the NASD Chief Executive Officer (''CEO'') and President of National Association of Securities Dealers Regulation, Inc. (''NASDR'') Governor positions as ''neutral'' Governors for Industry classification and compositional purposes. That is, under the proposal, the NASD CEO and the President of NASDR are neither Industry nor Non-Industry Governors. According to the NASD, the reclassification of these Governor positions as ''neutral'' is consistent with the neutrality classification other self-regulatory organizations assign to their Board staff members and allows the two Industry seats the staff occupy to now be available to Industry candidates elected by the NASD membership. In addition, the NASD believes that the reclassification of two staff Governor positions as ''neutral'' allows for a smaller, more efficient Board without compromising either the fair representation of NASD members or an appropriate balance of Industry and Non-Industry members.

Second, the proposed By-Law amendments allows limited National Nominating Committee participation in contested elections. Under the current By-Laws, the NASD, NASD staff, the NNC and other corporate committees are prohibited from taking a position in contested elections. As a result of this prohibition, in contested elections the NNC has been unable to explain the reasons a NNC nominated candidate is worthy of support and has been unable to respond to statements made by other candidates or parties about the NNC nominees. The NASD believes that the NNC's current inability to support its candidates in contested elections is a deterrent to qualified individuals accepting nominations. To remedy this, the NASD has proposed allowing the NNC to provide limited support to NNC nominated candidates. Specifically, the NASD proposal will allow the NNC to distribute two mailing to NASD voting members in support of its candidates.[13] The revised By-Laws also allow the NNC to respond in-kind to vote solicitations and additional mailings by other candidates. In this way, the NASD will allow the NNC to support its candidates but not allow the NNC to unilaterally wage an electoral campaign on behalf of those candidates.

Next, the NASD has elected to revise the NASD By-Laws with regard to inclusion on the ballot by petition. Under the current ballot by petition process, the By-Laws provide that a candidate—including slates of candidates—needs to obtain a petition signed by only three percent of the NASD membership. By presenting a slate of candidates to the NASD membership, one of the candidates on the slate can in effect ''coattail'' on the endorsement obtained by the other members of the slate. This result both frustrates the purpose of the petition-making process (to gauge the support of an individual NASD candidate) and treats individual candidates seeking nomination through petitions the same as a slate of candidates. Under NASD's proposed amendments, the NASD specifically recognizes the validity of slate petitions, but requires that the slate be endorsed by ten percent of NASD's voting members; individual candidates may continue to be nominated by obtaining a petition of three percent of the NASD membership. The NASD believes that NASD's adoption of separate thresholds for petition candidates and slate petitions is reasonable given the size and diversity of NASD's membership.

Fourth, to more accurately represent the full range of relevant Industry constituents, the NASD has proposed to add three Industry segments to the Board: a national retail firm, a regional retail or independent financial planning member firm, and a clearing firm. These segments are in addition to required representation by an investment company, an insurance affiliate, and a small firm. The Board will periodically adopt resolutions establishing the criteria for national and regional firm representatives in accordance with changes in the Industry structure and demographics.

Finally, to conform the NASD By-Laws to the new NASD corporate structure and the change in the NASD-Nasdaq relationship, the NASD has determined to make three categories of additional changes to the By-Laws. Frst, the NASD has proposed amendments reflecting the new corporate relationship between NASD and Nasdaq. For example, NASD's proposed changes to Article VII, Section 9 of its By-Laws reflect that the NASD Regulation and Nasdaq Boards no longer will propose candidates to the NASD Board for appointment to the NNC. Second, the NASD has proposed adding references to the newly formed NASD Dispute Resolution subsidiary and deleting references to Nasdaq where they are no longer applicable.[14] For example, in Article IV, Section 1 (which governs applications for membership), NASD has proposed to require that new members sign an agreement to comply with the By-Laws of ''NASD Dispute Resolution,'' among other laws, rules and By-Laws subject to the provision. Third, the NASD has suggested changes to conform the By-Laws to Delaware

[10] On June 26, 2000, the Commission approved a number of related changes to the Nasdaq By-Laws necessary to implement the restructuring and the recapitalization of Nasdaq. *See* Securities Exchange Act Release No. 42983 (June 26, 2000), 65 FR 41116 (July 3, 2000).

[11] Concurrent with the ongoing restructuring of Nasdaq, Nasdaq submitted an application to the Commission to register as a national securities exchange (''Form 1'') under Section 6 of the Act. Prior to its registration as a national securities exchange, however, Nasdaq will continue to operate under the Plan of Allocation and Delegation of Functions by the NASD to its Subsidiaries (the ''Delegation Plan''), as approved by the Commission. *See* Securities Exchange Act Release No. 37107 (April 11, 1996), 61 FR 16948 (April 16, 1996).

[12] *See* Order Instituting Public Proceedings Pursuant to Section 19(h)(1) of the Securities Exchange Act of 1934, Making Findings and Imposing Remedial Sanctions, Securities Exchange Act Release No. 37538 (August 8, 1996).

[13] The Commission notes that Article VII, Section 12 of the current NASD By-Laws permits *candidates* themselves to distribute two such mailings using certain NASD administrative support services and indicating their NNC backing, if applicable. Under the NASD proposed amendment to Article VII, Section 11, NASD proposes to allow the *NNC* to initiate similar mailings on their candidates' behalf ''in lieu of mailings sent by its candidates pursuant to Article VII, Section 12.'' Although the provision authorizing candidates' mailings, Section 12, remains, these two types of mailings are mutually exclusive (*i.e.*, each candidate—or, alternatively, the NNC on the candidate's behalf—may initiate a maximum of two mailings.) *See* Amendment No. 3, *supra* note. 7.

[14] The Commission notes that the NASD has proposed deletions of the term ''Nasdaq'' from several provisions of its By-Laws, including the definitions of ''Industry Director,'' ''Non-Industry Director,'' ''Non-Industry Governor,'' and ''Public Director'' contained in Article I of the NASD By-Laws; for the purposes of this filing, however, the NASD has withdrawn its deletion of ''Nasdaq'' in certain other sections of its By-Laws (proposed in its original filing), as enumerated in Amendment No. 4. *See* note 8, *supra.*

law. For example, in Article VIII, Section 6, the NASD has proposed an amendment stating that a resolution for removal of officers of the NASD need not be in writing, consistent with Delaware law.

III. Commission's Findings and Order Granting Approval of the Proposed Rule Change

The Commission has reviewed the NASD's proposed rule change and finds, for the reasons set forth below, that the proposal is consistent with the requirements of section 15A of the Act[15] and the rules and regulations thereunder applicable to a national securities association.[16] Specifically, the Commission believes the proposal is consistent with sections 15A(b)(4) and (b)(6) of the Act.[17] Section 15A(b)(4) provides that the rules of an association must assure a fair representation of its members in the selection of its directors and administration of its affairs and provides that one or more directors shall be representative of issuers and investors and not be associated with a member of the association, broker or dealer.[18] Section 15A(b)(6) requires, among other things, that the rules of an association be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, 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 and a national market system, and, in general, to protect investors and the public interest.[19]

NASD's Proposed Reclassification of Two NASD Board Members as ''Neutral'' and Reduced Board Size

The NASD has proposed an amendment to its By-Laws to reclassify the NASD CEO and President of NASDR Governor positions as ''neutral'' governors; that is, neither Industry nor Non-Industry Governors. Section 15A(b)(4) of the Act[20] requires fair representation of an association's members in the selection of its directors and administration of its affairs, and provides that one or more directors shall be representative of issuers and investors and not be associated with a member of the association, broker or dealer. The fair representation requirement of section 15A(b)(4) helps to ensure that no particular constituency is subject to the unfair, unfettered actions of another constituency, and helps to ensure that the NASD is administered in a way that is equitable to NASD members.

The Commission finds that the proposed reclassification of the NASD CEO and NASDR Governor as ''neutral'' for Industry classification and compositional purposes is consistent with section 15A(b)(4) and with the 1996 Order. In particular, the Commission notes that the remainder of the NASD Board will continue to maintain a majority of Non-Industry/Public representation.[21] Moreover, as staff representatives of the NASD, the NASD CEO and NASDR Governor should represent the interest of the entire NASD organization, which includes Industry, Non-Industry, and Public representatives.

According to the NASD, reclassifying the NASD CEO and NASDR Governor also allows the NASD to reduce the size of the NASD board, and thus operate more efficiently, while continuing to satisfy the fair representation requirements of section 15A(b)(4) of the Act and the 1996 Order. The NASD has represented that by virtue of the corporate restructuring necessitated by the NASD's 1998 acquisition of the American Stock Exchange LLC, the NASD moved to an overlapping board structure whereby the members of the Nasdaq and NASDR Boards become members of the NASD Board, resulting in an increase in the number of ''Industry'' Governors (by virtue of their status as staff) on the NASD Board. Therefore, according to the NASD, it was forced to increase the number of ''Non-Industry'' seats as well in order to ensure fair representation of all constituencies; this ultimately resulted in a large, inefficient Board structure. The Commission believes that the NASD's proposed reclassification of two of its Governors as ''neutral'' is reasonable and may permit the NASD to reduce the size and increase the efficiency of the Board consistent with the requirements of the Act.

Nominating Committee Participation in Contested Elections

The NASD has proposed an amendment to its By-Laws lifting its current restriction on NNC participation in contested elections and allowing the NNC to provide limited support to NNC nominated candidates. Specifically, the NASD proposal would allow the NNC to distribute two mailings to NASD voting members in support of its candidates and to respond to contesting candidates' communications.

The Commission finds that the proposed amendment permitting the NNC to participate in contested elections under the limited terms proposed by the NASD is consistent with section 15A(b)(4) of the Act.[22] The NASD has represented that high-profile, public service-oriented candidates—exactly the sort of candidates that the NASD and its membership likely would support—are dissuaded from running for the NASD Board because they cannot receive any backing from the NNC. The Commission therefore believes that the NNC plays a critical role in the operation of the NASD by helping to ensure that qualified people serve on the NASD Board.

The Commission finds that it is reasonable to allow the NNC to have some limited involvement in providing assistance to candidates that the NNC has deemed to be appropriately qualified for the NASD board. This proposed change is consistent with section 15A(b)(4)'s fair representation requirement, in that it allows for sufficient involvement of the NNC is contested elections to lead to an informed dialogue among members about candidates for election to the NASD Board without unduly privileging NNC-supported candidates. The Commission notes that the NASD has carefully delineated the permissible actions that can be taken by the NNC. The nominees endorsed by the NNC currently are allowed to make use of administrative support by the NASD under Article VII, Section 12, a practice that will continue under the NASD's proposed amendments. The Commission notes that the NASD has preserved dissident candidates' ability, pursuant to that section, to distribute two such mailings using certain NASD administrative support services and indicating their NNC backing, if applicable. The only substantive change is evident in NASD's proposed addition of Article VII, Section 11(b), which allows the NNC to send directly to eligible NASD members two mailings in support of its candidates ''in lieu of'' mailings sent by the candidates themselves[23] and to ''respond in-kind'' to opposing candidates' mailings. The

[15] 15 U.S.C. 78o–3.

[16] In approving this rule, the Commission has considered the proposed rule's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

[17] 15 U.S.C. 78o-3(b)(4), and (b)(6).

[18] 15 U.S.C. 78o–3(b)(4).

[19] 15 U.S.C. 78o–3(b)(6)

[20] 15 U.S.C. 78o-3(b)(4).

[21] The Commission notes that currently two other SROs, the New York Stock Exchange and the American Stock Exchange, operate pursuant to a similar ''neutral'' classification with regard to certain executives on their respective boards.

[22] 15 U.S.C. 78o–3(b)(4).

[23] *See* note 13, *supra.*

proposal does not allow the NASD Board to wage an all-out offensive on behalf of its candidates, as claimed by the commenter.[24] Therefore, the Commission finds that this proposed amendment permitting the NNC to participate in contested election under the measured terms proposed by the NASD is consistent with section 15A(b)(4) because, as proposed, it ensures fair representation by fostering dialogue among the NASD membership about candidates eligible for election to the NASD Board without giving unfair advantage to NNC-supported candidates.

Access to Ballot by Petition

The Commission further finds that changes to the petition process for individual nominees and a slate of nominees also is consistent with section 15A(b)(4)'s fair access requirement. Currently, the By-Laws provide that a candidate—including slates of candidates—needs to obtain a petition signed by only three percent of the NASD membership. By presenting a slate of candidates to the NASD membership, one of the candidates on the slate can in effect ''coattail'' on the endorsement obtained by the other members of the slate. This result both frustrates the purpose of the petition-making process (to gauge the support of an individual NASD candidate) and treats individual candidates seeking nomination through petitions the same as a slate of candidates. Therefore, the NASD's amendments, while continuing to recognize the validity of slate petitions, requires that the slate be endorsed by ten percent of the NASD's voting members. The NASD will retain the three percent standard for individuals. This modification is a reasonable attempt by the NASD to promote the fairness of its nomination process by limiting the ability of individual candidates to be nominated via a slate and without independent support, consistent with section 15A(b)(4) of the Act.

Industry Segment Representation

The NASD is proposing to amend Article VII, Section 4 of the NASD By-Laws to require representation by three additional Industry segments: a national retail firm, a regional retail or independent financial planning member firm, and a clearing firm, and to allow the Board, by resolution, to specify the criteria for representatives of national retail and regional retail or independent financial planning firms.

The Commission finds that this proposed change is consistent with sections 15A(b)(4) of the Act.[25] The Commission believes that this proposed amendment ensures that the NASD Board reflects the current constituencies of the securities markets and allows for representation by various categories of market participants within the NASD's membership ranks. Consequently, the Commission believes that NASD's proposal promotes fair representation, consistent with section 15A(b)(4).

Other changes

To conform the NASD By-Laws to the new NASD corporate structure and the change in the NASD-Nasdaq relationship, the NASD has determined to make three categories of additional changes to the By-Laws: (1) amendments reflecting the new corporate relationship between NASD and Nasdaq (*e.g.,* NASD's proposed changes to Article VII, Section 9 of its By-Laws reflect that the NASD Regulation and Nasdaq Boards no longer will propose candidates to the NASD Board for appointment to the NNC); (2) references to the newly formed NASD Dispute Resolution subsidiary and deleted references to Nasdaq where no longer applicable (*e.g.,* in Article IV, Section 1, NASD's proposal to add a reference to ''NASD Dispute Resolution'' in the membership agreement that must be signed by new NASD members);[26] (3) amendments to conform the NASD By-Laws to Delaware law (*e.g.,* in Article VIII, Section 6, NASD's proposed amendment stating that a resolution for removal of officers of the NASD must be in writing, consistent with Delaware law). The Commission finds that these proposed changes are consistent with section 15A(b)(6) of the Act [27] in that they accurately reflect the NASD's new corporate structure and conform to applicable law.

The Commission finds good cause for approving proposed Amendments No. 3 and No. 4 prior to the thirtieth day after the date of publication of notice of filing thereof in the **Federal Register**. The Commission notes that Amendments No. 3 and No. 4 clarifies the proposed rule change. Because these amendments do not significantly alter the original proposal, which was subject to a full notice and comment period, the Commission finds that granting accelerated approval to Amendments No. 3 and No. 4 is consistent with section 19(b)(2) of the Act.[28]

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning Amendments No. 3 and No. 4, including whether the proposed amendments are consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying at the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to File No. SR–NASD–2001–06 and should be submitted by June 5, 2001.

V. Conclusion

It Is Therefore Ordered, pursuant to section 19(b)(2) of the Act,[29] that the proposed rule change (SR–NASD–2001–06), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[30]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 01–12189 Filed 5–14–01; 8:45 am]

BILLING CODE 8010–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–44276; File No. SR–NSCC–2001–04]

Self-Regulatory Organizations; The National Securities Clearing Corporation; Notice of Filing of Proposed Rule Change to Modify and Consolidate Clearing Fund Rules

May 8, 2001.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] notice is hereby given that on April 24, 2001, the National Securities

[24] *See* note 9, *supra.*

[25] 15 U.S.C. 78o–3(b)(4).

[26] *See* note 14, *supra.*

[27] 15 U.S.C. 78o–3(b)(6).

[28] 15 U.S.C. 78f(b)(2).

[29] 15 U.S.C. 78s(b)(2).

[30] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).