

examination by the Commission and its staff.⁴

2. In connection with the Section 17 Transactions, the General Partner of each Partnership will adopt, and periodically review and update, procedures designed to ensure that reasonable inquiry is made, before the consummation of any such transaction, with respect to the possible involvement in the transaction of any affiliated person or promoter of or principal underwriter for the Partnership, or any affiliated person of an affiliated person, promoter, or principal underwriter.

3. The General Partner of each Partnership will not invest the funds of the Partnership in any investment in which an "Affiliated Co-Investor" (as defined below) has acquired or proposes to acquire the same class of securities of the same issuer, where the investment involves a joint enterprise or other joint arrangement within the meaning of rule 17d-1 in which the Partnership and an Affiliated Co-Investor are participants, unless any such Affiliated Co-Investor, prior to disposing of all or part of its investment, (a) gives the General Partner sufficient, but not less than one day's notice of its intent to dispose of its investment, and (b) refrains from disposing of its investment unless the Partnership has the opportunity to dispose of the Partnership's investment prior to or concurrently with, on the same terms as, and pro rata with the Affiliated Co-Investor. The term "Affiliated Co-Investor" with respect to Partnership means (a) an "affiliated person," as such term is defined in the Act, of the Partnership (other than a Third-Party Fund or a person that is an affiliated person of the Partnership solely because of section 2(a)(3)(B) of the Act); (b) the Merrill Lynch Group; (c) an officer or director of the Merrill Lynch Group; or (d) an entity (other than a Third-Party Fund) in which a member of the Merrill Lynch Group acts as a general partner or has a similar capacity to control the sale or other disposition of the entity's securities. The restrictions contained in this condition, however, shall not be deemed to limit or prevent the disposition of an investment by an Affiliated Co-Investor: (a) To its direct or indirect wholly-owned subsidiary, to any company (a "Parent") of which the Affiliated Co-Investor is a direct or indirect wholly-owned subsidiary, or to a direct or indirect wholly-owned subsidiary of its Parent; (b) to immediate

family members of the Affiliated Co-Investor or a trust established for any Affiliated Co-Investor or any such family member; or (c) when the investment is comprised of securities that are (i) listed on any exchange registered as a national securities exchange under section 6 of the Exchange Act; (ii) national market system securities pursuant to section 11A(a)(2) of the Exchange Act and rule 11Aa2-1 thereunder, or (iii) government securities as defined in section 2(a)(16) of the Act.

4. Each Partnership and its General Partner will maintain and preserve, for the life of each such Partnership and at least two years thereafter, such accounts, books, and other documents as constitute the record forming the basis for the audited financial statements that are to be provided to the Limited Partners, and each annual report of the Partnership required to be sent to the Limited Partners, and agree that all such records will be subject to examination by the Commission and its staff.⁵

5. The General Partner of each Partnership will send to each Limited Partner who had an Interest in a Partnership, at any time during the fiscal year then ended, Partnership financial statements that have been audited by independent accountants. At the end of each fiscal year, the General Partners will make a valuation or have a valuation made of all of the assets of the Partnership as of such fiscal year end in a manner consistent with customary practice with respect to the valuation of assets of the kind held by the Partnership. In addition, within 90 days after the end of each fiscal year of each of the Partnerships or as soon as practicable thereafter, the General Partner of each Partnership shall send a report to each person who was a Limited Partner at any time during the fiscal year then ended, setting forth such tax information as shall be necessary for the preparation by the Limited Partner of his or her federal and state income tax returns and a report of the investment activities of the Partnership during that year.

6. Whenever a Partnership makes a purchase from or sale to an entity affiliated with the Partnership by reason of a 5% or more investment in such entity by a Merrill Lynch Group director, officer, or employee, such individual will not participate in the General Partner's determination of

whether or not to effect the purchase or sale.

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

Margaret H. McFarland,
Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (Nexen Inc. (Formerly Canadian Occidental Petroleum Ltd.), Common Shares, No Par Value) File No. 1-06702

November 15, 2000.

Nexen Inc. (formerly Canadian Occidental Petroleum Ltd.), which is organized under the laws of Canada ("Company"), has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 12d2-2(d) thereunder,² to withdraw its Common Shares, no par value ("Security"), from listing and registration on the American Stock Exchange ("Amex").

The Company has obtained a new listing for its Security on the New York Stock Exchange ("NYSE"). Trading in the Security commenced on the NYSE, and was concurrently suspended on the Amex, at the opening of business on November 14, 2000. Having obtained the new NYSE listing, the Company has determined to withdraw the Security from listing and registration on the Amex for the following reasons: (i) To avoid the additional direct and indirect costs of maintaining such listing; (ii) to prevent potential fragmentation of the market for its Security; and (iii) the Company no longer feels that the continued listing of its Security on the Amex is in its best interests.

The Company's application relates solely to the withdrawal of the Security from listing and registration on the Amex and shall have no effect upon either the Security's continued listing and registration on the NYSE or the Company's continuing obligation under Sections 12(b) and 13 of the Act³ to file certain reports with the Commission.

Any interested person may, on or before December 7, 2000, submit by letter to the Secretary of the Securities

⁴ Each Partnership will preserve the accounts, books and other documents required to be maintained in an easily accessible place for the first two years.

⁵ Each Partnership will preserve the accounts, books and other documents required to be maintained in an easily accessible place for the first two years.

¹ 15 U.S.C. 781(d).

² 17 CFR 240.12d2-2(d).

³ 15 U.S.C. 781(b); 15 U.S.C. 78m.

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 Amex 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.⁴

Jonathan G. Katz,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-43554; File No. SR-Amex-00-22]

Self-Regulatory Organizations; Order Granting Approval to Proposed Rule Change by the American Stock Exchange LLC Amending Article V, Section 1 of the Exchange Constitution and Exchange Rule 345

November 14, 2000.

I. Introduction

On April 13, 2000, the American Stock Exchange LLC ("Amex" or "Exchange") submitted to 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 change to grant the Exchange's Enforcement Department the right to appeal a decision of a Disciplinary Panel and to grant the Amex Adjudicatory Council ("AAC") and the Amex Board of Governors the authority to increase a penalty imposed by a Disciplinary Panel.

The proposed rule change was published for comment in the **Federal Register** on August 2, 2000.³ The Commission received one comment on the proposal.⁴ This order approves the proposal.

¹ 17 CFR 200.30-3(a)(1).

² 15 U.S.C. 78s(b)(1).

³ 17 CFR 240.19b-4.

⁴ See Securities Exchange Release No. 43065 (July 21, 2000), 65 FR 47528.

⁵ See Letter from George Reichhelm, General Partner, and Andrew Schwarz, General Partner, AGS Specialist Partners, to Secretary, Commission, dated August 9, 2000.

II. Description of Proposal

The Amex is proposing to amend its Constitution and Rules to allow Exchange staff to appeal decisions of the AAC, and to allow the AAC to increase penalties imposed by a Disciplinary Panel. Further, the Exchange seeking to expand the scope of the Board of Governor's authority to review proposed decisions of the AAC so that the Board may also sustain, increase, or eliminate any penalty imposed, or impose a lesser penalty.

a. Article V, Section 1(c) and Rule 345

Currently, under Article V, Section 1(c) of the Exchange Constitution and Rule 345, only Exchange members may appeal a determination and/or penalty imposed by a Disciplinary Panel to the AAC.⁵ The Exchange's Enforcement Department does not have the right to appeal a Disciplinary Panel's determination under the Constitution or Rule 345. Because only members have the right to appeal a decision to the AAC, currently the AAC may only affirm the determination and penalty imposed, modify or reverse the determination, decrease or eliminate the penalty imposed, impose any lesser penalty permitted, or remand the matter to the Disciplinary Panel for further consideration. The AAC may not impose a greater penalty on appeal.

The Exchange proposes to grant the Enforcement Department the right of appeal, and to give the AAC the authority to increase a penalty imposed by the Disciplinary Panel if it deems it appropriate. The Exchange contends that this authority would give the reviewing body the full range of alternatives that it needs to deal effectively with appeals.

b. Constitution Article V, Section 1(d) and Rule 345(g)

Pursuant to Exchange Constitution Article V, Section 1(d) and Rule 345(g), as the next level of review, any four members of the Board of Governors may call a proposed decision of the AAC in a contested disciplinary matter for review by the entire Board. In reviewing a decision by the AAC, the Board may affirm, modify or reverse the decision of the AAC or remand the matter for further consideration. The Exchange has proposed to expand the scope of the Board's authority to review proposed decisions of the AAC so that the Board may also sustain, increase or eliminate

any penalty imposed, or imposed a lesser penalty.⁶

III. Summary of Comments

The Commission received one comment letter on the proposed rule change.⁷ In their letter, the commenters expressed their opinion that the proposed rule change violates the general principles of peer review and double jeopardy. The commenters argued that the peer review provided by the current Amex review process "prevents the imposition penalties by higher authorities that may act in certain circumstances for the political needs of the institution rather than for the justified position of an individual." The commenters believed that the purpose of the AAC is to "ensure that sterile rules that exist in the virtual world of the Enforcement Department are applied in a real world environment with the benefit of the experience of real world participants," and that the proposed rule change hampers this purpose.

The comments also stated that the proposed rule change would violate citizens' rights against double jeopardy. The commenters asserted that it is contrary to democratic principles to allow a separate entity to increase a penalty determined to be fair by a peer group embodied to determine the final outcome of a proceeding.

The Amex responded to the commenters by noting that guarantees regarding peer review and double jeopardy apply to governmental proceedings, not proceedings brought by a self-regulatory organization ("SRO").⁸ The Amex noted that Section 6(b)(7) of the Act requires the rules of an exchange to "provide a fair procedure for the disciplining of members and persons associated with members."⁹

In response to the commenters' opinion that the proposed rule change would undermine the peer review provided for under the current disciplinary structure, the Exchange noted that the AAC (which the commenters regarded as their "peer group") is composed of six Board members (three Floor Governors, all of whom are members, and three Public

⁶ Pursuant to New York Stock Exchange ("NYSE") Rule 476(f), NYSE enforcement personnel have the authority to appeal adverse determinations by disciplinary panels and the review boards have the authority to increase penalties imposed by disciplinary panels. Further, National Association of Securities Dealers, Inc. ("NASD") Rule 9311 provides for similar authority.

⁷ See note 4, *supra*.

⁸ See *Jones v. SEC*, 115 F.3d 1173, 1183 (4th Cir. 1997); see also, *Hudson v. United States*, 522 U.S. 93 (1997).

⁹ 15 U.S.C. 78f(b)(7).

⁵ Additionally, any member of the AAC has the authority to request a review of an Exchange Disciplinary Panel decision, *sua sponte*.