

interest rate i_1 shall apply for the following n_1 years; thereafter the immediate annuity rate shall apply.

(4) For benefits for which the deferral period is y years (y is an integer and $y > n_1 + n_2$), interest rate i_3 shall apply from the valuation date for a period of $y - n_1 - n_2$

years, interest rate i_2 shall apply for the following n_2 years, interest rate i_1 shall apply for the following n_1 years; thereafter the immediate annuity rate shall apply.

TABLE I
[Lump Sum Valuations]

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		i	i_2	i_3	n_1	n_2
*	*	*	*	*	*	*	*	*
18	4-1-95	5-1-95	5.75	5.00	4.00	4.00	7	8

Annuity Valuations

In determining the value of interest factors of the form $v^{0:n}$ (as defined in § 2676.13(b)(1)) for purposes of applying the formulas set forth in § 2676.13 (b) through (i) and in determining the value of any interest factor

used in valuing annuity benefits under this subpart, the plan administrator shall use the values of i_t prescribed in the table below. The following table tabulates, for each calendar month of valuation ending after the effective date of this part, the interest rates (denoted by i_1, i_2, i_3 , and referred to

generally as i_t) assumed to be in effect between specified anniversaries of a valuation date that occurs within that calendar month; those anniversaries are specified in the columns adjacent to the rates. The last listed rate is assumed to be in effect after the last listed anniversary date.

TABLE II
[Annuity Valuations]

For valuation dates occurring in the month—	The values of i_t are:					
	i	for $t =$	i_t	for $t =$	i_t	for $t =$
*	*	*	*	*	*	*
April 19950710	1-20	.0575	>20	N/A	N/A

Issued in Washington, DC, on this 8th day of March 1995.
Martin Slate,
Executive Director, Pension Benefit Guaranty Corporation.
 [FR Doc. 95-6359 Filed 3-14-95; 8:45 am]
 BILLING CODE 7708-01-M

EFFECTIVE DATE: February 22, 1995.
FOR FURTHER INFORMATION CONTACT: Michael W. Sunner, Deputy Assistant Commissioner, Office of Financing, Bureau of the Public Debt (202) 219-3350, or Margaret Marquette, Attorney-Adviser, Office of the Chief Counsel, Bureau of the Public Debt (202) 219-3320.

The dealer may obtain securities to fulfill such a guarantee either through an auction bid or through the when-issued market, or both.

DEPARTMENT OF THE TREASURY
Fiscal Service
31 CFR Part 356
Sale and Issue of Marketable Book-Entry Treasury Bills, Notes, and Bonds (Department of the Treasury Circular, Public Debt Series No. 1-93)

AGENCY: Bureau of the Public Debt, Fiscal Service, Department of the Treasury.

ACTION: Final rule.

SUMMARY: The Department of the Treasury ("Department") is issuing in final form an amendment to 31 CFR Part 356, published as a final rule on January 5, 1993 (58 FR 412). This amendment clarifies the definition of the term "bid" and changes the required format for competitive bids for Treasury notes and bonds from two decimals to three decimals.

SUPPLEMENTARY INFORMATION: 31 CFR Part 356, also referred to as the uniform offering circular, sets out the terms and conditions for the sale and issuance by the Department of the Treasury to the public of marketable Treasury bills, notes, and bonds. The final rule contained herein amends §§ 356.2 and 356.12 of the uniform offering circular.

In § 356.2, the definition of the term "bid" has been modified. The Department has become aware that securities dealers may enter into transactions whereby they effectively "guarantee" the amount and price of securities their customers will receive following a Treasury auction.¹ The price guaranteed may be simply an agreed-upon price, or it may be a price fixed in terms of an agreed-upon standard, e.g., the weighted average auction price.

The Department views the guarantee described above to be the equivalent of a when-issued trade between the dealer and its customer. Therefore, the Department has determined that, for purposes of Treasury's auction rules, any bid of the dealer to obtain securities to fulfill such a guarantee is a bid for the dealer's own account and not a bid for a customer, as the term customer is defined in the offering circular. This means that the recipient of the guarantee may not be listed as a customer in connection with any bid to fulfill the guarantee. Rather, the depository institution or dealer that has made the guarantee is considered the bidder and must include such amount as part of its own bid. The guaranteeing entity may reflect the guaranteed amount being included in its bid as a short position in calculating its net long position. If the recipient of the guarantee for a specific security also bids for that same security in its own name either directly or through a submitter, it must treat the amount of any guarantee as a long position in calculating its net long position.

¹The guarantee described herein is not intended to refer to a securities dealer submitting or forwarding a noncompetitive bid for a customer.

The definition of the term "bid" in § 356.2 has been expanded to clarify that an offer to purchase a stated par amount of a security by a depository institution or dealer to fulfill a guarantee as described above is a bid for the depository institution's or dealer's own account and not a bid for a customer.

In § 356.12, the requirement to express a competitive bid with two decimals has been changed with regard to Treasury notes and bonds. Prior to the publication of this rule, a competitive bid for a note or bond had to show the yield bid, expressed with two decimals. Effective with the publication of this rule, such bids must show the yield bid, expressed with three decimals. The requirement for a competitive bid for a Treasury bill to show the discount rate bid, expressed with two decimals, remains unchanged. Further, the restriction against using fractions still applies to bids for all securities.

The change from two decimal places to three decimal places for notes and bonds is being made to encourage greater participation in Treasury auctions.

Procedural Requirements

This final rule does not meet the criteria for a "significant regulatory action" pursuant to Executive Order 12866.

Because this rule relates to public contracts and procedures for United States securities, the notice, public comment, and delayed effective date provisions of the Administrative Procedure Act are inapplicable, pursuant to 5 U.S.C. 553(a)(2).

As no notice of proposed rulemaking is required, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601, *et seq.*) do not apply.

There are no collections of information required by this final rule, and, therefore, the Paperwork Reduction Act does not apply.

List of Subjects in 31 CFR Part 356

Bonds, Federal Reserve System, Government securities, Securities.

Dated: March 9, 1995.

Gerald Murphy,
Fiscal Assistant Secretary.

31 CFR Chapter II, Subchapter B, Part 356, is hereby amended as follows:

PART 356—SALE AND ISSUE OF MARKETABLE BOOK-ENTRY TREASURY BILLS, NOTES, AND BONDS (DEPARTMENT OF THE TREASURY CIRCULAR, PUBLIC DEBT SERIES NO. 1-93)

1. The authority citation for Part 356 continues to read as follows:

Authority: 5 U.S.C. 301; 31 U.S.C. 3102, *et seq.*

2. Section 356.2 is amended by revising the definition of "bid" to read as follows:

§ 356.2 Definitions.

* * * * *

Bid means an offer to purchase a stated par amount of securities, either competitively or noncompetitively, in an auction. An offer to purchase a stated par amount of securities submitted by a depository institution or dealer to fulfill a guarantee to sell a specified amount of securities at an agreed-upon price or a price fixed in terms of an agreed-upon standard is a bid of the depository institution or dealer and not a bid of a customer.

* * * * *

3. Section 356.12 is amended by revising paragraph (c)(1) to read as follows:

§ 356.12 Noncompetitive and competitive bidding.

* * * * *

(c) * * *

(1) *Bid format.*

(i) *Treasury bills.* A competitive bid must show the discount rate bid, expressed with two decimals. Fractions may not be used.

(ii) *Treasury notes and bonds.* A competitive bid must show the yield bid, expressed with three decimals. Fractions may not be used.

* * * * *

[FR Doc. 95-6394 Filed 3-14-95; 8:45 am]

BILLING CODE 4810-39-P

SELECTIVE SERVICE SYSTEM

32 CFR Part 1636

Selective Service Regulations; Registrant Processing Procedures

AGENCY: Selective Service System.

ACTION: Final rule.

SUMMARY: Procedures for the processing of registrants under the Military Selective Service Act are amended to assure greater fairness and efficiency in administration in the processing of registrants.

EFFECTIVE DATE: March 15, 1995.

FOR FURTHER INFORMATION CONTACT: Henry N. Williams, General Counsel, Selective Service System, 1515 Wilson Blvd., Arlington, VA 22209-2425. Phone (703) 235-2050.

Analysis of Comments

The proposed amendment to Selective Service Regulations was published in the **Federal Register** on December 28, 1994 (59 FR 66839) for public comment. No comment was received.

The proposed regulation will become the final rule.

Executive Order 12866

In promulgating this regulation, I have adhered to the regulatory philosophy and the applicable principles of regulation set forth in section 1 of Executive Order 12866, Regulatory Planning and Review. This amendment has not been reviewed by the Office of Management and Budget under that Executive order, as it is not deemed "significant" thereunder.

Regulatory Flexibility Act

I certify under the Regulatory Flexibility Act (5 U.S.C. chapter 6) that this rulemaking will not have a significant economic impact on a substantial number of small entities.

Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. chapter 35) does not apply because this rulemaking does not contain information collection requirements that require the approval of the Office of Management and Budget.

Certificate

Whereas, on December 28, 1994, the Director of Selective Service published a Notice of Proposed Amendments of Selective Service Regulations at 59 FR 66839; and whereas such publication complied with the publication requirement of section 13(b) of the Military Selective Service Act (50 App. U.S.C. 463(b)) in that more than 30 days have elapsed subsequent to such publication during which period comments from the public (summarized above) have been received and considered; and I certify that I have requested the view of officials named in section 2(a) of Executive Order 11623 and none of them has timely requested that the matter be referred to the President for decision.

Now therefore by virtue of the authority vested in me by the Military Selective Service Act, as amended (50 App. U.S.C. section 451 *et seq.*) and Executive Order 11623 of October 12, 1971, the Selective Service Regulations