

(6) *Respondents*: Business or other for-profit.

(7) *Estimated annual number of respondents*: 430.

(8) *Total annual responses*: 430.

(9) *Total annual reporting hours*: 144.

(10) *Collection description*: The collection obtains information used by the Railroad Retirement Board (RRB) to assist in determining whether a railroad employee is disabled from his or her regular occupation. It provides, under certain circumstances, railroad employers with the opportunity to provide the information to the RRB regarding the employee applicant's job duties.

ADDITIONAL INFORMATION OR COMMENTS:

Copies of the forms and supporting documents can be obtained from Chuck Mierzwa, the agency clearance officer (312-751-3363). Comments regarding the information collection should be addressed to Ronald J. Hodapp, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois, 60611-2092 and the OMB reviewer, Joe Lackey (202-395-7316), Office of Management and Budget, Room 10230, New Executive Office Building, Washington, DC 20503.

Chuck Mierzwa,
Clearance Officer.

[FR Doc. 00-26999 Filed 10-19-00; 8:45 am]

BILLING CODE 7905-01-M

SECURITIES AND EXCHANGE COMMISSION

[Realease No. 35-27249]

Filings Under the Public Utility Holding Company Act of 1945, as Amended ("Act")

October 13, 2000.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated under the Act. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendment(s) is/are available for public inspection through the Commission's Branch of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by November 7, 2000, to the Secretary, Securities and Exchange Commission, Washington, DC 20549-0609, and serve a copy on the relevant application(s)

and/or at the address(es) specified below. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After November 7, 2000, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

GPU, Inc (70-8695)

GPU, Inc., 300 Madison Avenue, Morristown, New Jersey 07960 ("GPU"), a registered holding company, has filed with the Commission a post-effective amendment to its declaration under sections 6(a) and 7 and rules 53 and 54 of the Act.

By prior Commission order in this proceeding dated December 8, 1995 (HCAR No. 26426) ("1995 Order"), GPU, formerly General Public Utilities Corporation, was authorized to issue and sell from time to time through December 31, 2000 up to 250,000 authorized by unissued or previously reacquired shares of GPU common stock, \$2.50 par value ("Common Stock"), to certain GPU system employees ("Participants") under the GPU, Inc. and Secondary System Companies Employee Savings Plan for Nonbargaining Employees and the Employee Savings Plan for Bargaining Unit Employees for each of GPU's electric utility subsidiaries, Jersey Central Power & Light Company, Metropolitan Edison Company and Pennsylvania Electric Company (collectively, "Savings Plans").

To date, GPU has not issued any shares of Common Stock under the 1995 Order in connection with the Savings Plans. GPU requests an extension to December 31, 2005 of the time during which it may issue and sell the 250,000 authorized by unissued or previously reacquired shares of Common Stock under the Savings Plans, in order to maintain the flexibility the 1995 order affords.

GPU currently has 350 million authorized shares of Common Stock of which 121,332,510 shares were outstanding at September 30, 2000. At October 11, 2000, the reported closing price of GPU Common Stock on the New York Stock Exchange was \$32.38. GPU will use the net proceeds from the sale of additional stock to the Savings Plans to make cash capital contributions to its subsidiaries, for working capital, to repay outstanding indebtedness and for other corporate purposes.

GPU states the Savings Plans are designed to encourage and assist savings and investment by eligible employees through voluntary contributions by employees of a portion of their compensation and by the matching of certain of these contributions by the Participant's employer.

Amounts contributed to the Savings Plans by or on behalf of each Participant are held by a trustee. Separate plan accounts and, as necessary, sub-accounts are maintained for each Participant. The trustee invests the amounts held in plan accounts and sub-accounts in the investment fund or funds selected by the Participant. The investment funds from which Participants may choose currently consist of eleven funds including the "GPU Stock Fund" which is designed to provide employees with a convenient way to invest in GPU common stock by providing participants the opportunity to direct that all or a portion of their plan accounts be invested in the GPU Stock Fund.

The Savings Plans currently provide that GPU Common Stock acquired for the GPU Stock Fund by the trustee be purchased in open market transactions through brokers. In order to provide additional equity capital, GPU proposes that shares of its Common Stock acquired by Participants through the GPU Stock Fund may be either purchased by the trustee, directly from GPU or in open market transactions, as is now the case.

The purchase price per share paid by Participants would be the New York Stock Exchange closing price for GPU Common Stock for the date on which the purchase of the share is executed.

The Southern Company, et al. (70-9727)

The Southern Company ("Southern"), 270 Peachtree Street, N.W., Atlanta, Georgia 30303, a registered holding company, and its subsidiaries, Southern Energy, Inc. ("Southern Energy," formerly SEI Holdings, Inc.) and Southern Energy Resources, Inc. ("SERI," formerly Southern Electric International, Inc.), both of 900 Ashwood Parkway, Suite 500, Atlanta, Georgia 30338 (collectively, "Applicants"), have filed an application-declaration under sections 6(a), 7, 9(a), 10, 12, 13, 32 and 33 and rules 43, 44, 45, 53, 54, 90 and 91 of the Act.

Applicants request authority in order: (1) To extend and renew the organizational and operational authority previously conferred by the Commission, (described below as "Existing Organizational and

Operational Authority”) in The Southern Company, HCAR No. 26468 (February 2, 1996) (“1996 Order”) beyond the current expiration date of December 31, 2000¹ in order to facilitate the divestiture by Southern of Southern Energy during calendar year 2001;² (2) to obtain required authorizations pertaining to the implementation of the plan for the distribution during calendar year 2001 of the voting securities of Southern Energy by Southern to the common stock stockholders of Southern (“Distribution”); and (3) for Southern to retain the Existing Organizational and Operational Authority through June 30, 2005, subject to compliance with the other applicable rules, regulations and orders of the Commission.

I. Existing Organizational and Operational Authority

Through its 1996 Order, the Commission authorized the Applicants to carry out the restructuring and consolidation of Southern’s interests in exempt wholesale generator (“EWGs”), foreign utility companies (“FUCOs”) and Qualifying Facilities (“QFs”) (collectively, “Exempt Projects”) and certain other non-utility activities under Southern Energy.

The 1996 Order also authorized Applicants “to organize one or more intermediate subsidiaries to make investments in Exempt Projects, other power projects, and Energy-Related Companies,³ and to provide project development and management services to projects and companies held by them (‘Intermediate Subsidiaries’), and to organize one or more special purpose subsidiaries to engage in any of the activities in which [SERI] is currently authorized⁴ to engage (‘Special Purpose Subsidiaries’) * * *.”⁵

The 1996 Order also authorized Southern Energy to acquire directly or indirectly, Energy Related Companies engaged in energy marketing

(“Marketing Subsidiaries”).⁶ By order dated September 26, 1996 (“September 1996 Order”),⁷ the Commission authorized Southern Energy, to broker or market electric power and other energy commodities throughout the United States, using one or more Marketing Subsidiaries.⁸ The Commission reserved jurisdiction in the September 1996 Order over the expansion of these activities outside the United States. On May 13, 1999, the Commission also authorized the acquisition of Marketing Subsidiaries that engaged in energy marketing in Canada, through December 21, 2003.⁹

The 1996 Order also authorized Special Purpose Subsidiaries to provide services or sell goods to any associate engaged in the development or operation of EWGs, FUCOs or QFs, either directly or indirectly through its related Intermediate Subsidiary, at fair market prices. The 1996 Order, under section 13(b) of the Act, exempted certain transactions from the requirements of rules 90 and 91 in which any of the following circumstances apply:

1. The Exempt Project derives no part of its income, directly or indirectly, from the generation, transmission or distribution of electric energy for sale within the United States;

2. The Exempt Project company is an EWG that sells electricity at market-based rates which have been approved by the Federal Energy Regulatory Commission (“FERC”), provided that the purchaser is not an associate public utility company of the Special Purpose Subsidiary within the Southern system;¹⁰

3. The Exempt Project company is a QF that sells electricity exclusively: (a) At rates negotiated at arms’-length to one or more industrial or commercial customers purchasing the electricity for their own use and not for resale; and/or (b) to an electric utility company of the Special Purpose Subsidiary within the Southern system, at the purchaser’s “avoided cost” as determined in accordance with the regulations under

the Public Utility Regulatory Policies Act of 1978; or

4. The Exempt Project company is an EWG or QF that sells electricity at rates based upon its cost of service, as approved by FERC or any state public utility commission having jurisdiction, provided that the purchaser thereof is not an associate public utility company of such Special Purpose Subsidiary within the Southern system.

By order dated December 30, 1994,¹¹ the Commission authorized Special Purpose Subsidiaries to engage in development activities (“Development Activities”) pertaining to the potential acquisition and ownership of QFs and facilities to be owned or operated by EWGs and FUCOs, and other power production facilities which, when placed in operation, would be a part of Southern’s “integrated public-utility system,” within the meaning of section 2(a)(29)(A) of the Act, together with ancillary facilities and equipment, such as may be used for fuel production, conversion, handling and/or storage; electrical transmission; and energy management, recovery and efficiency. The development activities of SERI and Special Purpose Subsidiaries include and are limited to project due diligence and design review; market studies; site inspection; preparation of bid proposals, including, posting of bid bonds, cash deposits or the like; application for required permits and/or regulatory approvals; acquisition of site options and options on other necessary rights; negotiation and execution of contractual commitments with owners of existing facilities, equipment vendors, construction firms, power purchasers, thermal host users, fuel suppliers and other project contractors; negotiation of financing commitments with lenders and equity co-investors; and such other preliminary development activities as may be required in preparation for the acquisition or financing. SERI was authorized to expend up to \$300 million in Development Activities,¹² Applicants

¹ The 1996 Order authorizes Southern to issue performance guarantees to Southern Energy through December 31, 2003.

² Applicants expect the divestiture to occur in the first half of 2001.

³ The 1996 Order pre-dates the enactment of rule 58, however, the 1996 Order defined Energy-Related Companies in anticipation of the adoption of rule 58 and subject to the definition expressed in rule 58.

⁴ By order dated December 30, 1994 (HCAR No. 26212), Southern Electric International, Inc. (now SERI) was authorized to engage in preliminary project development activities and the sale of operating construction, project management, administrative and other services to associates and nonassociates.

⁵ HCAR No. 26468 (February 2, 1996).

⁶ The order required that either the buyer or seller, or both, be located within the area covered by the Southeastern Electric Reliability Council (“SERC”). SERC includes all or part of the states in which the Public Utilities provide retail electric service (i.e., Georgia, Alabama, Mississippi and Florida) and all or part of North Carolina, South Carolina, Virginia, Tennessee and Kentucky. See also HCAR No. 27020 (May 13, 1999).

⁷ Holding Co. Act Release No. 26581.

⁸ The authority of the Marketing Subsidiaries is co-extensive with the energy marketing authority subsequently conferred by rule 58.

⁹ Holding Co. Act Release No. 27020.

¹⁰ File No. 70–8733, Amendment No. 3, HCAR No. 26468 (February 2, 1996). See also HCAR No. 26212 (December 30, 1994).

¹¹ HCAR No. 26212.

¹² Authorized Development Activities also included rendering project development, engineering, design, construction and construction management, operating, fuel management, maintenance and power plant overhaul and other similar kinds of managerial and technical services (including intellectual property other than that created for or on behalf of the public utility company subsidiaries of Southern) to both affiliated Project entities and to non-affiliated developers, operators and owners of independent power projects and foreign and domestic utility systems and industrial concerns. SERI was authorized to render these services utilizing its own work force, independent contractors, and personnel and other resources of associates obtained at cost under existing service agreements. HCAR No. 26212 (December 30, 1994), HCAR No. 26468 (February 2,

seek to renew this authority until the date of the Distribution, which is expected to occur in 2001.

Southern requests that Southern Energy retain the Existing Organizational and Operational Authority through completion of the Distribution which is expected to occur in calendar year 2001.

II. Authority Sought With Respect to the Distribution and Post Distribution Authority for Southern

Southern requests that Southern Energy retain the Existing Organizational and Operational Authority through completion of the Distribution in calendar year 2001 and that Southern be authorized to exercise the Existing Organizational and Operational Authority after the Distribution, through June 30, 2005, through one or more subsidiaries subject to the conditions and reporting requirements set forth in this file. In addition, Applicants request authority to expend \$300 million on Development Activities, through June 30, 2005.

III. Formation and Transfer of Holdco

Until the Distribution, Southern will own at least 80 percent of the common stock of Southern Energy. Southern intends to distribute all of its voting securities of Southern Energy to Southern's stockholders within twelve months of the initial offering of Southern Energy common stock.¹³

Pending the Distribution, Southern and Southern Energy intend to reorganize Southern and Southern Energy's activities so that, after the Distribution, Southern will retain certain components of the lines of business it now owns through Southern Energy.¹⁴ To accomplish this, Southern Energy and Southern Company Energy Solutions, Inc. ("Solutions")¹⁵ will set up a new subsidiary ("Holdco"). Southern Energy and Solutions each plan to contribute energy-management

business lines to Holdco.¹⁶ In exchange for its contribution to Holdco, Solutions will receive up to 20% of the voting stock of Holdco. In exchange for at least 80% of the voting stock of Holdco,¹⁷ Southern Energy would contribute the securities of two of its current Intermediate Subsidiaries, SE Finance Capital Corporation ("SE Finance") and Southern Company Capital Funding, Inc.¹⁸ ("Capital Funding"), to Holdco.¹⁹ Each of these subsidiaries is an Intermediate Subsidiary of Southern Energy authorized under the 1996 Order.

SE Finance includes an Energy-Related Company component and a FUCO subsidiary component. The Energy-Related Company component includes three Energy-Related subsidiaries, Southern Energy Carbontronics, L.L.C. and two held by Southern Energy Clairton, L.L.C.²⁰ SE Finance also owns the securities of four FUCOs: EPZ Lease, Inc., Dutch Gas Lease, Inc., SEI Gamog Lease, Inc. and Nuon Lease, Inc.

Southern Energy intends to distribute its securities of Holdco to Southern in redemption of a Special Class of Southern Energy Preferred Stock that was issued by Southern Energy to Southern. The Holdco group to be retained by Southern includes Energy-Related activities that the Commission has previously determined to be reasonably incidental and economically necessary to the operation of an integrated electric utility system and FUCO operations predominantly consisting of traditional public utility assets.²¹

¹⁶ Holdco will be an Intermediate Subsidiary as defined and authorized by the 1996 Order and the Existing Organizational and Operational Authority described above.

¹⁷ The final percentages of ownership are to be determined based upon the relative value of the respective contributions to Holdco.

¹⁸ As of March 31, 2000, Southern Energy's investment in Capital Funding was \$52.7 million (including retained earnings of \$2.3 million). Capital Funding has no subsidiaries.

¹⁹ Applicants note the Holdco group operations do not include high growth businesses and are dominated by traditional public utility assets, including several natural gas distribution systems in the Netherlands that qualify as FUCOs.

²⁰ Each of these Energy-Related Companies participates in alternative fuel commercialization projects.

²¹ Applicants state they could achieve the same structure under the 1996 Order through Southern Energy selling its interests in Exempt Projects, retaining only those interests to be retained by the Holdco group and combining Solutions with the Holdco group, as authorized under the 1996 Order and rule 58. In the Exercise of its business judgment, Southern has determined that greater value can be achieved through a tax-free distribution of Southern Energy to its stockholders than through a sale of portions or all of its business.

Southern anticipates that its wholesale power requirements will be satisfied in the future by a sixth operating company authorized by the FERC. An application to form this company is pending before this Commission.²² Accordingly, Southern further requests authority, to the extent required, to contribute the voting securities of Holdco to the sixth operating company. Southern's investment in one or more projects through subsidiary companies will be subject to the conditions imposed by rules 53 and 58 of the Act and subject to compliance with the reporting requirements established by the 1996 Order on a Southern consolidated basis.

IV. Master Agreement and Ancillary Agreements

Southern Energy and Southern have entered into a Master Separation and Distribution Agreement ("Master Agreement")²³ and the associated ancillary agreements ("Ancillary Agreements"), subject to their existing authority and rules, regulations and orders of the Commission.

The Ancillary Agreements appended to the Master Agreement include an Employee Matters Agreement,²⁴ a Tax Indemnification Agreement,²⁵ a Transitional Services Agreement, a Confidential Disclosure Agreement,²⁶ a Technology and Intellectual Property

²² S.E.C. File No. 70-9701.

²³ The Master Agreement provided for separation of the Southern and Southern Energy businesses on September 1, 2000, which was shortly before the sale of common stock by Southern Energy to the public (the "Separation Date"). Section 5.8 of the Master Agreement obligates the parties to implement the Master Agreement and the Ancillary Agreements to the fullest extent permitted by their existing authority and to cooperate to the end of achieving any further necessary authority. Section 5.11 of the Master Agreement provides for the distribution of Holdco. Section 5.12 of the Master Agreement provides that Southern will not cancel any outstanding guarantees, all of which are authorized under Southern's existing authority, and that Southern will extend credit support to Southern Company Energy Marketing through the Distribution, provided that the aggregate amount of credit support arrangements shall not exceed \$425 million and may be canceled within six months following the Distribution. The credit support provided for is within the existing performance guarantee authority of Southern pertaining to Southern Energy and its subsidiaries. The 1996 Order authorizes Southern to issue performance guarantees up to \$800 million through December 31, 2003.

²⁴ The Employee Matters Agreement assures that affected employees will be covered by benefit plans, but avoids redundant benefit programs.

²⁵ Applicants state the Tax Indemnification Agreement will be separately filed under rule 45(c) of the Act.

²⁶ The Confidential Disclosure Agreement protects certain proprietary information.

1996). The 1996 Order extended this authority through December 31, 2000.

¹³ The initial offering to the public of Southern Energy common stock closed on October 2, 2000.

¹⁴ These components consist of Energy-Related activities authorized by rule 58 and certain FUCO activities. Applicants assert that most, if not all, of the steps taken prior to the Distribution fall within the authority conferred under the 1996 Order; rules 45, 52, 57, 58, 87; and sections 32(g) and 33(c) of the Act. Applicants note that affiliate transactions are subject to the general supervision of the Commission under Section 12(f) of the Act. To the extent these activities require approval under any sections of the Act Applicants request this approval.

¹⁵ Solutions is a direct subsidiary of Southern conducting Energy-Related operations under rule 58.

Ownership and License Agreement²⁷ and an Indemnification and Insurance Matters Agreement. The Indemnification and Insurance Matters Agreement provides for a separation of insurance coverage and for mutual indemnification for claims based upon fault.²⁸

The Transitional Services Agreement provides for the continuation on an incidental basis of certain services currently provided to Southern Energy, including financial, human resources administration and payroll, accounting and treasury, engineering and technical consulting, information technology, procurement, government relations and legal services, for a term not to exceed two years from September 1, 2000. As a result of the incidental nature of the services, neither Southern nor its subsidiaries will incur unreimbursed costs. After the Separation Date, the subsidiaries of Southern intend to restrict the services rendered to the Southern Energy group to the services enumerated in the Transitional Services Agreement, which are a subset of the currently authorized services.²⁹

Southern further requests that the Commission take action, if deemed appropriate and consistent with the Act under section 12(f) of the Act³⁰ with respect to the Master Agreement and the Ancillary Agreements, taking into account that Southern Energy will in all probability cease to be an associate company of Southern in 2001. Southern proposes that the authority to provide the ancillary services shall expire in

accordance with the terms of the Master Agreement on or before September 1, 2002.³¹ Southern proposes to provide ancillary services on a wholly incidental basis and only as required to permit an orderly separation of the businesses without extraordinary losses or transition costs.

V. Reporting Requirements

The Applicants propose that a single consolidated quarterly report be filed by Southern and in accordance with rule 24 with respect to all activities of Southern and its subsidiaries authorized in this file. This report would replace the combined report currently being filed pursuant to the 1996 Order.

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

Jonathan G. Katz,

Secretary.

[FR Doc. 00-27010 Filed 10-19-00; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[Public Notice 3452]

Office of Overseas Schools; Information Collection Request

AGENCY: Department of State.

ACTION: 30-Day Notice of Information Collection; Overseas Schools—Grant Status Reports.

SUMMARY: The Department of State has submitted the following information collection request to the Office of Management and Budget (OMB) for approval in accordance with the Paperwork Reduction Act of 1995. Comments should be submitted to OMB within 30 days of the publication of this notice.

The following summarizes the information collection proposal submitted to OMB:

Type of Request: Renewal.

Originating Office: A/OPR/OS.

Title of Information Collection: Overseas Schools—Grant Status Reports.

Frequency: Annual.

Form Number: OMB No. 1405-0033.

Respondents: Recipients of grants.

Estimated Number of Respondents: 190.

³¹ Following the Distribution, Southern will principally provide engineering and technical services to Southern Energy through Solutions or any other rule 58 subsidiary authorized to provide energy-related engineering and technical services to third parties. The costs associated with Southern Services providing support services (other than energy-related engineering and technical services) are estimated to be less than 1% of the annual billings of Southern Service.

Average Hours Per Response: .25.

Total Estimated Burden: 47.5 hours.

Public comments are being solicited to permit the agency to:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility.
- Evaluate the accuracy of the agency's estimate of the burden of the collection, including the validity of the methodology and assumptions used.
- Enhance the quality, utility, and clarity of the information to be collected.
- Minimize the reporting burden on those who are to respond, including through the use of automated collection techniques or other forms of technology.

FOR FURTHER INFORMATION CONTACT:

Copies of the proposed information collection and supporting documents may be obtained from Office of Overseas Schools, U.S. Department of State, Washington, DC 20520 (202) 261-8200. Public comments and questions should be directed to the State Department Desk Officer, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Washington, DC 20530, (202) 395-5871.

Dated: October 16, 2000.

Robert B. Dickson,

Executive Director, Bureau of Administration, Department of State.

[FR Doc. 00-27073 Filed 10-19-00; 8:45 am]

BILLING CODE 4710-24-U

DEPARTMENT OF STATE

Bureau of Oceans, Environment and Science

[Public Notice No. 3451]

Public Meeting on An International Agreement on Prior Informed Consent for Certain Hazardous Chemicals and Pesticides

SUMMARY: This public meeting will provide an overview of ongoing efforts to implement a binding agreement on the application of a prior informed consent (PIC) procedure for certain hazardous chemicals and pesticides. A total of 73 countries have signed the binding PIC agreement, with 11 countries completing ratification. The purpose of the public meeting is to discuss preparations for the seventh session of the PIC intergovernmental negotiating committee (INC-7) which will take place from October 30 to November 3, 2000. The INC-7 meeting will address a number of timely issues

²⁷ The Technology and Intellectual Property Ownership and License Agreement documents the intellectual property that Southern and Southern Energy are each authorized to use and does not require any future transfers of intellectual property following the Separation Date.

²⁸ Applicants assert that a claims indemnification agreement of this nature incidental to a genuine transaction does not involve an upstream or any extension of credit and is not an "indemnity" within the meaning of section 12 of the Act. See Mississippi Valley Generating Company, HCAR No. 12794 (February 9, 1955) and The Southern Company, HCAR No. 27134 (February 9, 2000) (both construing and applying Section 12(a) of the Act in accordance with Section 1(c) of the Act and the legislative history showing an intent to protect public utility subsidiaries).

²⁹ Southern's subsidiaries are authorized under rule 87 of the Act to provide goods and services at cost to Southern Energy and its subsidiaries in accordance with the limitations imposed by rule 87. Southern Company Services, Inc. ("Southern Services") is further authorized under the 1996 Order and HCAR No. 26212 (December 30, 1994) to provide services at cost to SERI. Southern Energy represents less than 3% of the total service billings of Southern Services. Southern anticipates a substantial reduction in the services rendered to Southern Energy following the Separation Date and a further reduction following the Distribution.

³⁰ Section 12(f) of the Act confers plenary jurisdiction upon the Commission over affiliate transactions.