

at a price that is fair and reasonable. Consideration of whether a block transaction price is fair and reasonable could take into account: (i) The size of the block; and (ii) the price and size of other trades in any relevant markets at the applicable time, and the circumstances of the market or the parties to the block trade. Relevant markets could include, without limitation, the contract market itself, the underlying cash markets and/or other related futures markets. If a contract market rule requiring a fair and reasonable price includes the "circumstances" of the parties or of the market within its parameters, a block trade participant could execute a block transaction at a price that was away from the market provided that the participant retains documentation to demonstrate that the price was indeed fair and reasonable under the participant's or market's particular circumstances.

(j) *Arm's length transactions.* Acceptable contract market rules would require that block trades be arm's length transactions. The following block trades will be presumed to be carried out at "arm's length" (1) Block trades transacted between separate counterparties (whether affiliated or not), where each counterparty has a separate account controller with its own responsibility to review and evaluate the terms and conditions and the potential risks and benefits of prospective transactions would be presumed to be carried out at "arm's length;" and (2) Block trades between affiliated parties if transacted under contract market rules that require, along with the requirements of paragraphs (b)(2)(i)(A)–(H) of this appendix: (i) execution during the contract's trading hours; and (ii) transaction prices that fall within the bid/ask spread on electronic trading systems or prices of contemporaneous related trading floor transactions, however, if the contract does not have a bid/ask spread or any floor transactions at the time of the block transaction, then the contemporaneous bid/ask spread or price of transactions on related futures or cash markets could be used.

(iii) *Exchange of futures for a commodity or for a derivatives position.* Acceptable contract market rules for exchange of futures for a commodity or for a derivatives position would require that such trades include the following elements:

(A) Separate but integrally related transactions, involving (1) the same or a related commodity; (2) price correlation of legs; and (3) quantitative equivalence;

(B) A buyer of futures who is the seller of the corresponding commodity or derivatives position and a seller of futures who is the buyer of the corresponding commodity or derivatives position; and

(C) An actual transfer of ownership, involving (1) separate parties; (2) possession, right of possession, or right to future possession of each leg prior to the trade; (3) an ability to perform; and (4) a transfer of title.

(iv) *Office trades.* [Reserved]

(v) *Transfer trades.* [Reserved]

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Issued in Washington, DC, on June 24, 2004, by the Commission.

**Jean A. Webb,**

*Secretary of the Commission.*

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## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### 24 CFR Part 81

[Docket No. FR–4790–N–02]

**RIN 2501–AC92**

### HUD's Proposed Housing Goals for the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) for the Years 2005–2008 and Amendments to HUD's Regulation of Fannie Mae and Freddie Mac Extension of Public Comment Period

**AGENCY:** Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

**ACTION:** Proposed rule; extension of comment period.

**SUMMARY:** This notice announces an extension of the public comment period on HUD's proposed rule regarding new housing goals for Fannie Mae and Freddie Mac, the government-sponsored enterprises (GSEs), published on May 3, 2004. The May 3, 2004, proposed rule provided for a 60-day public comment period, which would close the public comment period on July 2, 2004. This notice advises that the public comment period has been extended to July 16, 2004.

**DATES:** Comments must be submitted on or before July 16, 2004.

**ADDRESSES:** Interested persons are invited to submit written comments regarding this proposed rule to the Regulations Division, Office of General Counsel, Room 10276, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410. All communications should refer to the above docket number and title. Facsimile (FAX) comments and e-mail comments are *not* acceptable. A copy of each communication submitted will be available for public inspection and copying between 8 a.m. and 5 p.m. weekdays at the above address.

**FOR FURTHER INFORMATION CONTACT:** Sandra Fostek, Director, Office of Government Sponsored Enterprises, Office of Housing, Room 3150, telephone 202–708–2224. For questions on data or methodology, contact John L. Gardner, Director, Financial Institutions

Regulation Division, Office of Policy Development and Research, Room 8212, telephone (202) 708–1464. For legal questions, contact Kenneth A. Markison, Assistant General Counsel for Government Sponsored Enterprises/RESPA or Paul S. Ceja, Deputy Assistant General Counsel for Government Sponsored Enterprises/RESPA, Office of the General Counsel, Room 9262, telephone 202–708–3137. The address for all of these persons is Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410. Persons with hearing and speech impairments may access the phone numbers via TTY by calling the Federal Information Relay Service at (800) 877–8399.

**SUPPLEMENTARY INFORMATION:** On May 3, 2004 (69 FR 24228), HUD published its proposed rule that would establish new housing goals levels for the GSEs for years 2005 through 2008. The new housing goal levels are proposed in accordance with the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (FHEFSSA) and govern the purchase by Fannie Mae and Freddie Mac of mortgages financing low- and moderate-income housing, special affordable housing, and housing in central cities, and rural areas and other underserved areas. In the May 3, 2004, rule, HUD also proposed to revise the existing regulations to provide enhanced requirements to ensure GSE data integrity.

The May 3, 2004, proposed rule provided for a 60-day public comment period. In addition to the 60-day public comment period, HUD had also posted the rule on its website on April 7, 2004, in advance of publication in the **Federal Register**. In response to recent requests for additional time to submit public comments, and since the original public comment deadline coincides with the July 4th holiday weekend, HUD is announcing through this notice that it is extending the public comment period on the May 3, 2004, proposed rule for an additional two-week period. The new public comment deadline is July 16, 2004.

Dated: June 28, 2004.

**Sean G. Cassidy,**

*General Deputy Assistant Secretary for Housing.*

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