responded that it believes these issues were thoroughly vetted during the comment process related to this rule filing, noting that in addition to the comment periods under this rule filing, these issues had been addressed in a preceding rule filing that was superseded by this proposal.[56]

IV. Discussion and Commission Findings

The Commission has reviewed carefully the Proposed Interpretation, the comments on the proposed rule change, as amended, and NASD's response to the comments, and believes that NASD has responded appropriately to the concerns raised by the commenters. The Commission finds that the Proposed Interpretation, as amended, is consistent with the requirements of the Act and rules and regulations thereunder applicable to a national securities association, and, in particular, with Section 15A(b)(6) of the Act, which requires, among other things, that the rules of a national securities association be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest.[57]

The Proposed Interpretation is designed to provide guidance to dealers for calculating fair prices and mark-ups in compliance with NASD Rule 2440 in a way that is consistent with long-standing Commission and judicial precedent regarding fair mark-ups.[58] The Proposed Interpretation provides a framework that specifically establishes contemporaneous cost as the presumptive prevailing market price, but also identifies certain dynamic factors that are relevant to whether contemporaneous cost or alternative values provide the most appropriate measure of prevailing market price. The Commission believes that the factors that govern when a dealer may depart from contemporaneous cost and that set forth alternative measures the dealer may use are reasonably designed to provide greater certainty to dealers and investors while providing an appropriate level of flexibility for dealers to consider alternative market factors when pricing debt securities.

While we are mindful of the important issues raised by commenters, we believe that NASD has reasonably addressed them. For example, the QIB exception should provide dealers with flexibility for transactions that present greater pricing challenges without undermining the investor protection benefits of the Proposed Interpretation. While it declined to expand this exception in response to comments at this time, NASD committed to monitor how the market adjusts to the use of differentiated regulation for QIBs in relation to mark-ups.[59]

The Commission also believes NASD has adequately addressed and responded to other issues raised by commenters throughout the comment process.[60] NASD's submission of two sets of responsive comments and five amendments to this rule filing reflects a deliberative and collaborative process ultimately focused on providing comprehensive and flexible mark-up guidance that contemplates dealers' practical experience in the debt markets. It is unavoidable that determining the baseline for a fair and reasonable mark-up will be inherently challenging. By recognizing the facts-and-circumstances nature of the analysis and by setting forth a logical series of factors to be used when a dealer departs from contemporaneous cost, however, NASD has proposed an approach for identifying the prevailing market price of a debt security that is reasonable and practical in addressing the interests of dealers and investors.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[61] that the proposed rule change (SR–NASD–2003–141), as modified by Amendment Nos. 1 through 5, be, and it hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[62]

Nancy M. Morris,

Secretary.

[FR Doc. E7–7611 Filed 4–20–07; 8:45 am]

BILLING CODE 8010–01–P

[56] *See* NASD Notice to Members 94–62 (August 1994) and the comments submitted thereto; Securities Exchange Act Release No. 40511 (Sept. 30, 1998), 63 FR 54169 (Oct. 8, 1998) (soliciting comments on SR–NASD–97–61) and comments submitted thereto. NASD withdrew SR–NASD–97–61 when it filed SR–NASD–2003–141.

It should be noted that in its earlier response to comments, NASD provided additional guidance on some of these issues. NASD addressed comments on contemporaneous cost by amending the Proposed Interpretation to provide that the meaning of ''contemporaneous'' turns upon whether the transaction was close enough in time to be reasonably reflected in the security's market price. NASD also addressed comments on ''market maker'' status by stating that it adopted the term ''market maker'' as defined in Section 3(a)(38) of the Act for purposes of the proposal and that it will apply the statutory definition without broadening the limits imposed by current legal precedent.

[57] 15 U.S.C. 78o–3(b)(6). In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[58] *See e.g., F.B. Horner & Assocs.* v. *SEC*, 994 F.2d 61 (2d Cir. 1993) (citing *Barnett* v. *SEC*, 319 F.2d 340 (8th Cir. 1963) (absent evidence to the contrary, the Commission is entitled to consider a broker-dealer's contemporaneous cost as evidence of current market price)); *In the Matter of Alstead, Dempsey & Co.*, 47 S.E.C. 1034, 1984 SEC LEXIS 1847 (April 5, 1984); *In the Matter of DMR Securities, Inc.*, 47 S.E.C. 350, 1980 SEC LEXIS 1071 (July 21, 1980); *see also* Securities Exchange Act Release No. 24368 (April 21, 1987), 52 FR 15575 (April 29, 1987) (notice to broker-dealers concerning disclosure requirements for mark-ups on zero-coupon securities).

[59] NASD similarly provided a practical response to requests for clarification of news that may have an effect on the perceived value of a debt security. NASD clarified that such news may include information about other issuers, but drew an appropriate line by stating that dealers may not rely on news that is not broadly disseminated to the public because of the limited market impact of such information. NASD also responded reasonably to requests for the restoration of the ''size'' proposal, in light of the customer protection concerns it identified.

[60] For example, NASD took a reasonable position stating that is adopts the statutory definition of market maker in Section 3(a)(38) of the Act. Under current legal precedent, a dealer is not and should not be considered a market maker merely because the dealer takes risk positions or devotes substantial capital to provide liquidity. Rather, to be considered a market maker, a dealer must meet the legal requirements set forth in the Act, which provides, in relevant part, that a dealer must hold itself out as being willing to buy and sell a security for its own account on a regular or continuous basis. *See* Exchange Act Section 38(a)(38), 15 U.S.C. 78c(a)(38).

[61] 15 U.S.C. 78s(b)(2)

[62] 17 CFR 200.30–3(a)(12).

SOCIAL SECURITY ADMINISTRATION

Agency Information Collection Activities: Proposed Request and Comment Request

The Social Security Administration (SSA) publishes a list of information collection packages that will require clearance by the Office of Management and Budget (OMB) in compliance with P.L. 104–13, the Paperwork Reduction Act of 1995, effective October 1, 1995. The information collection packages that may be included in this notice are for new information collections, approval of existing information collections, revisions to OMB-approved information collections, and extensions (no change) of OMB-approved information collections.

SSA is soliciting comments on the accuracy of the agency's burden estimate; the need for the information; its practical utility; ways to enhance its quality, utility, and clarity; and on ways to minimize burden on respondents, including the use of automated collection techniques or other forms of information technology. Written comments and recommendations regarding the information collection(s)

should be submitted to the OMB Desk Officer and the SSA Reports Clearance Officer. The information can be mailed, faxed or e-mailed to the individuals at the addresses and fax numbers listed below:

(OMB), Office of Management and Budget, *Attn:* Desk Officer for SSA, Fax: 202–395–6974, *E-mail address: OIRA_Submission@omb.eop.gov.*

(SSA), Social Security Administration, DCBFM, *Attn:* Reports Clearance Officer, 1333 Annex Building, 6401 Security Blvd., Baltimore, MD 21235, *Fax:* 410–965–6400, *E-mail address: OPLM.RCO@ssa.gov.*

I. The information collections listed below are pending at SSA and will be submitted to OMB within 60 days from the date of this notice. Therefore, your comments should be submitted to SSA within 60 days from the date of this publication. You can obtain copies of the collection instruments by calling the SSA Reports Clearance Officer at 410–965–0454 or by writing to the address listed above.

1. Request for Program Consultation—20 CFR 404.1601—1661–0960–New. The Disability Determination Services (DDS) offices are staffed by State employees who perform disability determinations for applicants for Social Security disability benefits under Title II and Title XVI of the Social Security Act.

SSA's federal regional quality assurance office has the authority to review DDS determinations, to assess errors, and to return cases for corrective action by the DDS.

The information collected on the Request for Program Consultation (RPC) will be used by the DDS's that request a review of the regional quality assurance evaluations. The DDS's use the RPC to present their rationale that supports their determinations. The information collected includes a short rationale and policy citations supporting their rebuttal. The RPC team will use the information to reassess their initial determination.

The respondents are DDS's who request a review of the regional quality assurance determination.

Type of Request: Request for a new information collection.

Number of Respondents: 4500.

Frequency of Response: 1.

Average Burden Per Response: 50 minutes.

Estimated Annual Burden: 3750 hours.

2. Request to Decision Review Board To Vacate the Administrative Law Judge Dismissal of Hearing—20 CFR 405.427—0960–NEW. The information collected on Form SSA–525 will be used by Social Security Administration's Decision Review Board (Board) when a hearing on a claim for Title II or Title XVI disability payments is dismissed and the claimant requests that the dismissal be vacated. The Board will use this information to (1) establish the continued involvement of the requester in his or her claim;

(2) consider the requester's arguments for vacating the dismissal; and (3) vacate or decline to vacate the administrative law judge's dismissal order. The respondents are Social Security disability or Supplemental Security Income (SSI) claimants who are requesting that the dismissal be vacated.

Type of Request: Request for a new information collection.

Number of Respondents: 30,000.

Frequency of Response: 1.

Average Burden per Response: 10 minutes.

Estimated Annual Burden: 5,000 hours.

3. Medical History and Disability Report, Disabled Child—20 CFR 416.912—0960–0577. The Social Security Act requires claimants to furnish medical and other evidence to prove they are disabled. The form SSA–3820 is used to obtain various types of information about a child's condition, his/her treating sources and/or other medical sources of evidence. The information collected on the SSA–3820 is needed for the determination of disability by the State DDSs. The respondents are applicants for Title XVI (SSI) child disability benefits.

Type of Request: Revision to an OMB-approved information collection.

Collection format	Number of respondents	Frequency of responses	Average burden per responses (hours)	Estimated annual burden (hours)
SSA–3820 (Paper Form)	500	1	1	500
Electronic Disability Collection System (EDCS)	422,000	1	[1] 34	239,133
i3820 (Internet)	39,500	1	2	79,000
Totals	462,000			318,633

1 Minutes.

4. Social Security Disability Report—20 CFR 404.1512 & 416.912—0960–0579. The Social Security Administration requires applicants for disability payments to furnish medical, work history, and other evidence or information indicating they have an impairment which is disabling. This information is collected by form SSA–3368, the Adult Disability Report, and is used by State DDS's to make disability determinations for SSA.

The respondents are applicants for Title II and Title XVI disability benefits. These applicants may complete the form using any of the following modalities: (1) The traditional paper form; (2) an interview with an SSA field office representative, using the Electronic Disability Collection System (EDCS); (3) the Internet (i3368); and (4) a modality, the i3368–PRO, an Internet form designed to be completed by representatives of applicants for disability payments. The latter three versions of the form collect the same information as the paper form, but may be formatted differently and include certain enhancements (ex: self-help screens) to guide the claimant or interviewer through the application process.

Type of Request: Revision to an OMB-approved information collection.

Collection format	Number of respondents	Frequency of response	Average burden per response (hours)	Estimated annual burden (hours)
SSA–3368 (Paper version)	9,364	1	1	9,364

Collection format	Number of respondents	Frequency of response	Average burden per response (hours)	Estimated annual burden (hours)
Field office/Electronic Disability Collection System (EDCS)	3,138,920	1	1	3,138,920
i3368 (Internet version; Hour burden varies from 1½–3 hours, depending on information required)	101,135	1	2½	252,837
i3368–PRO	101,135	1	1½	151,702
Totals	3,350,554			3,552,823

5. Certification of Contents of Document(s) or Record(s)—20 CFR 404.715 ff–0960–689. SSA must secure evidence necessary for individuals to establish rights to benefits. Some of the types of evidence needed are evidence of age relationship, citizenship, marriage, death, and military service. Form SSA–704 allows SSA employees, state record custodians, and other custodians of evidentiary documents to record information from documents and records to establish these types of evidence. SSA employees use this form but it is also used by state record custodians and other custodians of evidentiary documents.

Type of Request: Extension of an OMB-approved information collection.

Number of Respondents: 4,800.

Average Burden Per Response: 10 minutes.

Estimated Annual Burden: 800.

6. Waiver of Your Right to Personal Appearance before an Administrative Law Judge—20 CFR 404.948(b)(l)(i) and 416.1448(b)(l)(i) –0960–0284. Each claimant has a statutory right to appear in person (or through a representative) and present evidence about his/her claim at a hearing before an Administrative Law Judge (ALJ). If a claimant wishes to waive his/her statutory right to appear before an ALJ, he/she must complete a written request. The claimant may use Form HA–4608 for this request. The information collected is used to document an individual's claim to show that an oral hearing is not preferred in the appellate process. The respondents are applicants for Title II benefits and Title XVI payments who request a hearing.

Number of Respondents: 12,000.

Frequency of Response: 1.

Average Burden per Response: 2 minutes.

Estimated Annual Burden: 400 hours.

7. Youth Transition Process Demonstration Evaluation Data Collection–0960–0687.

Background

The Youth Transition Demonstration (YTD) projects are intended to help young people with disabilities make the transition from school to work. By waiving certain disability program rules and offering services to youth who are either receiving disability benefits or at risk of receiving them, these projects are expected to encourage youth to work and/or continue their education. YTD projects will be fully implemented in 10 sites across the country. The evaluation will produce empirical evidence on the impacts of the waivers and project services not only on educational attainment, employment, earnings, and receipt of benefits by youth with disabilities but also on the Social Security Trust Fund and federal income tax revenues. This type of project is authorized by sections 1110 and 234 of the Social Security Act.

Project Description

Given the importance of estimating YTD impacts as accurately as possible, the evaluation will be conducted using rigorous analytic methods based on the random assignment of youth to a treatment or control group. Several data collection efforts are planned. These include (1) baseline interviews with youth and their parents or guardians prior to random assignment; (2) follow-up interviews at 12 and 36 months after random assignment; (3) interviews and/or roundtable discussions with local program administrators, program supervisors, and service delivery staff; and (4) focus groups of youth, their parents, and service providers. The respondents will be youths with disabilities who have enrolled in the project, their parents or guardians, program staff, and service providers.

Type of Request: Revision of an existing OMB Clearance.

Data collection year	Collection	Number of respondents	Responses per respondent	Average burden per response (minutes)	Total response burden (hours)
2007	Baseline	962	1	33	529
	12 month follow-up	437	1	50	364
	Focus group	140	1	90	210
	Program staff/service provider	32	1	60	32
Total 2007					1,135

8. Annual Registration Statement Identifying Separated Participants With Deferred Benefits, Schedule SSA—0960–0606. Schedule SSA is a form filed annually as part of a series of pension plan documents required by section 6057 of the IRS Code. Administrators of pension benefit plans are required to report specific information on future plan benefits for those participants who left plan coverage during the year. SSA maintains the information until a claim for Social Security benefits has been approved. At that time, SSA notifies the beneficiary of his/her potential eligibility for payments from the private pension plan. The respondents are administrators of pension benefit plans or their service providers employed to prepare the Schedule SSA on behalf of the pension benefit plan. Below are the estimates of the cost and hour burdens for completing and filing Schedule SSA(s). We have used an average to estimate the hour burden. However, the burden may be greater or smaller depending on whether the respondent is a large or small pension benefit plan and how

many Schedule SSA's are filed in a given year.

Type of Request: Extension of an OMB-approved information collection.

Number of Respondents: 88,000.

Frequency of Response: 1.

Average Burden per Response: 2.5 hours.

Estimated Annual Burden: 220,000 hours.

Estimated Annual Cost Burden for All Respondents: $12,194,400.

II. The information collections listed below have been submitted to OMB for clearance. Your comments on the information collections would be most useful if received by OMB and SSA within 30 days from the date of this publication. You can obtain a copy of the OMB clearance packages by calling the SSA Reports Clearance Officer at 410–965–0454, or by writing to the address listed above.

1. Application for Benefits under the Italy-U.S. International Social Security Agreement—20 CFR 404.19250—960–0445. The United States and Italy entered into an agreement on November 1, 1978. Article 19.2 of that agreement provides that an applicant for benefits can file his application with either country. Article 4.3 of the Protocol to the Agreement provides that the country that receives the application will forward agreed upon forms and applications to the other country. Form SSA–2528 is the form agreed upon that is completed by individuals who file an application for U.S. benefits directly with one of the Italian Social Security Agencies. The information collected on Form SSA–2528 is required by SSA in order to determine entitlement to benefits. The respondents are applicants for old-age, survivors or disability benefits, who reside in Italy.

Type of Request: Extension of an OMB-approved information collection

Number of Respondents: 200.

Frequency of Response: 1.

Average Burden per Response: 20 minutes.

Estimated Annual Burden: 67 hours.

2. Physician's/Medical Officer's Statement of Patient's Capability to Manage Benefits—20 CFR 404.2015 & 416.615—0960–0024. The information collected on the SSA–787 is used to determine whether an individual is capable of handling his or her own benefits. This information is also used for leads in selecting a representative payee, if needed. The respondents are physicians of the beneficiaries or medical officers of the institution in which the beneficiaries reside.

Type of Request: Revision of an OMB-approved information collection.

Number of Respondents: 120,000.

Frequency of Response: 1.

Average Burden per Response: 10 minutes.

Estimated Annual Burden: 20,000 hours.

3. Modified Benefit Formula Questionnaire—Foreign Pension—0960–0561. The information collected on the SSA–308 is used to determine exactly how much (if any) of a foreign pension may be used to reduce the amount of Social Security retirement or disability benefits under the modified benefit formula. The respondents are applicants for Social Security retirement or disability benefits.

Type of Request: Extension of an OMB-approved information collection.

Number of Respondents: 50,000.

Frequency of Response: 1.

Average Burden per Response: 10 minutes.

Estimated Annual Burden: 8,333 hours.

4. Social Security Benefits Applications—20 CFR Subpart D, 404.310–404.311 and 20 CFR Subpart F, 404.601–401.603—0960–0618. One of the requirements for obtaining Social Security benefits is the filing of an application so that a determination may be made on the applicant's eligibility for monthly benefits. In addition to the traditional paper application, SSA has developed various options, listed below, for the public to add convenience and operational efficiency to the application process. The total estimated number of respondents to all application collections formats is 3,843,369 with a cumulative total of 963,056 burden hours. The respondents are applicants for retirement insurance benefits (RIB), disability insurance benefits (DIB), and/or spouses' benefits.

Type of Request: Extension of an OMB-approved information collection.

Internet Social Security Benefits Application (ISBA)

ISBA, which is available through SSA's Internet site, is one method that an individual can choose to file an application for benefits. Individuals can use ISBA to apply for retirement insurance benefits (RIB), disability insurance benefits (DIB) and spouse's insurance benefits based on age. SSA gathers only information relevant to the individual applicant's circumstances and will use the information collected by ISBA to entitle individuals to RIB, DIB, and/or spouses' benefits. The respondents are applicants for RIB, DIB, and/or spouses benefits.

Number of Respondents: 169,000.

Frequency of Response: 1.

Average Burden per Response: 20.4 minutes.

Estimated Annual Burden: 57,460 hours.

Paper Application Forms

Application for Retirement Insurance Benefits (SSA–1)

The SSA–1 is used by SSA to determine an individual's entitlement to RIB. In order to receive Social Security RIB, an individual must file an application with SSA. The SSA–1 is one application that the Commissioner of Social Security prescribes to meet this requirement. The information that SSA collects will be used to determine entitlement to benefits. The respondents are individuals who choose to apply for Social Security RIB using the paper application.

Approximately 1,460,692 respondents complete the SSA–1 annually. Of this total 97% (1,416,871) are completed through SSA's Modernized Claims System (MCS) and 50% of the MCS respondents will use Signature Proxy (708,435.5). The breakdown is displayed on the following chart.

Collection method	Number of respondents	Estimated completion time (minutes)	Burden hours
MCS	708,436	10.5	123,976
MCS/Signature Proxy	708,435	9.5	112,169
Paper	43,821	10.5	7,669
Totals	1,460,692	.....	243,814

Application for Wife's or Husband's Insurance Benefits (SSA–2)

SSA uses the information collected on Form SSA–2 to determine if an applicant (including a divorced applicant) can be entitled to benefits as the spouse of the worker and the amount of the spouse's benefits. The respondents are applicants for wife's or husband's benefits, including those who are divorced.

Approximately 700,000 respondents complete the SSA–2 annually. Of this total 95% (665,000) are completed through MCS and 50% of the MCS respondents will use Signature Proxy (332,500). The breakdown is displayed on the following chart:

Collection method	Number of respondents	Estimated completion time (minutes)	Burden hours
MCS	332,500	15	83,125
MCS/Signature Proxy	332,500	14	77,583
Paper	35,000	15	8,750
Totals	700,000		169,458

Application for Disability Insurance Benefits (SSA–16)

Form SSA–16–F6 obtains the information necessary to determine whether the provisions of the Act have been satisfied with respect to an applicant for disability benefits, and detects whether the applicant has dependents who would qualify for benefits on his or her earnings record. The information collected on form SSA–16 helps to determine eligibility for Social Security disability benefits. The respondents are applicants for Social Security disability benefits.

Approximately 1,513,677 respondents complete the SSA–16 annually. Of this total 97% (1,468,267) are completed through SSA's Modernized Claims System (MCS) and 50% of the MCS respondents will use Signature Proxy (734,133.5). The breakdown is displayed on the following chart:

Collection method	Number of respondents	Estimated completion time (minutes)	Burden hours
MCS	734,134	20	244,711
MCS/Signature Proxy	734,133	19	232,476
Paper	45,410	20	15,137
Totals	1,513,677		492,324

Dated: April 17, 2007.

Elizabeth A. Davidson,

Reports Clearance Officer, Social Security Administration.

[FR Doc. E7–7649 Filed 4–20–07; 8:45 am]

BILLING CODE 4191–02–P

DEPARTMENT OF STATE

[Public Notice 5781]

Bureau of International Security and Nonproliferation; Imposition of Nonproliferation Measures Against Foreign Persons, Including a Ban on U.S. Government Procurement.

AGENCY: Department of State.

ACTION: Notice.

SUMMARY: A determination has been made that fourteen foreign persons have engaged in activities that warrant the imposition of measures pursuant to Section 3 of the Iran and Syria Nonproliferation Act, which provides for penalties on foreign persons (including individuals, nongovernmental entities and organizations, governments and government entities) for the transfer to or acquisition from Iran since January 1, 1999 or the transfer to or acquisition from Syria since January 1, 2005, of equipment and technology controlled under multilateral export control lists (Missile Technology Control Regime, Australia Group, Chemical Weapons Convention, Nuclear Suppliers Group, Wassenaar Arrangement) or otherwise having the potential to make a material contribution to the development of weapons of mass destruction (WMD) or cruise or ballistic missile systems. The latter category includes (a) items of the same kind as those on multilateral lists, but falling below the control list parameters, when it is determined that such items have the potential of making a material contribution to WMD or cruise or ballistic missile systems, (b) other items with the potential of making such a material contribution, when added through case-by-case decisions, and (c) items on U.S. national control lists for WMD/missile reasons that are not on multilateral lists.

EFFECTIVE DATE: April 17, 2007.

FOR FURTHER INFORMATION CONTACT: On general issues: Pamela K. Durham, Office of Missile Threat Reduction, Bureau of International Security and Nonproliferation, Department of State (202–647–4931). On U.S. Government procurement ban issues: Gladys Gines, Office of the Procurement Executive, Department of State (703–516–1691).

SUPPLEMENTARY INFORMATION: Pursuant to Sections 2 and 3 of the Iran and Syria Nonproliferation Act (Pub. L. 109–112), the U.S. Government determined on April 10, 2007 that the measures authorized in Section 3 of the Act shall apply to the following foreign persons identified in the report submitted pursuant to Section 2(a) of the Act:

China National Precision Machinery Import/Export Corporation (CPMIEC) (China) and any successor, sub-unit, or subsidiary thereof;

Shanghai Non-Ferrous Metals Pudong Development Trade Co. Ltd. (China) and any successor, sub-unit, or subsidiary thereof;

Zibo Chemet Equipment Company (China) and any successor, sub-unit, or subsidiary thereof;