

would require a DCO to collect initial margin on a gross basis for each clearing member's customer account equal to the sum of the initial margin amounts that would be required by the DCO for each individual customer within that account if each individual customer were a clearing member. A DCO would not be permitted to net positions of different customers against one another, but it could collect initial margin for its clearing members' house accounts on a net basis.<sup>7</sup>

Related to this customer gross margin requirement, the preamble further explained as follows, that proposed § 39.19(c)(1)(iv) would require DCOs to report end-of-day positions for each clearing member, by customer origin and house origin, and for customer origin, separately, the gross positions of each beneficial owner:

The Commission recently proposed a new § 39.19(c)(1)(iv) under which a DCO would be required, on a daily basis, to report the end-of-day positions for each clearing member, by origin. [footnote reference to 75 FR at 78195] In connection with the proposed § 39.13(g)(8)(i) requirement for DCOs to collect initial margin for customer accounts on a gross basis, the Commission is proposing to amend proposed § 39.19(c)(1)(iv) to additionally require a DCO, for the customer origin, to report the gross positions of each beneficial owner.<sup>8</sup>

It has come to the attention of the Commission that there was an omission in the **Federal Register** publication of the proposed rule text setting forth the requirement for end-of-day reporting of customer positions by the gross positions of each beneficial owner. The text of proposed § 39.19(c)(1)(iv), which read "End-of-day positions for each clearing member, by customer origin and house origin" should have read, "End-of-day positions for each clearing member, by customer origin and house origin; and for customer origin, separately, the gross positions of each beneficial owner."

In order to provide an adequate opportunity for comment on this reporting requirement, the Commission has determined to extend the comment period for proposed § 39.19(c)(1)(iv), as corrected elsewhere in this issue of the **Federal Register**, until April 25, 2011.

Issued in Washington, DC, on March 17, 2011, by the Commission.

**David A. Stawick,**  
*Secretary of the Commission.*

[FR Doc. 2011-6972 Filed 3-23-11; 8:45 am]

**BILLING CODE 6351-01-P**

## COMMODITY FUTURES TRADING COMMISSION

### 17 CFR Part 39

RIN 3038-AC98

### Risk Management Requirements for Derivatives Clearing Organizations; Correction

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Notice of proposed rulemaking; correction.

**SUMMARY:** This document corrects incorrect text published in the **Federal Register** of January 20, 2011, regarding Risk Management Requirements for Derivatives Clearing Organizations.

**FOR FURTHER INFORMATION CONTACT:** Phyllis Dietz, 202-418-5449.

### Correction

In proposed rule document 2011-690, in the issue of Thursday, January 20, 2011, on page 3726, in the first column, the text of proposed § 39.19(c)(1)(iv), which reads "End-of-day positions for each clearing member, by customer origin and house origin" should read, "End-of-day positions for each clearing member, by customer origin and house origin; and for customer origin, separately, the gross positions of each beneficial owner."

Dated: March 18, 2011.

**David A. Stawick,**  
*Secretary of the Commission.*

[FR Doc. 2011-6976 Filed 3-23-11; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF STATE

### 22 CFR Parts 120, 122, 123 and 129

[Public Notice: 7386]

RIN 1400-AC74

### Amendment to the International Traffic in Arms Regulations: Electronic Payment of Registration Fees; 60-Day Notice of the Proposed Statement of Registration Information Collection; Correction

**AGENCY:** Department of State.

**ACTION:** Proposed rule; correction.

**SUMMARY:** The Department of State published a proposed rule in the **Federal Register** on February 24, 2011, concerning a proposed "DS-2032 Statement of Registration" Information Collection. The proposed rule contained incorrect addresses for the submission of public comments concerning the information collection.

### FOR FURTHER INFORMATION CONTACT:

Tanya Phillips, 202-632-2879

### Correction

In the proposed rule FR Doc. 2011-3878 of February 24, 2011, page 10293, in the second column, correct lines 47 through 71 to read as follows:

"Comments from the public on the information collection may be submitted until May 23, 2011.

Comments should be sent by any of the following methods:

- *E-mail:* [DDTCResponseTeam@state.gov](mailto:DDTCResponseTeam@state.gov) with the subject line, "Electronic Payment of Registration Fees."

- *Mail:* PM/DDTC, SA-1, H1200, Directorate of Defense Trade Controls, Office of Defense Trade Controls Compliance, ATTN: Electronic Payment of Registration Fees, Bureau of Political Military Affairs, U.S. Department of State, Washington, DC 20522-0112.

- *Internet:* View and comment on the original notice by searching for its RIN (1400-AC74) on the U.S. Government regulations Web site at <http://www.regulations.gov>."

Dated: March 17, 2011.

**Robert S. Kovac,**

*Managing Director of Defense Trade Controls, Bureau of Political-Military Affairs, U.S. Department of State.*

[FR Doc. 2011-6977 Filed 3-23-11; 8:45 am]

**BILLING CODE 4710-25-P**

## POSTAL SERVICE

### 39 CFR Parts 111 and 121

### Combined Mailings of Standard Mail and Periodicals Flats

**AGENCY:** Postal Service™.

**ACTION:** Proposed rule.

**SUMMARY:** The Postal Service is proposing to revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) 705.14 and 708.1.1 to provide a new option for mailers to combine Standard Mail® flats and Periodicals flats within the same bundle, when placed on pallets, and to combine bundles of Standard Mail flats and bundles of Periodicals flats on the same pallet. The Postal Service also proposes to revise section 121.2 of title 39, Code of Federal Regulations to reflect that the Standard Mail service standards apply to all Periodicals flats pieces entered in such combined mailings.

**DATES:** We must receive your comments on or before April 25, 2011.

**ADDRESSES:** Mail or deliver written comments to the Manager, Mailing Standards, U.S. Postal Service, 475 L'Enfant Plaza, SW., Room 4446,

<sup>7</sup> 76 FR at 3706.

<sup>8</sup> *Id.*

Washington, DC 20260-4446. You may inspect and photocopy all written comments at USPS® Headquarters Library, 475 L'Enfant Plaza, SW., 11th Floor N, Washington, DC between 9 a.m. and 4 p.m., Monday through Friday. E-mail comments, containing the name and address of the commenter, may be sent to: [MailingStandards@usps.gov](mailto:MailingStandards@usps.gov), with a subject line of "Standard Mail and Periodicals Combined Mailings." Faxed comments are not accepted.

**FOR FURTHER INFORMATION CONTACT:** Jonathan Leon at 202-268-7443, or Kevin Gunther at 202-268-7208.

**SUPPLEMENTARY INFORMATION:** The Postal Service is proposing to provide a new option for mailers to combine Standard Mail flats and Periodicals flats, when bundled and placed on pallets. Mailers using this option may combine different-class mailpieces within the same bundle (comail), or combine separate same-class bundles (of different classes) on the same pallet (copalletize) to maximize presorting or to qualify for deeper destination entry discounts. All mailpieces prepared under this option will be required to be bundled and placed on pallets. Combining mailings enhances operational efficiencies within postal processing by allowing mailers to place mailpieces in bundles on pallets that might have been placed in sacks if prepared separately.

The Postal Service originally provided notice of this new option on February 28, 2011, through a final rule, **Federal Register** notice (10757-10761). In consideration of concerns expressed by members of the mailing community, the Postal Service has elected to publish this proposed rule in lieu of the February 28, 2011 final rule. Interested individuals are encouraged to provide comments as provided above.

This new option will not change current DMM content and eligibility standards applicable to Periodicals and Standard Mail. Mailers using this option will continue to be required to meet the minimum volume standards for Standard Mail of 200 pieces or 50 pounds. Periodicals publications must be authorized or have a pending authorization to mail at Periodicals prices. The current processes that identify and isolate Periodicals origin mixed area distribution center (OMX) mailpieces, for integration into the First-Class Mail® mailstream, will not be available when combining Standard Mail flats and Periodicals flats on pallets. All mailpieces included in a combined mailing of Standard Mail and Periodicals flats on pallets must be machinable in accordance with DMM 301.3.0.

Mailers wishing to combine Standard Mail and Periodicals flats under this option will be required to submit a request for authorization, in writing, to the Manager, Business Mailer Support (see DMM 608.8.1 for contact information).

All mailpieces included in a combined mailing of Periodicals flats and Standard Mail flats will be required to meet the standards for a full-service automation mailing. Intelligent Mail® barcodes placed on mailpieces prepared under this program will be required to include Service Type Identifiers appropriate for the class of mail of the individual mailpiece.

Participating mailers will be required to present standardized electronic mailing documentation for each combined mailing, and at the time of mailing, the following additional documentation:

- An edition or version summary for all pieces in the mailing.
- A consolidated postage statement register and postage statement for each Periodicals publication in the combined mailing.
- A consolidated postage statement register and postage statement for each Standard Mail mailing in the combined mailing. Mailers may provide a single consolidated postage statement and postage statement register of all Standard Mail mailings if they are itemized.
- A register of Forms 8125, *Plant Verified Drop Shipment (PVDS) Verification and Clearance*, (PS 8125C) that consolidates all of the mailings to the destinations where the mail is entered.

When using this option, postage on all Standard Mail pieces must be paid through a permit imprint using a special postage payment system at the Post Office™ serving the mailer.

Postage for Periodicals may be paid through an advance deposit account or through a Centralized Account Payment System (CAPS) account. Participating mailers will be required to apportion the Periodicals bundle charge based on the number of Periodicals copies in the bundles and container charge based on the weight of the Periodicals portion of the container.

Mailers combining Standard Mail flats and Periodicals flats will not have the option to form ADC pallets or to dropship to ADCs. As a result, Periodicals publications included in combined mailings will not have access to DADC prices. Other specific prices for Periodicals flats in a combined mailing will be assessed as follows:

- The bundle prices applicable to the ADC container level will be applied to the ASF/NDC container level.

- The container prices applicable to the ADC pallet level will apply to the ASF/NDC pallet level.

- The bundle price applicable to the ADC bundle placed on the ADC container level will apply to mixed ADC bundles placed on mixed NDC pallets.

- The container price applicable to the ADC pallet level will also apply to the mixed NDC pallet level.

Standard Mail flats and Periodicals flats combined on pallets will be processed as Standard Mail; and the Periodicals mailpieces included within these combined mailings may receive deferred handling. Periodicals mailpieces included within mailings of combined Standard Mail flats and Periodicals flats will be subject to the USPS service standards applicable to Standard Mail. These mailings must also be identified as Standard Mail when scheduling dropship appointments in the Facility Access and Shipment (FAST®) system.

Mailers combining Standard Mail flats and Periodicals flats on pallets must populate field 10, "*Product or Publication Title or Names*," of PS Form 8125 and/or field 11b, "*Product Name/ID*," of PS Form 8125C with "MIX COMAIL" when preparing dropship documentation for these mailings.

Any mixed NDC pallets prepared under this program will be required to be entered at the NDC servicing the 3-digit ZIP Code™ of the entry Post Office for the mailer's plant. Mailers combining Standard Mail flats and Periodicals flats on pallets may reallocate bundles under DMM 705.8.11 and 705.8.13.

Each Standard Mail and Periodicals mailpiece prepared under a combined mailing of Standard Mail flats and Periodicals flats will be required to be identified as containing mixed classes through the use of an optional endorsement line (OEL) in accordance with the proposed standards.

Mailers preparing combined mailings of Standard Mail flats and Periodicals flats will be required to provide a written notification to each participating Periodicals publisher that describes the combined mailing process and the potential for pieces to receive deferred USPS handling. These notifications, signed and dated by the Periodicals publisher, will be required to be retained by the mailer and must be available for review by the USPS upon request.

Although we are exempt from the notice and comment requirements of the Administrative Procedure Act [5 U.S.C.

553(b), (c)] regarding proposed rulemaking by 39 U.S.C. 410(a), we invite public comment on the following proposed revisions to *Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)*, incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1.

The Postal Service also proposes to amend 39 CFR 121.2 by adding a new item c to describe the USPS processing of Periodicals mailpieces included in combined mailings of Standard Mail flats and Periodicals flats, and specifying that Periodicals mailpieces included in these mailings will be assigned the service standards applicable to Standard Mail pieces.

**List of Subjects in 39 CFR Parts 111 and 121**

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR part 111 is proposed to be amended as follows:

**PART 111—[AMENDED]**

1. The authority citation for 39 CFR Part 111 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 13 U.S.C. 301–307; 39 U.S.C. 101, 401, 403, 404, 407, 414, 416, 3001–3011, 3201–3219, 3403–3406, 3621, 3622, 3626, 3632, 3633 and 5001.

2. Revise the following sections of *Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)* as follows:

**Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)**

\* \* \* \* \*

**700 Special Services**

\* \* \* \* \*

**705 Advanced Preparation and Special Postage Payment Systems**

\* \* \* \* \*

**8.0 Preparing Pallets**

\* \* \* \* \*

**8.5 General Preparation**

*8.5.1 Presort*

[Revise the fifth sentence of 8.5.1 as follows:]

\* \* \* Except as described in 15.1i, bundles must not be placed on mixed ADC or mixed NDC pallets. \* \* \*

[Renumber current 15.0 through 23.0 as new 16.0 through 24.0 and add new 15.0 as follows:]

**15.0 Combining Standard Mail Flats and Periodicals Flats**

**15.1 Basic Standards**

Authorized mailers may combine Standard Mail flats and Periodicals flats in a single mailing as follows:

a. Each mailpiece must meet the standards in 340 for Standard Mail and 707 for Periodicals. Periodicals publications must be authorized or pending original or additional entry at the office of mailing.

b. Mailers must prepare pieces in bundles on pallets.

c. Except for residual volume placed on a mixed NDC pallet under 15.4.1j, all pallets meeting minimum volume requirements must be dropshipped to the appropriate DNDC or DSCF.

d. Unless authorized by the local processing and distribution manager, any mixed NDC pallets prepared under this program must be entered at the NDC servicing the 3-digit ZIP Code of the entry Post Office for the mailer's plant.

e. All pieces included in a combined mailing of Standard Mail and Periodicals must meet the requirements for full-service automation, as described in 23.0.

f. Mailers must pay all annual mailing fees at the office of mailing.

g. Each mailing must include at least 200 pieces or 50 pounds of Standard Mail.

h. All mailpieces combined within bundles, in accordance with 14.0, must be similar in size so as to create stable bundles. Bundles placed on pallets under this provision must be prepared to create stable pallets.

i. When residual pieces are included in a combined mailing of Standard Mail flats and Periodicals flats on pallets, these pieces must be placed on mixed NDC pallets and entered at the NDC serving the mailer's plant.

j. All mailpieces included in a combined mailing of Standard Mail flats and Periodicals flats on pallets must be machinable in accordance with 301.3.0.

*15.1.1 Service Objectives*

The Postal Service handles combined mailings of Standard Mail flats and Periodicals flats as Standard Mail. Periodicals flats included within mailings of combined Standard Mail flats and Periodicals flats are subject to the USPS service standards applicable to Standard Mail.

*15.1.2 Postage Payment*

Postage for all Standard Mail pieces must be paid with permit imprint using a special postage payment system in 2.0 through 4.0 at the Post Office serving

the mailer's plant. Postage for Periodicals may be paid through an advance deposit account or through a Centralized Account Payment System (CAPS) account.

*15.1.3 Documentation*

Mailers must present standardized electronic documentation according to 708.1.0. This documentation must accurately reflect the final piece count in the combined mailing. In addition, mailers must provide:

a. An edition or version summary for all pieces in the mailing. The summary may be part of the USPS qualification report and must include version ID, product or edition code, class of mail, piece weight of each version, and number of pieces by version; and for Periodicals, USPS or permit number (or pending permit number), issue date, and advertising percentage.

b. A consolidated postage statement register and postage statement for each Periodicals publication in the combined mailing.

c. A consolidated postage statement register and postage statement for each Standard Mail mailing in the combined mailing. Mailers may provide a single consolidated postage statement and a consolidated postage statement register of all Standard Mail mailings if they are itemized.

d. A register of Forms 8125 (or PS 8125C) that consolidates all of the mailings into the destinations where the mail is dropshipped.

e. Documentation to support zones and bundle totals, if requested.

f. When requested, a copy of a notification document signed and dated by the Periodicals publisher, acknowledging their participation in a combined mailing of Standard Mail and Periodicals and the potential for their mailpieces to receive deferred USPS handling.

g. Any additional documentation to support postage payment system records, if requested.

*15.1.4 Authorization*

A mailer must submit a written request to the manager, Business Mailer Support (see 608.8.1 for address) to combine mailings of Standard Mail flats and Periodicals flats. The request must show the mailer's name and address, the mailing office, evidence of authorization to mail using a special postage payment system under 2.0 through 4.0, procedures for combining the mailing, the expected date of first mailing, quality control procedures, and a sample of all supporting mailing documentation, including postage statements and the USPS Qualification

Report. Business Mailer Support will review the documentation and provide written authorization. A mailer may terminate an authorization at any time by written notice to the postmaster of the office serving the mailer's location. Business Mailer Support may terminate an authorization by written notice if the mailer does not meet the standards.

#### 15.1.5 Price Eligibility

Apply prices based on the standards in 340 for Standard Mail. Prices are based on the standards in 707 for Periodicals and as modified under the standards for this program.

#### 15.1.6 Piece Prices

Apply piece prices based on the bundle level. Pieces contained within mixed class bundles may claim prices based on the presort level of the bundle.

#### 15.1.7 Applying the Periodicals Bundle Charge

Apply bundle charges as follows:

- Calculate the percentage of Periodicals copies in a bundle.
- Convert the percentage to four decimal places, rounding off if necessary (for example, convert 20.221% to 0.2022, or 20.226% to 0.2023). Multiply by the applicable bundle charge.
- Allocate the resulting charge across the Periodicals titles and editions based on the number of copies of each in the bundle.

#### 15.1.8 Applying the Periodicals Container Charge

Apply container charges to pallets as follows:

- Calculate the percentage of the weight of Periodicals copies on each pallet.
- Convert the percentage to four decimal places, rounding off if necessary (for example, convert 20.221% to 0.2022, or 20.226% to 0.2023). Multiply by the applicable container charge.
- Allocate the resulting charge across the Periodicals titles and editions based on the number of copies of each on the pallet.

#### 15.1.9 Other Periodicals Pricing

Other prices for Periodicals flats in a combined mailing of Standard Mail and Periodicals flats on pallets will be assessed as follows:

- The bundle prices applicable to the ADC container level will be applied to the ASF/NDC container levels.
- The container prices applicable to the ADC pallet level will apply to the ASF/NDC pallet levels.

#### 15.1.10 Bundle Reallocation To Protect the SCF or NDC Pallet

Mailers may reallocate bundles under 8.11 or 8.13 to protect the SCF or NDC pallet.

### 15.2 Combining Standard Mail Flats and Periodicals Flats in the Same Bundle

#### 15.2.1 Bundling and Labeling

Standard Mail flats and Periodicals flats may be combined in carrier route, 5-digit (scheme), 3-digit, ADC, and Mixed ADC bundles when prepared according to 707.19.0 and these additional standards:

- Each bundle containing combined Standard Mail flats and Periodicals flats must contain a minimum of 10 pieces. Bundles of only Standard Mail flats must contain a minimum of 10 pieces. Bundles of only Periodicals flats must contain a minimum of 6 pieces.
- Firm bundles must contain only Periodicals flats.

#### 15.2.2 Mailpiece and Bundle Identification

Each Standard Mail and Periodicals mailpiece prepared under a combined mailing of Standard Mail flats and Periodicals flats must be identified as being part of a mixed class mailing through the use of an optional endorsement line (OEL) in accordance with the standards in 708.7.1.8.

#### 15.2.3 Pallet Presort and Labeling

Mailers must prepare pallets according to the standards in 8.0 and in the sequence listed below. Merged 5-digit scheme through NDC pallets must contain at least 250 pounds of combined Standard Mail and Periodicals mailpieces, except as allowed under 8.5.3. Pallets must be labeled according to the Line 1 and Line 2 information listed below and under 8.6. Pallet placards must be white and measure at least 8 inches by 11 inches, unless prepared under 708.6.6.6. Prepare pallets according to the preparation, sequence and labeling instructions in 14.4.1.

### 15.3 Combining Bundles of Standard Mail Flats and Periodicals Flats on the Same Pallet

#### 15.3.1 Bundling and Labeling

Mailers must prepare bundles according to the standards for the class of mail and the prices claimed.

#### 15.3.2 Mailpiece and Bundle Identification

Each Standard Mail and Periodicals mailpiece prepared under a combined mailing of Standard Mail flats and

Periodicals flats must be identified as being part of a mixed class mailing through the use of an optional endorsement line (OEL) in accordance with standards in 708.7.1.8.

#### 15.3.3 Pallet Presort and Labeling

Mailers must prepare pallets according to the standards in 8.0 and in the sequence listed below. Merged 5-digit scheme through NDC pallets must contain at least 250 pounds of combined Standard Mail and Periodicals, except as allowed under 8.5.3. When reallocating bundles under 8.11 or 8.12, mailers do not have to achieve the finest pallet presort level possible. Pallets must be labeled according to the Line 1 and Line 2 information listed below and under 8.6. Pallet placards must be white and measure at least 8 inches by 11 inches, unless prepared under 708.6.6.6. Prepare pallets according to the preparation, sequence and labeling instructions in 14.4.1.

### 15.4 Pallet Preparation

#### 15.4.1 Pallet Preparation, Sequence and Labeling

When combining Standard Mail and Periodicals flats within the same bundle or combining bundles of Standard Mail flats and bundles of Periodicals flats on pallets, bundles must be placed on pallets. Preparation, sequence and labeling:

- Merged 5-digit scheme, optional.* Not permitted for bundles containing noncarrier route automation-compatible flats under 301.3.0. Required for all other bundles. Pallet must contain barcoded carrier route bundles and barcoded noncarrier route 5-digit bundles for the same 5-digit scheme under L001. For 5-digit destinations not part of L001, merged 5-digit pallet preparation begins with 8.10.2d. Labeling:
  - Line 1: L001.
  - Line 2: "STD/PER FLTS CR/5D;" followed by "SCHEME" (or "SCH"); followed by "MIX COMAIL."
- 5-digit scheme carrier routes, required.* Pallet must contain only carrier route bundles for the same 5-digit scheme under L001. For 5-digit destinations not part of L001, 5-digit carrier routes pallet preparation begins with 2.2e. Labeling:
  - Line 1: L001.
  - Line 2: "STD/PER FLTS"; followed by "CARRIER ROUTES" (or "CR-RTS"); followed by "SCHEME" (or "SCH"); followed by "MIX COMAIL."
- 5-digit carrier routes, required.* Pallet must contain only carrier route mail for the same 5-digit ZIP Code. Labeling:

- Line 1: L001.
- Line 2: "STD/PER FLTS"; followed by "CARRIER ROUTES" (or "CR-RTS"); followed by "SCHEME" (or "SCH"); followed by "MIX COMAIL."
- 5-digit carrier routes, required.* Pallet must contain only carrier route mail for the same 5-digit ZIP Code. Labeling:

1. Line 1: city, State, and 5-digit ZIP Code destination (see 8.6.4c for overseas military mail).

2. Line 2: "STD/PER FLTS"; followed by "CR/5D"; followed by "MIX COMAIL."

d. Merged 5-digit, optional. Not permitted for bundles containing noncarrier route automation-compatible flats under 301.3.0. Required for all other bundles. Pallet must contain barcoded carrier route bundles and barcoded noncarrier route 5-digit bundles for the same 5-digit ZIP Code. Labeling:

1. Line 1: city, State, and 5-digit ZIP Code destination (see 8.6.4c for overseas military mail).

2. Line 2: "STD/PER FLTS"; followed by "CR/5D"; followed by "MIX COMAIL."

e. 5-digit, required. Pallet must contain only mail for the same 5-digit ZIP Code or same 5-digit scheme under L007 (for automation flats only under 301.3.0). 5-digit scheme bundles are assigned to 5-digit pallets according to the OEL "label to" 5-digit ZIP Code. Labeling:

1. Line 1: city, State, and 5-digit ZIP Code destination (see 8.6.4c for overseas military mail).

2. Line 2: "STD/PER FLTS 5D"; followed by "BARCODED" (or "BC"); followed by "MIX COMAIL."

f. 3-digit, optional, but not available for bundles for 3-digit ZIP Code prefixes marked "N" in L002. Pallet may contain mail for the same 3-digit ZIP Code or the same 3-digit scheme under L008 (for

automation-compatible flats only under 301.3.0). Three-digit scheme bundles are assigned to pallets according to the OEL "label to" 3-digit ZIP Code in L008.

Labeling:

1. Line 1: L002, Column A.

2. Line 2: "STD/PER FLTS 3D"; followed by "BARCODED" (or "BC"); followed by "MIX COMAIL."

g. SCF, required. Pallet may contain carrier route or automation mail for the 3-digit ZIP Code groups in L005.

Labeling:

1. Line 1: L002, Column C.

2. Line 2: "STD/PER FLTS SCF"; followed by "BARCODED" (or "BC"); followed by "MIX COMAIL."

h. ASF, required unless bundle reallocation used under 2.3. Pallet may contain carrier route or automation mail for the 3-digit ZIP Code groups in L602. ADC bundles are assigned to pallets according to the "label to" ZIP Code in L004 as appropriate. Labeling:

1. Line 1: L602.

2. Line 2: "STD/PER FLTS NDC"; followed by "BARCODED" (or "BC"); followed by "MIX COMAIL."

i. NDC, required. Pallet may contain carrier route or automation mail for the 3-digit ZIP Code groups in L601. ADC bundles are assigned to pallets according to the "label to" ZIP Code in L004 as appropriate. Labeling:

1. Line 1: L601.

2. Line 2: "STD/PER FLTS NDC"; followed by "BARCODED" (or "BC"); followed by "MIX COMAIL."

j. Mixed NDC, required, no minimum. Pallet may contain carrier route or

automation mail. Pallet includes MXD ADC bundles, prepared according to the "label to" ZIP in L009, as appropriate.

Unless authorized by the processing and distribution manager, pallet must be entered at the NDC serving the 3-digit ZIP Code of the entry Post Office.

Labeling:

1. Line 1: "MXD" followed by the information in L601, for the NDC serving the 3-digit ZIP Code prefix of the entry Post Office.

2. Line 2: "STD/PER FLTS;" followed by "BARCODED" (or "BC"); followed by "WKG;" followed by "MIX COMAIL."

\* \* \* \* \*

708 Technical Specifications

\* \* \* \* \*

7.0 Optional Endorsement Lines (OELs)

7.1 OEL Use

7.1.1 Basic Standards

\* \* \* \* \*

Exhibit 7.1.1 OEL Formats

Table with 2 columns: Sortation Level, OEL Example. Row 1: \* \* \* \* \*

[Revise Exhibit 7.1.1 to add a new last section to describe additional OEL human-readable text for use with combined mailings of Standard Mail and Periodicals flats as follows:]

Additional required human-readable text for use with combined mailings of Standard Mail and Periodicals flats:

5-Digit Scheme (and other sortation levels as appropriate) ..... \* \* \* \* \* SCH 5-DIGIT 12345 MIX COMAIL

\* \* \* \* \*

[Add a new 7.1.8 to described new OEL requirements for mailers combining Standard Mail and Periodicals flats as follows:]

7.1.8 Required OEL Use in Combined Mailings of Standard Mail and Periodicals Flats

Mailers authorized to combine Standard Mail flats and Periodicals flats, under 705.15, must apply an OEL identifying the presort level of the bundle and other applicable information to each mailpiece as specified in 7.1 and the following additional standards:

a. Each OEL must contain the format elements described in 7.2 and must include a "MIX COMAIL" human-readable text, as its most right-justified element.

b. Mailpieces may include LOT information, in accordance with 7.1.7, only when there is sufficient space for

the human-readable text in item a and all other required information.

\* \* \* \* \*

PART 121—[AMENDED]

3. The authority citation for 39 CFR Part 121 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 1001, 3691.

4. Amend § 121.2 to include a new paragraph (c) to read as follows:

§ 121.2 Periodicals

\* \* \* \* \*

c. Combined Periodicals/Standard Mail mailing. The Postal Service handles combined mailings of Periodicals flats and Standard Mail flats as Standard Mail. Periodicals flats included within mailings of combined Standard Mail flats and Periodicals flats are subject to the service standards

applicable to Standard Mail in section 121.3.

\* \* \* \* \*

We will publish an appropriate amendment to 39 CFR part 111 and 121 to reflect these changes if our proposal is adopted.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 2011-6912 Filed 3-23-11; 8:45 am]

BILLING CODE 7710-12-P