

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-47444; File No. SR-NASD-2003-25]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the National Association of Securities Dealers, Inc. Relating to Proposed Temporary Fee Reductions and Extension on Pilot Basis of NASD Rule 7010(k) Relating to Fees for the Trade Reporting and Compliance Engine (TRACE)

March 4, 2003.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and rule 19b-4 thereunder,² notice is hereby given that on February 27, 2003, the National Association of Securities Dealers, Inc. ("NASD"), filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in items I, II, and III below, which items have been prepared by NASD. NASD

has designated the proposed rule change as "establishing or changing a due, fee, or other charge" under section 19(b)(3)(A)(ii) of the Act³ and rule 19b-4(f)(2) thereunder,⁴ which renders the proposal effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

NASD is proposing to amend NASD rule 7010(k) relating to fees for the Trade Reporting and Compliance Engine ("TRACE") prior to the expiration of the pilot program for fees on February 28, 2003. NASD is proposing to extend the pilot program for TRACE fees to June 30, 2003, to provide a temporary reduction of certain fees for a one calendar month period during the pilot period, and to clarify certain language relating to the Bond Trade Dissemination Service ("BTDS") fees. In addition, NASD is proposing to clean up

the rule text by deleting references to certain services, and their corresponding fees, that were previously eliminated. As a result of the proposed rule change, the current fee structure, subject to the temporary reductions being implemented, would remain in effect to June 30, 2003. Below is the text of the proposed rule change. Proposed new language is italicized; proposed deletions are in brackets.

* * * * *

7010. System Services

(k) Trade Reporting and Compliance Engine (TRACE)

(Rule 7010(k) shall expire on [February 28] *June 30*, 2003, unless amended, extended, or permanently adopted by NASD pursuant to SEC approval at or before such date).

The following charges shall be paid by participants for the use of the Trade Reporting and Compliance Engine ("TRACE"):

System fees	Transaction reporting fees	Market data fees
From 07/01/02 to 12/31/02: Web Browser Access: \$85/month for 1 user ID; \$75/month for 2-9 user IDs; \$70/month for 10+ user IDs, except If less than 25 trades per month, in October, November, or December 2002—\$25/month per user ID. From 01/01/03 to [02/28/03] 06/30/03: Level I Trade Report Only Web Browser Access—\$25/month per user ID; Level II Full Service Web Browser Access—\$85/month per user ID, <i>except</i> <i>For a period of one calendar month to be announced: Level II Full Service Web Browser Access—\$25/month per user ID.</i> CTCI—\$25/month/line.	From 07/01/02 to 12/31/02: Trades up to and including \$200,000 par value—\$0.50/trade; Trades between \$201,000 and \$999,999 par value—\$0.0025 times the number of bonds traded/trade; Trades of \$1,000,000 par value or more—\$2.50/trade. From 01/01/03 to [02/28/03] 06/30/03: Trades up to and including \$200,000 par value—\$0.475/trade; Trades between \$201,000 and \$999,999 par value—\$0.002375 times the number of bonds traded/trade; Trades of \$1,000,000 par value or more—\$2.375/trade. From 07/01/02 to 12/31/02: Cancel/Correct—\$3/trade, except For October 2002—\$1.50/trade; For November 2002—\$2.25/trade From 01/01/03 to [02/28/03] 06/30/03: Cancel/Correct—\$1.50/trade. From 07/01/02 to 12/31/02: "As of" Trade Late—\$3/trade, except For October 2002—\$1.50/trade; For November 2002—\$2.25/trade. From 01/01/03 to [02/28/03] 06/30/03: "As of" Trade Late—\$3/trade. Browse & Query—\$0.05 after first page.	BTDS Professional Display—\$60/month per terminal, <i>except</i> <i>For a period of one calendar month to be announced: Waiver of fee (\$0).</i> BTDS Internal Usage Authorization—\$500/month per [organization] <i>application/service</i> . BTDS External Usage Authorization—\$1,000/month per [organization] <i>application/service</i> . BTDS Non-Professional Display—\$1/month per terminal. [From 07/01/02 to 12/31/02: Daily List Fax—\$15/month per fax number/addressee]. [As of 01/01/03: Daily List Fax service and corresponding fee eliminated].
Third Party—\$25/month. [From 07/01/02 to 12/31/02: PDN Administrative—\$100/month/line] [As of 01/01/03: PDN service and corresponding fee eliminated].		

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

(1) System Related Fees. There are three methods by which a member may report corporate bond transactions that are reportable to NASD pursuant to the Rule 6200 Series. A member may choose among the following methods to report data to NASD: (a) a TRACE web browser [(either over the Internet or a secure private data network ("PDN"))]; (b) a Computer-to-Computer Interface ("CTCI") (either one dedicated solely to TRACE or a multi-purpose line); or (c) a third-party reporting intermediary. Fees will be charged based on the reporting methodology selected by the member.

(A) Web Browser Access

(i) For the period commencing July 1, 2002, and ending December 31, 2002, the charge to be paid by a member that elects to report TRACE data to NASD via a TRACE web browser shall be as follows: for the first user ID registered, a charge of \$85 per month; for the next two through nine user IDs registered, a charge of \$75 per month, per such additional user ID; and for ten or more user IDs registered, a charge of \$70 per month, per user ID from two to ten or more. If a member reports less than 25 trades per month to the TRACE system in October, November, or December 2002, the charge to be paid by a member for the TRACE web browser shall be \$25, per such month, per user ID.

(ii) For the period commencing January 1, 2003, and ending [February 28] *June 30*, 2003, the charge to be paid by a member that elects to report TRACE data to NASD via a TRACE web browser shall be as follows: \$25 per month, per user ID for Level I Web Trade Report Only Browser Access and \$85 per month, per user ID for Level II Full Service Web Browser Access. *Notwithstanding the above sentence, following the effective date of increased bond data dissemination as approved by the SEC on January 31, 2003⁵, NASD shall announce a period of one calendar month during which the charge for Level II Full Service Web Browser Access shall be \$25 per month, per user ID.*

(iii) A member that elects to report TRACE data to NASD via a web browser over a secure PDN rather than over the Internet shall pay an additional administrative charge of \$100 per

month, per line.⁶ As of January 1, 2003, PDN service and the corresponding fee shall be eliminated.]

(B) Computer-to-Computer Interface Access

No change.

(C) Third Party Access—Indirect Reporting

No change.

(2) Transaction Reporting Fees

For each transaction in corporate bonds that is reportable to NASD pursuant to the Rule 6200 Series, the following charges shall be assessed against the member responsible for reporting the transaction:

(A) Trade Reporting Fee

(i) For the period commencing July 1, 2002, and ending December 31, 2002, a member shall be charged a Trade Reporting Fee based upon a sliding scale ranging from \$0.50 to \$2.50 per transaction based on the size of the reported transaction. Trades up to and including \$200,000 par value will be charged a \$0.50 fee per trade; trades between \$201,000 par value and \$999,999 par value will be charged a fee of \$0.0025 multiplied by the number of bonds traded per trade; and trades of \$1,000,000 par value or more will be charged a fee of \$2.50 per trade.

(ii) For the period commencing January 1, 2003, and ending [February 28] *June 30*, 2003, a member shall be charged a Trade Reporting Fee based upon a sliding scale ranging from \$0.475 to \$2.375 per transaction based on the size of the reported transaction. Trades up to and including \$200,000 par value will be charged a \$0.475 fee per trade; trades between \$201,000 par value and \$999,999 par value will be charged a fee of \$0.002375 multiplied by the number of bonds traded per trade; and trades of \$1,000,000 par value or more will be charged a fee of \$2.375 per trade.

(B) Cancel or Correct Trade Fee

For the period commencing July 1, 2002, and ending December 31, 2002, a member shall be charged a Cancel or Correct Trade Fee of \$3.00 per canceled or corrected transaction. To provide firms with time to adjust to the new reporting system, the Cancel or Correct Trade Fee will not be charged until the later of October 1, 2002, or 90 days after the effective date of TRACE. For the month of October 2002, the Cancel or Correct Trade Fee shall be \$1.50 per canceled or corrected transaction. For

the month of November 2002, the Cancel or Correct Trade Fee shall be \$2.25 per canceled or corrected transaction. For the period commencing January 1, 2003, and ending [February 28] *June 30*, 2003, a member shall be charged a Cancel or Correct Trade Fee of \$1.50 per canceled or corrected transaction.

(C) "As of" Trade Late Fee

For the period commencing July 1, 2002, and ending December 31, 2002, a member shall be charged an "As of" Trade Late Fee of \$3.00 per transaction for those transactions that are not timely reported "As of" as required by these rules. To provide firms with time to adjust to the new reporting system, the "As of" Trade Late Fee will not be charged until the later of October 1, 2002, or 90 days after the effective date of TRACE. For the month of October 2002, the "As of" Trade Late Fee shall be \$1.50 per such transaction. For the month of November 2002, the "As of" Trade Late Fee shall be \$2.25 per such transaction. For the period commencing January 1, 2003, and ending [February 28] *June 30*, 2003, a member shall be charged an "As of" Trade Late Fee of \$3.00 per canceled or corrected transaction.

(D) Browse and Query Fee

Members may review their own previously reported transaction data through a Browse and Query function. A member shall be charged \$0.05 for each returned page of the query beyond the first page.

(3) Market Data Fees

Professionals and non-professionals may subscribe to receive real-time TRACE data disseminated by NASD in one or more of the following ways for the charges specified. Members, vendors and other redistributors shall be required to execute appropriate agreements with NASD.

(A) Professional Fees

Professionals may subscribe for the following:

(i) Bond Trade Dissemination Service ("BTDS") Professional Display Fee of \$60 per month, per terminal charge for each interrogation or display device receiving real-time TRACE transaction data. *Notwithstanding the above sentence, following the effective date of increased bond data dissemination as approved by the SEC on January 31, 2003⁷, NASD shall announce a period of*

⁵ On January 31, 2003, the SEC approved amendments to NASD rule 6250 of the TRACE rules that will allow NASD to begin disseminating transaction information on more than 4,000 qualifying Investment Grade corporate debt securities. See Securities Exchange Act Release No. 47302 (January 31, 2003), 68 FR 6233 (February 6, 2003) (File No. SR-NASD-2002-174).

⁶ Charges that may be imposed by third parties, such as network providers, are not included in these fees.

⁷ On January 31, 2003, the SEC approved amendments to NASD rule 6250 of the TRACE rules that will allow NASD to begin disseminating

one calendar month during which NASD shall waive the \$60 per terminal, per month charge.

(ii) BTDS Internal Usage
Authorization Fee of \$500 per month, per [organization] application/service charge for internal dissemination of real-time TRACE transaction data used in one or more of the following ways: internal operational and processing systems, internal monitoring and surveillance systems, internal price validation, internal portfolio valuation services, internal analytical programs leading to purchase/sale or other trading decisions, and other related activities.⁸

(iii) BTDS External Usage
Authorization Fee of \$1,000 per month, per [organization] application/service charge for dissemination of real-time TRACE transaction data used in one or more of the following ways: repackaging of market data for delivery and dissemination outside the organization, such as indices or other derivative products.⁹

(B) Non-Professional Fees

No change.

(C) Non-Professional Defined

No change.

(4) Daily List Fax Service

Each subscriber for NASD's Daily List Fax Service shall be charged \$15 per month, per fax number/addressee. As of January 1, 2003, Daily List Fax service and the corresponding fee shall be eliminated.]

* * * * *

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, NASD included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in item IV below. NASD has prepared summaries, set forth in sections A, B,

and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

On July 1, 2002, the Trade Reporting and Compliance Engine (TRACE) became effective. On June 28, 2002, the Commission approved proposed NASD fees relating to the operation of the TRACE system (rule 7010(k)) on a pilot basis for a six-month period expiring on December 28, 2002.¹⁰ As part of that rule filing (Amendment No. 3 to SR-NASD-2002-63), NASD committed to review and reassess the proposed TRACE fees as soon as practicable and within six months after the effective date of TRACE, based on such factors as actual volume, usage, costs, and revenues.

On November 15, 2002, NASD submitted a proposed rule change to the SEC to reduce certain TRACE fees for the fourth quarter of 2002 (*i.e.*, the Web Browser Access Fee, the Cancel or Correct Fee, and the "As of" Trade Late Fee). These fees were reduced effective as of October 1, 2002.¹¹

On December 12, 2002, NASD submitted a proposed rule change to the SEC to extend the pilot program for TRACE fees to February 28, 2003, and to modify the pilot effective January 1, 2003.¹² As of January 1, 2003, NASD divided the Web Browser Access Fee into two service levels "Level I with no access to real-time TRACE data, and Level II with access to real-time TRACE data. A participant who registers for Level I Trade Report Only Web Browser Access will be able to report TRACE data to NASD over the Internet. Level I Trade Report Only Web Browser Access will allow a participant to report TRACE data to NASD, but will not allow a participant to receive real-time TRACE transaction data. The fee for Level I Trade Report Only Web Browser Access is \$25 per month, per user ID. A

participant who registers for Level II Full Service Web Browser Access will be able to report TRACE data to NASD over the Internet and to use a query feature to receive real-time TRACE transaction data. The fee for Level II Full Service Web Browser Access is \$85 per month, per user ID. A participant may register for a combination of Level I and Level II service based on their usage and needs.

As of January 1, 2003, NASD also reduced trade reporting fees by 5% for 2003 and reduced the Cancel or Correct Fee from \$3.00 to \$1.50 effective January 1, 2003. The "As of" Trade Late Fee will remain at \$3.00 per trade.

To provide additional transparency in the debt market, NASD submitted a rule filing with the Commission to increase the categories of TRACE eligible-securities for which transaction data should be required to be disseminated by NASD ("Phase II"). On December 6, 2002, NASD submitted a rule filing to amend, among other things, NASD rule 6250 to provide for the dissemination of transaction information on additional Investment Grade TRACE-eligible securities under the NASD rule 6200 Series (also known as the "TRACE Rules"). On January 31, 2003, the SEC approved these amendments to NASD rule 6250 of the TRACE rules.¹³ Approximately 520 bonds have been subject to dissemination since TRACE began on July 1, 2002.¹⁴ NASD believes Phase II will substantially increase the amount of information available to the public and market participants about debt markets. NASD believes that under Phase II, over 4,000 TRACE eligible-securities will be subject to dissemination under NASD rule 6250.

Temporary Fee Holiday of BTDS Professional Display Fee

To improve transparency and provide subscribers a "trial month" to explore the services provided by the Bond Trade Dissemination Service ("BTDS") terminals, NASD is proposing to provide a temporary fee holiday from the BTDS Professional Display Fee to subscribers for a period of one calendar month to be announced following the start of Phase II TRACE data dissemination. During this one-month period, NASD shall not charge

transaction information on more than 4,000 qualifying Investment Grade corporate debt securities. See Securities Exchange Act Release No. 47302 (January 31, 2003), 68 FR 6233 (February 6, 2003) (File No. SR-NASD-2002-174).

⁸ Under this service, real-time TRACE transaction data may not be used in any interrogation display devices, any systems that permit end users to determine individual transaction pricing in real-time, or disseminated to any external source.

⁹ Under this service, real-time TRACE transaction data may not be used in any interrogation display devices or any systems that permit end users to determine individual transaction pricing in real-time.

¹⁰ The Commission approved rule 7010(k) relating to TRACE fees on June 28, 2002, on a six-month pilot basis. See Securities Exchange Act Release No. 46145 (June 28, 2002), 67 FR 44911 (July 5, 2002) (File No. SR-NASD-2002-63).

¹¹ On November 22, 2002, the Commission issued a notice of the filing and immediate effectiveness of this proposed rule change. See Securities Exchange Act Release No. 46893 (November 22, 2002), 67 FR 72008 (December 3, 2002) (SR-NASD-2002-167).

¹² On December 19, 2002, the Commission issued a notice of the filing and immediate effectiveness of this proposed rule change. See Securities Exchange Act Release No. 47056 (December 19, 2002), 67 FR 79205 (December 27, 2002) (File No. SR-NASD-2002-176).

¹³ See Securities Exchange Act Release No. 47302 (January 31, 2003), 68 FR 6233 (February 6, 2003) (File No. SR-NASD-2002-174).

¹⁴ Minor fluctuations in the number of bonds disseminated occur because newly issued bonds are added if they meet the dissemination criteria, and outstanding bonds on which information is disseminated may no longer be disseminated, if, at some point, they fail to meet the dissemination criteria, or are mature, or are retired.

subscribers the current \$60 per month, per terminal charge.

Temporary Reduction of Level II Full Service Web Browser Access Fee

To further improve transparency and provide subscribers a "trial month" to explore the additional services provided by Level II Full Service Web Browser Access, NASD is proposing a temporary fee reduction on the current Level II Full Service Web Browser Access Fee. The current fee is \$85 per month, per user ID. NASD is proposing to temporarily reduce the Level II Full Service Web Browser Access Fee to subscribers for a period of one calendar month to be announced following the start of Phase II TRACE data dissemination. During this one-month period, NASD will reduce the charge for Level II Full Service Web Browser Access to \$25 per month, per terminal.

Clarified Language of BTDS Fees

NASD is proposing to revise certain language in the BTDS Internal Usage Authorization Fee and the BTDS External Authorization Fee. Currently, the language in rule 7010(k)(3)(A)(ii) and (iii) provides that the charge for each service is determined "per month, per organization." However, NASD staff has received questions on the application of these fees from the industry and there has been some confusion as to the meaning of the language. To alleviate this confusion and to provide clarity in the application of the charges for these services, NASD is proposing to replace the language "per month, per organization" as used in both the BTDS Internal Authorization Fee and the BTDS External Authorization Fee with the language "per month, per application/service." NASD hopes this change will clarify that the charges apply to each application/service by a subscriber of TRACE data, including among other things, use of market data (i) to disseminate bond tables to press associations or other publishers, or for the purpose of furnishing market data via magnetic tape; (ii) in operations control programs designed for monitoring and surveillance purposes, order/report price validation, order status verification and related activities, portfolio valuation, system development, creation of a delayed last sale prices system, etc., (iii) in analysis programs; or (iv) in proprietary execution systems.

Extension and/or Renewal of Pilot Program for TRACE Fees

NASD is proposing to extend and/or renew the pilot program for TRACE fees

that is scheduled to expire on February 28, 2003, to expire on June 30, 2003. Further, NASD expects to submit a rule filing to the SEC prior to the June 30, 2003, expiration date seeking approval of a permanent fee structure for TRACE. NASD believes that the proposed fee structure for TRACE is reasonable, however, NASD is committed to an ongoing review and reassessment of TRACE fees during 2003. Based on data collected during 2003, NASD may recommend additional changes to the TRACE fee structure to ensure that the TRACE fees are reasonable.

NASD will continue to review and reassess the impact of the overall TRACE fee structure over time to ensure that the fees are reasonable and equitable for participants in the TRACE system.

2. Statutory Basis

NASD believes that the proposed rule change is consistent with the provisions of section 15A(b)(5) of the Act,¹⁵ which requires, among other things, that NASD's rules provide for the equitable allocation of reasonable dues, fees, and other charges among members and issuers and other persons using any facility or system which NASD operates or controls. NASD is proposing to extend the pilot program for TRACE fees to June 30, 2003, to provide certain temporary fee reductions for a one-month period following implementation of Phase II TRACE data dissemination, and to clarify certain language relating to the BTDS Internal Authorization Fee and the BTDS External Authorization Fee. In addition, NASD is proposing to clean up the Rule text by deleting references to certain services, and their corresponding fees, that were previously eliminated. As a result of the proposed rule change, the current fee structure, subject to the temporary fee reductions, would remain in effect to June 30, 2003. NASD believes that such proposed rule change will more equitably allocate fees to NASD members during the early stages of implementing TRACE.

B. Self-Regulatory Organization's Statement on Burden on Competition

NASD does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The proposed rule change is effective upon filing pursuant to section 19(b)(3)(A)(ii) of the Act¹⁶ and rule 19b-4(f)(2) thereunder,¹⁷ because the proposal is "establishing or changing a due, fee, or other charge." The rule change has become effective upon filing pursuant to section 19(b)(3)(A) of the Act and rule 19b-4(f)(2) thereunder, and will be operational immediately as of the dates described in the proposed rule change. NASD will announce the one calendar month period during which the described fee reductions will take place in a notice to members.

At any time within 60 days of this filing, the Commission may summarily abrogate this proposal if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposal is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of NASD. All submissions should refer to file number SR-NASD-2003-25 and should be submitted by April 1, 2003.

¹⁶ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁷ 17 CFR 240.19b-4(f)(2).

¹⁵ 15 U.S.C. 78o3(b)(5).

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁸

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 03-5773 Filed 3-10-03; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF STATE

[Public Notice 4295]

Culturally Significant Objects Imported for Exhibition Determinations: "Quiet Beauty: Fifty Centuries of Japanese Folk Ceramics From the Montgomery Collection"

DEPARTMENT: Department of State.

ACTION: Notice.

SUMMARY: Notice is hereby given of the following determinations: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.*; 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, and Delegation of Authority No. 236 of October 19, 1999, as amended, I hereby determine that the objects to be included in the exhibition "Quiet Beauty: Fifty Centuries of Japanese Folk Ceramics from the Montgomery Collection," imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners. I also determine that the exhibition or display of the exhibit objects at Bard Graduate Center for Studies in the Decorative Arts, Design and Culture, New York, New York, March 27-June 15, 2003; Frederik Meijer Gardens, Grand Rapids, Michigan, August 23-January 4, 2004; Honolulu Academy of Arts, Honolulu, Hawaii, January 31, 2004-April 11, 2004; Tyler Museum of Art, Tyler, Texas, May 8, 2004 July 18, 2004; Society of the Four Arts, Palm Beach, Florida, March 4, 2005-April 10, 2005; and at possible additional venues yet to be determined, is in the national interest. Public Notice of these Determinations is ordered to be published in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: For further information, including a list of the exhibit objects, contact Orde F. Kittrie, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State, (telephone: 202/401-4779). The address

is U.S. Department of State, SA-44, 301 4th Street, SW., Room 700, Washington, DC 20547-0001.

Dated: February 27, 2003.

Patricia S. Harrison,

Assistant Secretary for Educational and Cultural Affairs, Department of State.

[FR Doc. 03-5761 Filed 3-10-03; 8:45 am]

BILLING CODE 4710-08-P

DEPARTMENT OF STATE

[Public Notice 4298]

Bureau of Nonproliferation; Foreign Assistance Act: Determinations

AGENCY: Department of State.

ACTION: Determination under the Foreign Assistance Act.

Pursuant to section 654(c) of the Foreign Assistance Act of 1961, as amended, notice hereby is given that the Deputy Secretary of State has made a determination pursuant to section 620H of the Foreign Assistance Act of 1961, as amended and section 543 of the Foreign Operations, Export Financing and Related Programs Appropriations, Division E, of the Consolidated Appropriations Resolution, 2003 (H.J. Res. 2, Pub. L. 108-7), and similar provisions in previous annual Foreign Operations, Export Financing and Related Programs Appropriations Acts, and Executive Order 12163, as amended, and has concluded that publication of the determination would be harmful to the national security of the United States.

Dated: March 5, 2003.

John S. Wolf,

Assistant Secretary of State for Nonproliferation, Department of State.

[FR Doc. 03-5764 Filed 3-10-03; 8:45 am]

BILLING CODE 4710-27-P

DEPARTMENT OF STATE

[Public Notice 4297]

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

AGENCY: Bureau of Nonproliferation, Department of State.

ACTION: Notice.

SUMMARY: The United States Government has determined that two foreign persons have engaged in proliferation activities that require the imposition of measures pursuant to the Iran-Iraq Arms Nonproliferation Act of 1992.

EFFECTIVE DATE: February 13, 2003.

FOR FURTHER INFORMATION CONTACT: On general issues: Vann H. Van Diepen, Director, Office of Chemical, Biological, and Missile Nonproliferation, Bureau of Nonproliferation, Department of State (202-647-1142). On U.S. Government procurement ban issues: Gladys Gines, Office of the Procurement Executive, Department of State (703-516-1691).

SUPPLEMENTARY INFORMATION: Pursuant to Section 1604 of the Iran-Iraq Arms Nonproliferation Act of 1992 (Pub. L. 102-484), the President's Memorandum Delegation of Authority dated September 27, 1994 (59 FR 50685), and State Department Delegation of Authority No. 145 of February 4, 1980, as amended, the Under Secretary of State for Arms Control and International Security Affairs has determined that the following foreign persons have engaged in proliferation activities that require the imposition of measures as described in section 1604(b) of the Iran-Iraq Arms Nonproliferation Act of 1992 (Pub. L. 102-484):

Protech Consultants Private, Ltd. (India) and its successor entities, parents, or subsidiaries; and

Mohammed Al-Khatib (Jordanian national).

Accordingly, until further notice and pursuant to the provisions of section 1604(b) of the Iran-Iraq Arms Nonproliferation Act of 1992 (Pub. L. 102-484), the following measures are imposed on these foreign persons:

1. For a period of two years, the United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the sanctioned persons; and

2. For a period of two years, the United States Government shall not issue any license for any export by or to the sanctioned persons.

These measures shall be implemented by the responsible departments and agencies of the United States Government and will remain in place for two years, except to the extent subsequently determined otherwise.

Dated: March 4, 2003.

John S. Wolf,

Assistant Secretary of State for Nonproliferation, Department of State.

[FR Doc. 03-5763 Filed 3-10-03; 8:45 am]

BILLING CODE 4710-25-P

¹⁸ 17 CFR 200.30-3(a)(12).