

(a) \* \* \*

(18) Parasiticides. Prohibited in slaughter stock, allowed in emergency treatment for dairy and breeder stock when organic system plan-approved preventive management does not prevent infestation. Milk or milk products from a treated animal cannot be labeled as provided for in subpart D of this part for 90 days following treatment. In breeder stock, treatment cannot occur during the last third of gestation if the progeny will be sold as organic and must not be used during the lactation period for breeding stock.

(i) Fenbendazole (CAS # 43210-67-9)—only for use by or on the lawful written order of a licensed veterinarian.

(ii) Ivermectin (CAS # 70288-86-7).

(iii) Moxidectin (CAS # 113507-06-5)—for control of internal parasites only.

\* \* \* \* \*

Dated: May 10, 2012.

**David R. Shipman,**

*Administrator, Agricultural Marketing Service.*

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BILLING CODE 3410-02-P

## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR Part 275

[Release No. IA-3403; File No. S7-36-10]

#### Political Contributions by Certain Investment Advisers

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Final rule; technical amendment.

**SUMMARY:** The Securities and Exchange Commission (“Commission”) is making a technical amendment to the definition of “covered associate” in rule 206(4)-5 under the Investment Advisers Act of 1940 (“Advisers Act”) to correct an inadvertent error in the rule as published in the **Federal Register** on July 19, 2011.

**DATES:** *Effective date:* May 15, 2012.

**FOR FURTHER INFORMATION CONTACT:** Vanessa M. Meeks, Attorney-Adviser, or Melissa A. Rovers, Branch Chief, at (202) 551-6787 or [IArules@sec.gov](mailto:IArules@sec.gov), Office of Investment Adviser Regulation, Division of Investment Management, U.S. Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-8549.

**SUPPLEMENTARY INFORMATION:**

#### I. Background

The Commission adopted rule 206(4)-5 in July 2010 to prohibit an investment adviser from providing advisory services for compensation to a government client for two years after the adviser or certain of its executives or employees (“covered associates”) make a contribution to certain elected officials or candidates.<sup>1</sup> In November 2010, the Commission proposed new rules and rule amendments under the Advisers Act to implement provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act.<sup>2</sup> In that release, the Commission also proposed several amendments to rule 206(4)-5, including a minor change to the rule’s definition of a “covered associate” to replace the word “individual” with the word “person.”<sup>3</sup> The proposed change would have specified that a legal entity, not just a natural person, that is a general partner or managing member of an investment adviser would meet the definition of “covered associate.”<sup>4</sup>

In June 2011, the Commission adopted many of the new rules and rule amendments set forth in the Implementing Proposing Release, including amendments to rule 206(4)-5.<sup>5</sup> The Commission specified in the “Discussion” section of the Implementing Adopting Release that it was *not* adopting the proposed amendment to the definition of “covered associate,” i.e., that the definition would continue to use the word “individual.”<sup>6</sup> However, the text of rule 206(4)-5(f)(2)(i) published in the “Text of Rule and Form Amendments” section of the Implementing Adopting Release, and subsequently in the **Federal Register**, incorrectly reflected the replacement of the word “individual” with the word “person,” as though that proposed change had been adopted. To correct this mistake,

<sup>1</sup> *Political Contributions by Certain Investment Advisers*, Investment Advisers Act Release No. 3043 (July 1, 2010) [75 FR 41018 (July 14, 2010)].

<sup>2</sup> *Rules Implementing Amendments to the Investment Advisers Act of 1940*, Investment Advisers Act Release No. 3110 (Nov. 19, 2010) [75 FR 77052 (Dec. 10, 2010)] (“Implementing Proposing Release”).

<sup>3</sup> See *id.* at section II.D.1.

<sup>4</sup> *Id.*

<sup>5</sup> See *Rules Implementing Amendments to the Investment Advisers Act of 1940*, Investment Advisers Act Release No. 3221 (June 22, 2011) [76 FR 42950 (July 19, 2011)] (“Implementing Adopting Release”).

<sup>6</sup> *Id.* at n.340 (“We are not, however, adopting an amendment we proposed to specify that a legal entity, not just a natural person, that is a general partner or managing member of an investment adviser would meet the definition of “covered associate” in the rule. Upon reflection, it would broaden the application of the rule more than we intended.”).

the Commission is making a technical amendment to rule 206(4)-5(f)(2)(i) to replace the word “person” with the word “individual.”

#### II. Certain Findings

Under the Administrative Procedure Act (“APA”), notice of proposed rulemaking is not required when an agency, for good cause, finds “that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.”<sup>7</sup> The Commission is making a technical amendment to rule 206(4)-5 to reflect the Commission’s stated intent in the Implementing Adopting Release. The Commission finds that because the amendment is technical and is being made solely to correct a mistake, publishing the amendment for comment is unnecessary.<sup>8</sup>

The APA also requires publication of a rule at least 30 days before its effective date unless the agency finds otherwise for good cause.<sup>9</sup> For the same reasons described above with respect to notice and opportunity for comment, the Commission finds that there is good cause for this technical amendment to take effect on May 15, 2012.

The amendment the Commission is adopting does not make substantive or material modifications to any collection of information requirements as defined by the Paperwork Reduction Act of 1995, as amended.<sup>10</sup>

The Commission is sensitive to the costs and benefits of its rules. The rule amendment the Commission is adopting today is technical and is being made solely to correct a mistake and therefore will have minimal, if any, economic effect.

#### III. Statutory Text and Text of Amendment

We are adopting this technical amendment to rule 206(4)-5 under the authority set forth in sections 206(4) and 211(a) of the Advisers Act.<sup>11</sup>

<sup>7</sup> 5 U.S.C. 553(b).

<sup>8</sup> For similar reasons, the amendment does not require analysis under the Regulatory Flexibility Act (“RFA”) or analysis of major rule status under the Small Business Regulatory Enforcement Fairness Act. See 5 U.S.C. 601(2) (for purposes of RFA analysis, the term “rule” means any rule for which the agency publishes a general notice of proposed rulemaking); and 5 U.S.C. 804(3)(C) (for purposes of Congressional review of agency rulemaking, the term “rule” does not include any rule of agency organization, procedure or practice that does not substantially affect the rights or obligations of non-agency parties).

<sup>9</sup> See 5 U.S.C. 553(d)(3).

<sup>10</sup> 44 U.S.C. 3501, 3507.

<sup>11</sup> 15 U.S.C. 80b-6(4) and 80b-11(a).

**List of Subjects in 17 CFR Part 275**

Reporting and recordkeeping requirements; Securities.

**Text of Amendment**

For the reasons set out in the preamble, Title 17, Chapter II of the Code of the Federal Regulations is amended as follows:

**PART 275—RULES AND REGULATIONS, INVESTMENT ADVISERS ACT OF 1940**

■ 1. The authority for part 275 continues to read in part as follows:

**Authority:** 15 U.S.C. 80b-2(a)(11)(H), 80b-2(a)(17), 80b-3, 80b-4, 80b-4a, 80b-6(4), 80b-6a, and 80b-11, unless otherwise noted.

\* \* \* \* \*

■ 2. Section 275.206(4)-5 is amended by revising paragraph (f)(2)(i) to read as follows:

**§ 275.206(4)-5 Political contributions by certain investment advisers.**

\* \* \* \* \*

(f) \* \* \*  
(2) \* \* \*

(i) Any general partner, managing member or executive officer, or other individual with a similar status or function;

\* \* \* \* \*

Dated: May 8, 2012.

**Elizabeth M. Murphy,**  
*Secretary.*

[FR Doc. 2012-11662 Filed 5-14-12; 8:45 am]

**BILLING CODE 8011-01-P**

**PENSION BENEFIT GUARANTY CORPORATION****29 CFR Part 4022****Benefits Payable in Terminated Single-Employer Plans; Interest Assumptions for Paying Benefits**

**AGENCY:** Pension Benefit Guaranty Corporation.

**ACTION:** Final rule.

**SUMMARY:** This final rule amends the Pension Benefit Guaranty Corporation's regulation on Benefits Payable in Terminated Single-Employer Plans to prescribe interest assumptions under the regulation for valuation dates in

June 2012. The interest assumptions are used for paying benefits under terminating single-employer plans covered by the pension insurance system administered by PBGC.

**DATES:** Effective June 1, 2012.

**FOR FURTHER INFORMATION CONTACT:**

Catherine B. Klion

(*Klion.Catherine@pbgc.gov*), Manager, Regulatory and Policy Division, Legislative and Regulatory Department, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005, 202-326-4024. (TTY/TDD users may call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4024.)

**SUPPLEMENTARY INFORMATION:** PBGC's regulation on Benefits Payable in Terminated Single-Employer Plans (29 CFR part 4022) prescribes actuarial assumptions—including interest assumptions—for paying plan benefits under terminating single-employer plans covered by title IV of the Employee Retirement Income Security Act of 1974. The interest assumptions in the regulation are also published on PBGC's Web site (<http://www.pbgc.gov>).

PBGC uses the interest assumptions in Appendix B to Part 4022 to determine whether a benefit is payable as a lump sum and to determine the amount to pay. Appendix C to Part 4022 contains interest assumptions for private-sector pension practitioners to refer to if they wish to use lump-sum interest rates determined using PBGC's historical methodology. Currently, the rates in Appendices B and C of the benefit payment regulation are the same.

The interest assumptions are intended to reflect current conditions in the financial and annuity markets. Assumptions under the benefit payments regulation are updated monthly. This final rule updates the benefit payments interest assumptions for June 2012.<sup>1</sup>

The June 2012 interest assumptions under the benefit payments regulation will be 1.25 percent for the period during which a benefit is in pay status

<sup>1</sup> Appendix B to PBGC's regulation on Allocation of Assets in Single-Employer Plans (29 CFR Part 4044) prescribes interest assumptions for valuing benefits under terminating covered single-employer plans for purposes of allocation of assets under ERISA section 4044. Those assumptions are updated quarterly.

and 4.00 percent during any years preceding the benefit's placement in pay status. In comparison with the interest assumptions in effect for May 2012, these interest assumptions represent an decrease of 0.25 percent in the immediate annuity rate and are otherwise unchanged.

PBGC has determined that notice and public comment on this amendment are impracticable and contrary to the public interest. This finding is based on the need to determine and issue new interest assumptions promptly so that the assumptions can reflect current market conditions as accurately as possible.

Because of the need to provide immediate guidance for the payment of benefits under plans with valuation dates during June 2012, PBGC finds that good cause exists for making the assumptions set forth in this amendment effective less than 30 days after publication.

PBGC has determined that this action is not a "significant regulatory action" under the criteria set forth in Executive Order 12866.

Because no general notice of proposed rulemaking is required for this amendment, the Regulatory Flexibility Act of 1980 does not apply. See 5 U.S.C. 601(2).

**List of Subjects in 29 CFR Part 4022**

Employee benefit plans, Pension insurance, Pensions, Reporting and recordkeeping requirements.

In consideration of the foregoing, 29 CFR part 4022 is amended as follows:

**PART 4022—BENEFITS PAYABLE IN TERMINATED SINGLE-EMPLOYER PLANS**

■ 1. The authority citation for part 4022 continues to read as follows:

**Authority:** 29 U.S.C. 1302, 1322, 1322b, 1341(c)(3)(D), and 1344.

■ 2. In appendix B to part 4022, Rate Set 224, as set forth below, is added to the table.

**Appendix B to Part 4022—Lump Sum Interest Rates For PBGC Payments**

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