

Variable-Rate Premiums

Section 4006(a)(3)(E)(iii)(II) of the Employee Retirement Income Security Act of 1974 (ERISA) and 4006.4(b)(1) of the PBGC's regulation on Premium Rates (29 CFR part 4006) prescribe use of an assumed interest rate (the "required interest rate") in determining a single-employer plan's variable-rate premium. The required interest rate is the "applicable percentage" (currently 100 percent) of the annual yield on 30-year Treasury securities for the month preceding the beginning of the plan year for which premiums are being paid (the "premium payment year"). (Although the Treasury Department has ceased issuing 30-year securities, the Internal Revenue Service announces a surrogate yield figure each month—based on the 30-year Treasury bond maturing in February 2031—which the PBGC uses to determine the required interest rate.)

The required interest rate to be used in determining variable-rate premiums for premium payment years beginning in July 2003 is 4.37 percent.

The following table lists the required interest rates to be used in determining variable-rate premiums for premium payment years beginning between August 2002 and July 2003.

For premium payment years beginning in—	The required interest rate is—
August 2002	5.39
September 2002	5.08
October 2002	4.76
November 2002	4.93
December 2002	4.96
January 2003	4.92
February 2003	4.94
March 2003	4.81
April 2003	4.80
May 2003	4.90
June 2003	4.53
July 2003	4.37

Late Premium Payments; Underpayments and Overpayments of Single-Employer Plan Termination Liability

Section 4007(b) of ERISA and 4007.7(a) of the PBGC's regulation on Payment of Premiums (29 CFR part 4007) require the payment of interest on late premium payments at the rate established under section 6601 of the Internal Revenue Code. Similarly, 4062.7 of the PBGC's regulation on Liability for Termination of Single-Employer Plans (29 CFR part 4062) requires that interest be charged or credited at the section 6601 rate on underpayments and overpayments of employer liability under section 4062 of ERISA. The section 6601 rate is

established periodically (currently quarterly) by the Internal Revenue Service. The rate applicable to the third quarter (July through September) of 2003, as announced by the IRS, is 5 percent.

The following table lists the late payment interest rates for premiums and employer liability for the specified time periods:

From—	Through—	Interest rate (percent)
7/1/96	3/31/98	9
4/1/98	12/31/98	8
1/1/99	3/31/99	7
4/1/99	3/31/00	8
4/1/00	3/31/01	9
4/1/01	6/30/01	8
7/1/01	12/31/01	7
1/1/02	12/31/02	6
1/1/03	9/30/03	5

Underpayments and Overpayments of Multiemployer Withdrawal Liability

Section 4219.32(b) of the PBGC's regulation on Notice, Collection, and Redetermination of Withdrawal Liability (29 CFR part 4219) specifies the rate at which a multiemployer plan is to charge or credit interest on underpayments and overpayments of withdrawal liability under section 4219 of ERISA unless an applicable plan provision provides otherwise. For interest accruing during any calendar quarter, the specified rate is the average quoted prime rate on short-term commercial loans for the fifteenth day (or the next business day if the fifteenth day is not a business day) of the month preceding the beginning of the quarter, as reported by the Board of Governors of the Federal Reserve System in Statistical Release H.15 ("Selected Interest Rates"). The rate for the third quarter (July through September) of 2003 (*i.e.*, the rate reported for June 16, 2003) is 4.25 percent.

The following table lists the withdrawal liability underpayment and overpayment interest rates for the specified time periods:

From—	Through—	Interest rate (percent)
7/1/97	12/31/98	8.50
1/1/99	9/30/99	7.75
10/1/99	12/31/99	8.25
1/1/00	3/31/00	8.50
4/1/00	6/30/00	8.75
7/1/00	3/31/01	9.50
4/1/01	6/30/01	8.50
7/1/01	9/30/01	7.00
10/1/01	12/31/01	6.50
1/1/02	12/31/02	4.75
1/1/03	9/30/03	4.25

Multiemployer Plan Valuations Following Mass Withdrawal

The PBGC's regulation on Duties of Plan Sponsor Following Mass Withdrawal (29 CFR part 4281) prescribes the use of interest assumptions under the PBGC's regulation on Allocation of Assets in Single-Employer Plans (29 CFR part 4044). The interest assumptions applicable to valuation dates in August 2003 under part 4044 are contained in an amendment to part 4044 published elsewhere in today's **Federal Register**. Tables showing the assumptions applicable to prior periods are codified in appendix B to 29 CFR part 4044.

Issued in Washington, DC, on this 9th day of July, 2003.

Joseph H. Grant,
Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation.
[FR Doc. 03-17844 Filed 7-14-03; 8:45 am]
BILLING CODE 7708-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-48140; File No. SR-MSRB-2003-06]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Municipal Securities Rulemaking Board To Amend Rule A-14, on Annual Fees

July 8, 2003.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("the Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 3, 2003 the Municipal Securities Rulemaking Board ("Board" or "MSRB") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Board. 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

The MSRB is proposing to amend Rule A-14, which provides for an annual fee paid by dealers to the MSRB. The MSRB requests the MSRB requests that the proposed rule change become effective prior to the beginning of the Board's fiscal year of 2004 (October 1,

¹ 15 U.S.C. 78s(b)(1).
² 17 CFR 240.19b-4.

2003). Below is the text of the proposed rule change. Proposed new language is italicized, deletions are in brackets.

* * * * *

Rule A-14: Annual Fee

In addition to any other fees prescribed by the rules of the Board, each broker, dealer and municipal securities dealer shall pay an annual fee to the Board of [\$200] \$300, with respect to each fiscal year of the Board in which the broker, dealer or municipal securities dealer conducts municipal securities activities. Such fee must be received at the office of the Board no later than October 31 of the fiscal year for which the fee is paid, accompanied by the invoice sent to the broker, dealer or municipal securities dealer by the Board, or a written statement setting forth the name, address and Commission registration number of the broker, dealer or municipal securities dealer on whose behalf the fee is paid.

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

In its filing with the Commission, the Board 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. The Board 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

The purpose of the proposed rule change is to help provide sufficient revenues to fund Board operations and to allocate fees among dealers in a manner that, compared to the current fee structure, more accurately reflects each dealer's involvement in the municipal securities market. The proposed rule change would accomplish these purposes by amending Rule A-14 to increase the annual fee assessed to dealers from \$200 to \$300 per dealer.

The MSRB currently levies three types of fees that are generally applicable to dealers. Rule A-12 provides for a \$100 initial fee paid once by a dealer when it enters the municipal securities business. Rule A-13 provides for an underwriting fee of \$.03 per \$1000 par value of bonds and \$.01 per

\$1000 par value of notes, and a transaction fee of \$.005 per \$1000 par value. Rule A-14 provides for an annual fee of \$200 from each dealer who conducts municipal securities activities. The annual fee imposed by Rule A-14 was last increased from \$100 to \$200 in 1996.

The MSRB has reviewed its revenue structure on a number of occasions in the past to ensure that the fee structure reflects a firm's activity within the industry. The MSRB believes that its fees are not levied for a single purpose but for general purposes, since MSRB regulatory activities affect all participants in the dealer community. Over the last six years, the proportion of MSRB revenues derived from the underwriting assessment and the transaction fee has grown dramatically while the proportion from the annual fee has declined. A number of dealers that do not participate in traditional municipal securities underwriting activities or are not actively involved in the trading of traditional municipal securities effectively only pay a small annual fee of \$200 to the MSRB. For example, firms that primarily effect transactions in a new product, municipal fund securities, only pay the annual fee because such transactions are exempt from underwriting and transaction fees. The MSRB believes that these firms should pay a higher proportion of the regulatory fees.

To redress this imbalance, the MSRB has determined to raise the annual fee from \$200 to \$300. We anticipate that the proposed rule change will result in an increase of \$250,000 to the MSRB's revenues in fiscal year 2004. The proposed rule change will enhance the equitable distribution of fees among dealers in the municipal securities market and increase the MSRB's revenue to accommodate the increased costs associated with regulating municipal fund securities activities.

2. Basis

The Board has adopted the proposed rule change pursuant to section 15B(b)(2)(J) of the Act, which requires, in pertinent part, that the Board's rules shall:

Provide that each municipal securities broker and each municipal securities dealer shall pay to the Board such reasonable fees and charges as may be necessary or appropriate to defray the costs and expenses of operating and administering the Board. Such rules shall specify the amount of such fees and charges.

The proposed rule change provides for reasonable fees, based on dealer involvement in the municipal securities

market that are necessary to defray Board expenses.

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

The Board does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, since it would apply equally to all brokers, dealers and municipal securities dealers.

C. Self-Regulatory Organization's Statement on Comments Received on the Proposed Rule Change by 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

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding, or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change 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 submissions, 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 the filing will also be available for inspection and copying at the Board's principal offices. All submissions should refer to File No. SR-MSRB-2003-06 and should be submitted by August 5, 2003.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.³

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 03-17786 Filed 7-14-03; 8:45 am]

BILLING CODE 8010-01-P

DEPARTMENT OF STATE

[Public Notice 4401]

Bureau of Political-Military Affairs: Directorate of Defense Trade Controls; Notifications to the Congress of Proposed Commercial Export Licenses

AGENCY: Department of State.

ACTION: Notice.

SUMMARY: Notice is hereby given that the Department of State has forwarded the attached Notifications of Proposed Export Licenses to the Congress on the dates shown on the attachments pursuant to sections 36(c) and 36(d) and in compliance with section 36(f) of the Arms Export Control Act (22 U.S.C. 2776).

EFFECTIVE DATE: As shown on each of the eleven letters.

FOR FURTHER INFORMATION CONTACT: Mr. Peter J. Berry, Director, Office of Defense Trade Controls Licensing, Directorate of Defense Trade Controls, Bureau of Political-Military Affairs, Department of State (202 663-2700).

SUPPLEMENTARY INFORMATION: Section 36(f) of the Arms Export Control Act mandates that notifications to the Congress pursuant to sections 36(c) and 36(d) must be published in the **Federal Register** when they are transmitted to Congress or as soon thereafter as practicable.

Dated: July 2, 2003.

Peter J. Berry,

Director, Office of Defense Trade Controls Licensing, Directorate of Defense Trade Controls, Bureau of Political-Military Affairs, Department of State.

U.S. Department of State

Washington, DC 20520

April 30, 2003.

The Honorable J. Dennis Hastert,
Speaker of the House of Representatives.

Dear Mr. Speaker: Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed license for the export of defense articles that are firearms controlled under category I of the United States Munitions List sold commercially under a contract in the amount of \$1,000,000 or more.

The transaction contained in the attached certification involves the export of 243 M-24

7.62 x 51mm bolt action centerfire rifles and associated equipment to the Colombian Ministry of National Defense for use by the Colombian Army.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

Assistant Secretary, Legislative Affairs.

Enclosure: Transmittal No. DDTC 030-03.

The Honorable J. Dennis Hastert,
Speaker of the House of Representatives.

U.S. Department of State

Washington, DC 20520

May 16, 2003.

The Honorable J. Dennis Hastert,
Speaker of the House of Representatives.

Dear Mr. Speaker:

Pursuant to Section 36(c) and (d) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad and the export of defense articles or defense services in the amount of \$100,000,000 or more.

The transaction contained in the attached certification involves the export of technical data and defense services to Germany for the production of the AN/APG-65 radar system and related equipment for end-use by the Governments of Germany, Greece and the United States.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

Assistant Secretary, Legislative Affairs.

Enclosure: Transmittal No. DDTC 009-03.

U.S. Department of State

Washington, DC 20520

May 16, 2003.

The Honorable J. Dennis Hastert,
Speaker of the House of Representatives.

Dear Mr. Speaker: Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$100,000,000 or more.

The transaction contained in the attached certification involves the export of technical assistance and hardware to the United

Kingdom related to the production of castings and structural parts for the 155mm Howitzer.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

Assistant Secretary, Legislative Affairs.

Enclosure: Transmittal No. DDTC 013-03.

U.S. Department of State

Washington, DC 20520

May 16, 2003.

The Honorable Richard G. Lugar,
Chairman, Committee on Foreign Relations, United States Senate.

Dear Mr. Chairman: Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$100,000,000 or more.

The transaction contained in the attached certification involves the export of technical data, defense services and hardware to Canada and the United Kingdom related to management data terminals of the BOWMAN communications system for ultimate end-use by the United Kingdom Ministry of Defence.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

Assistant Secretary, Legislative Affairs.

Enclosure: Transmittal No. DTC 015-03.

U.S. Department of State

Washington, DC 20520

May 16, 2003.

The Honorable Richard G. Lugar,
Chairman, Committee on Foreign Relations, United States Senate.

Dear Mr. Chairman: Pursuant to Section 36(d) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad.

The transaction described in the attached certification involves the export to Norway of technical data and assistance in the manufacture of the high explosive shaped main charge warhead for the Javelin Missile System for end-use by the United States.

The United States Government is prepared to license the export of these items having

³ 17 CFR 200.30-3(a)(12).