

Subject

(d) Air Transport Association of America (ATA) Code 55: Stabilizers.

Reason

(e) The mandatory continuing airworthiness information (MCAI) states:

Cracks were reported on the rear horizontal stabilizer bracket of two L 23 SUPER-BLANIK sailplanes.

This condition, if not corrected, could result in no longer retaining the horizontal stabilizer in place and consequent loss of control of the aeroplane.

For the reasons described above, this AD requires immediate inspection of the bracket located at the top of the fin (drawing No. A 730 420 N) and its replacement depending on findings. As a result of the on-going investigation further mandatory terminating action and/or repetitive inspection is likely to follow.

Actions and Compliance

(f) Unless already done, do the following actions:

(1) Before further flight after the effective date of this AD, inspect the rear horizontal stabilizer bracket critical areas (hinge welding areas) for cracks following LET Aircraft Industries Mandatory Bulletin No.: L23/053a, dated December 14, 2010.

(2) If during the inspection required in paragraph (f)(1) of this AD a crack is found, before further flight, replace the bracket following LET Aircraft Industries Information Bulletin No.: L23/054b, dated December 20, 2010.

(3) Within 10 days after the replacement required in paragraph (f)(2) of this AD, do the following actions:

(i) Send the damaged bracket to the address listed in paragraph (i)(2) of this AD.

(ii) Send a report to the address listed in paragraph (i)(2) of this AD containing the following information: Registration mark, serial number, total hours time-in-service, and number of take-offs (if available) since the sailplane has been in operation.

FAA AD Differences

Note: This AD differs from the MCAI and/or service information as follows: No differences.

Other FAA AD Provisions

(g) The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, Standards Office, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to *Attn:* Jim Rutherford, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; *telephone:* (816) 329-4165; *fax:* (816) 329-4090. Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

(2) *Airworthy Product:* For any requirement in this AD to obtain corrective actions from a manufacturer or other source, use these

actions if they are FAA-approved. Corrective actions are considered FAA-approved if they are approved by the State of Design Authority (or their delegated agent). You are required to assure the product is airworthy before it is returned to service.

(3) *Reporting Requirements:* For any reporting requirement in this AD, a federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2120-0056. Public reporting for this collection of information is estimated to be approximately 5 minutes per response, including the time for reviewing instructions, completing and reviewing the collection of information. All responses to this collection of information are mandatory. Comments concerning the accuracy of this burden and suggestions for reducing the burden should be directed to the FAA at: 800 Independence Ave. SW., Washington, DC 20591, *Attn:* Information Collection Clearance Officer, AES-200.

Related Information

(h) Refer to European Aviation Safety Agency (EASA) AD No.: 2010-0274-E, dated December 22, 2010; LET Aircraft Industries Mandatory Bulletin No.: L23/053a, dated December 14, 2010; and LET Aircraft Industries Information Bulletin No.: L23/054b, dated December 20, 2010; for related information.

Material Incorporated by Reference

(i) You must use LET Aircraft Industries Mandatory Bulletin No.: L23/053a, dated December 14, 2010; and LET Aircraft Industries Information Bulletin No.: L23/054b, dated December 20, 2010, to do the actions required by this AD, unless the AD specifies otherwise.

(1) The Director of the Federal Register approved the incorporation by reference of this service information under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) For service information identified in this AD, contact Aircraft Industries, a.s.-Na zahonech 1177, 686 04 Kunovice, Czech Republic; *telephone:* +420 572 817 660; *fax:* +420 572 816 112; *e-mail:* ots@let.cz; *Internet:* <http://www.let.cz/>.

(3) You may review copies of the referenced service information at the FAA, Small Airplane Directorate, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call 816-329-4148.

(4) You may also review copies of the service information incorporated by reference for this AD at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call (202) 741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Issued in Kansas City, Missouri, on January 12, 2011.

Earl Lawrence,

Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2011-1137 Filed 1-24-11; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF COMMERCE**Bureau of Industry and Security****15 CFR Parts 738, 740, 742, and 744**

[Docket No. 101222617-0617-01]

RIN 0694-AF10

U.S.-India Bilateral Understanding: Revisions to U.S. Export and Reexport Controls Under the Export Administration Regulations

AGENCY: Bureau of Industry and Security, Commerce.

ACTION: Final rule.

SUMMARY: In this final rule, the Bureau of Industry and Security (BIS) amends the Export Administration Regulations (EAR) to implement several components of the bilateral understanding between the United States and India announced by President Obama and India's Prime Minister Singh on November 8, 2010. This is the first in a series of rules implementing the President's and Prime Minister's commitment to work together to strengthen the global nonproliferation and export control framework and further transform our bilateral export control cooperation to realize the full potential of the strategic partnership between the two countries. The two leaders outlined mutual steps to implement an export control reform program. On the part of the United States, these steps include removing India's defense and space-related entities from the Entity List (Supplement No. 4 to part 744 of the EAR) and realigning U.S. export licensing policy toward India by removing India from three country groups in the EAR and adding it to one country group. This rule also makes conforming changes to the EAR consistent with these steps. These reforms reflect India's nonproliferation record and commitment to abide by multilateral export control standards.

DATES: This rule is effective January 25, 2011. Although there is no formal comment period, public comments on this regulation are welcome on a continuing basis.

ADDRESSES: You may submit comments, identified by RIN 0694-AF10, by any of the following methods:

E-mail: publiccomments@bis.doc.gov
Include "RIN 0694-AF10" in the subject line of the message.

Fax: (202) 482-3355. Please alert the Regulatory Policy Division, by calling (202) 482-2440, if you are faxing comments.

Mail or Hand Delivery/Courier: Sheila Quarterman, U.S. Department of Commerce, Bureau of Industry and Security, Regulatory Policy Division, 14th Street & Pennsylvania Avenue, NW., Room 2705, Washington, DC 20230, Attn: RIN 0694-AF10.

Send comments regarding the collection of information associated with this rule, including suggestions for reducing the burden, to Jasmeet Seehra, Office of Management and Budget (OMB), by e-mail to Jasmeet_K_Seehra@omb.eop.gov or by fax to (202) 395-7285. Comments on this collection of information should be submitted separately from comments on the final rule (i.e., RIN 0694-AF10)—all comments on the latter should be submitted by one of the three methods outlined above.

FOR FURTHER INFORMATION CONTACT: For questions regarding foreign policy and nonproliferation controls contact Alex Lopes, Director, Office of Nonproliferation and Treaty Compliance, Export Administration, Bureau of Industry and Security, Phone: (202) 482-3825, E-mail: ALopes@bis.doc.gov.

For questions regarding the Entity List contact Karen Nies-Vogel, Chair, End-User Review Committee, Office of the Assistant Secretary, Export Administration, Bureau of Industry and Security, U.S. Department of Commerce, Phone: (202) 482-5991, Fax: (202) 482-3911, E-mail: ERC@bis.doc.gov.

SUPPLEMENTARY INFORMATION:

Background

U.S.-India Bilateral Understanding: Revisions to U.S. Export and Reexport Controls Under the Export Administration Regulations

On November 8, 2010, President Obama and Prime Minister Singh of India issued a Joint Statement announcing that they had resolved to expand and strengthen the India-U.S. global strategic partnership. (U.S.-India Joint Statement, November 8, 2010). The Joint Statement covers a range of issues, activities, and programs that reflect the vision of the President and of India's Prime Minister. In the Joint Statement, the leaders reaffirmed that the U.S.-India strategic partnership is indispensable for global stability and prosperity and reaffirmed existing assurances regarding procurement and

use by India of items subject to the Export Administration Regulations (EAR). In the Joint Statement, recognizing that India and the United States should play a leadership role in promoting global nonproliferation objectives and their desire to expand high technology cooperation and trade, the two leaders committed to work together to strengthen the global export control framework and further transform bilateral export control regulations and policies, and decided to take mutual steps to expand U.S.-India cooperation in civil space, defense and other high-technology sectors. These steps include removal of Indian defense and space-related entities from the Entity List, and realignment of India in U.S. export control regulations. Additionally, the Joint Statement announced that the United States "intends to support India's full membership in the four multilateral export control regimes (Nuclear Suppliers Group, Missile Technology Control Regime, Australia Group, and Wassenaar Arrangement) in a phased manner, and to consult with regime members to encourage the evolution of regime membership criteria," while maintaining these regimes' core principles, "as the Government of India takes steps towards the full adoption of the regimes' export control requirements to reflect its prospective membership, with both processes moving forward together."

In this rule, BIS begins implementation of those reforms by revising certain export and reexport controls for India, including the removal of nine Indian entities from the Entity List. In addition, BIS amends the EAR to remove India from Country Groups D:2, D:3, and D:4 and to add India to Country Group A:2. In this rule, BIS also makes conforming changes in the EAR as part of these initial steps to implement the export control reform program outlined in the November 8, 2010 U.S.-India bilateral understanding. These changes are in the national interest of the United States.

Specific Amendments to the EAR Implementing U.S.-India Bilateral Understanding

Part 744

In this rule, BIS amends the EAR to remove the following entities from Supplement No. 4 to part 744 of the EAR, i.e., the Entity List:

- Bharat Dynamics Limited (BDL).
- All subordinates of India's Defense Research and Development Organization (DRDO) identified on the Entity List immediately prior to the effective date of this rule, namely:

- Armament Research and Development Establishment (ARDE);
- Defense Research and Development Lab (DRDL);
- Missile Research and Development Complex; and
- Solid State Physics Laboratory.
 - All Indian Space Research Organization (ISRO) subordinate entities identified on the Entity List immediately prior to the effective date of this rule, namely:
 - Liquid Propulsion Systems Center;
 - Solid Propellant Space Booster Plant (SPROB);
 - Sriharikota Space Center (SHAR); and
 - Vikram Sarabhai Space Center (VSSC).

The removal of these nine Indian entities from the Entity List eliminates the existing license requirements in the Entity List, Supplement No. 4 to part 744, for exports, reexports, and transfers (in-country), to these entities. The removal of these entities from the Entity List does not, however, relieve persons of other obligations in part 744 of the EAR or under other applicable parts of the EAR. For example, neither the removal of a person from the Entity List nor the removal of Entity List-based license requirements relieves persons of their obligation to adhere to General Prohibition 5 in section 736.2(b)(5) of the EAR, which provides that "you may not, without a license, knowingly export or reexport any item subject to the EAR to an end-user or end-use that is prohibited by part 744 of the EAR." Persons must also refrain from undertaking transfers (in-country) to an end-user or end-use that is prohibited by any provision of part 744. Additionally, such removals do not relieve persons of their obligation to apply for export, reexport, or transfer (in-country) licenses required by other provisions of the EAR. BIS strongly urges persons to review and abide by Supplement No. 3 to part 732 of the EAR, "BIS's 'Know Your Customer' Guidance and Red Flags," when involved in transactions that are subject to the EAR.

Parts 738 and 740

In this rule, BIS also removes India from Country Groups D:2, D:3, and D:4 to Supplement No. 1 to part 740 of the EAR. These Country Groups list countries with certain restrictions on end-uses for nuclear nonproliferation (D:2), chemical & biological (D:3), and missile technology (D:4) reasons under the EAR. This rule also adds India to Country Group A:2 to Supplement No. 1 to part 740 of the EAR, makes License Exception (BAG) (section 740.14(d) of the EAR) available for exports and

reexports of unaccompanied baggage to India, and makes India an eligible destination for reexports under License Exception Additional Permissive Reexports (APR) (section 740.16(a) of the EAR).

Country Group D:2: India's removal from Country Group D:2 will not change licensing policy toward India for items controlled for nuclear nonproliferation (NP column 1(NP1), Supplement No. 1 to part 738 (Commerce Country Chart) of the EAR) reasons; a license will still be required for the export of NP1 items to all destinations in India. U.S.-origin items controlled unilaterally for nuclear nonproliferation reasons (NP2) do not require a license for most destinations in India. Prior to publication of this rule, paragraph (a)(2) of section 742.3 of the EAR expressly exempted India from the license requirement for Country Group D:2 countries. India's removal from Country Group D:2 through this rule, however, makes this express exemption unnecessary, and it is therefore being removed. The removal of India from Country Group D:2 also eliminates a license requirement for India under section 744.6 of the EAR for certain U.S. person activities that involve any D:2 country. India, however, remains subject to the "catch-all" controls in section 744.2 of the EAR (Restrictions on Certain Nuclear End-uses). Under section 744.2, a person may not export, reexport, or transfer (in-country) an item subject to the EAR to India without a license if, at the time of export, reexport, or transfer (in-country), the person knows that the item will be used, directly or indirectly, in activities described in paragraphs (a)(1), (a)(2), and (a)(3) of section 744.2, i.e., certain nuclear explosive activities, unsafeguarded nuclear activities, or certain safeguarded and unsafeguarded nuclear activities.

Country Group D:3: The removal of India from Country Group D:3 means that paragraph (a)(3) of section 742.2 (Proliferation of Chemical and Biological Weapons) of the EAR will not impose a license requirement for exports or reexports to India of medical products, identified in Export Control Classification Number (ECCN) 1C991.d.. Removal of India from Country Group D:3 also means that end users in India are eligible to receive certain items controlled for chemical and biological weapons reasons under special comprehensive licenses (SCLs) described in part 752 of the EAR. Items controlled for chemical and biological weapons reasons are ineligible for export or reexport under a SCL to D:3 destinations.

Furthermore, consistent with the removal of India from Country Group D:3, this rule removes licensing requirements for certain items controlled for chemical and biological weapons proliferation reasons for export or reexport to India, by removing the "X" in "CB Column 3" for "India" in Supplement No. 1 to part 738 (Commerce Country Chart) of the EAR.

Country Group D:4: Removal of India from Country Group D:4 eliminates the requirement for export, reexport, and transfers (in-country) licenses for India under paragraphs (a)(1) and (a)(3) of section 744.3 (Restrictions on Certain Rocket Systems and Unmanned Air Vehicles End-Uses). Pursuant to section 744.3(a)(2), a license will still be required for any item if, at the time of the export, reexport, or transfer (in-country), the person knows that the item will be used in India in the design, development, production, or use of rocket systems or unmanned air vehicles, regardless of range capabilities, for the delivery of chemical, biological, or nuclear weapons. The removal of India from Country Group D:4 also eliminates a license requirement for India under section 744.6 of the EAR for certain U.S. person activities that involve a D:4 country.

Removal of India from Country Groups D:2, D:3, and D:4 and the Availability of License Exceptions: Removal of India from Country Groups D:2, D:3, and D:4 expands the License Exceptions available for exports and reexports to India. This rule makes available exports and reexports to India of unaccompanied baggage under License Exception Baggage (BAG) section 740.14(d) of the EAR. Such removal also makes India an eligible destination for reexports under License Exception Additional Permissive Reexports (APR) set forth in section 740.16(a) of the EAR.

Country Group A:2: This rule also adds India to Country Group A:2, grouping India, as an adherent to the Missile Technology Control Regime (MTCR), with countries that are members of that regime. Under section 742.5 of the EAR, a license is still required for export and reexport of items controlled for missile technology (MT) reasons to all destinations except Canada.

Conforming Amendments

As noted in the discussion of Country Group D:2 above, this rule removes a now unnecessary reference to India from section 742.3(a)(2) of the EAR. This rule also makes a conforming change in section 742.5(d) (Missile

Technology Control Regime) of the EAR regarding India acknowledging that India is being included in Country Group A:2 as an MTCR adherent.

Since August 21, 2001, the Export Administration Act of 1979, as amended (Act) has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp., p. 783 (2002)), as extended most recently by the Notice of August 12, 2010 (75 FR 50681 (August 16, 2010)), has continued the EAR in effect under the International Emergency Economic Powers Act. BIS continues to carry out the provisions of the Act, as appropriate and to the extent permitted by law, pursuant to Executive Order 13222.

Rulemaking

Rulemaking Requirements

1. This rule has been determined to be significant for purposes of Executive Order 12866.

2. Notwithstanding any other provision of law, no person is required to respond to or be subject to a penalty for failure to comply with a collection of information, subject to the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) (PRA), unless that collection of information displays a currently valid Office of Management and Budget (OMB) Control Number. This regulation involves collections previously approved by the OMB under control numbers 0694-0088, "Multi-Purpose Application," which carries a burden hour estimate of 58 minutes to prepare and submit form BIS-748. Miscellaneous and recordkeeping activities account for 12 minutes per submission. Total burden hours associated with the Paperwork Reduction Act and Office and Management and Budget control number 0694-0088 are not expected to increase as a result of this rule.

3. This rule does not contain policies with Federalism implications as that term is defined in Executive Order 13132.

4. Pursuant to 5 U.S.C. 553(a)(1), the provisions of the Administrative Procedure Act requiring notice of proposed rulemaking, the opportunity for public participation, and a delay in effective date, are inapplicable because this regulation involves a military or foreign affairs function of the United States. (*See* 5 U.S.C. 53(a)(1)). This final rule implements aspects of the understanding between the United States and India reflected in the November 8, 2010 U.S.-India Joint Statement and is not discretionary. No other law requires that a notice of

proposed rulemaking and an opportunity for public comment be given for this rule. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule by 5 U.S.C. 553, or by any other law, the analytical requirements of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, are not applicable. Accordingly, no Regulatory Flexibility analysis is required and none has been prepared. Notwithstanding these considerations, BIS welcomes public comments and will review them on a continuing basis.

List of Subjects

15 CFR Part 738

Exports.

15 CFR Part 740

Administrative practice and procedure, Exports, Reporting and recordkeeping requirements.

15 CFR Part 742

Exports and Terrorism.

15 CFR Part 744

Exports, Reporting and recordkeeping requirements, Terrorism.

Accordingly, parts 738, 740, 742 and 744 of the EAR (15 CFR parts 730–774) are amended as follows:

PART 738 [AMENDED]

- 1. The authority citation for part 738 continues to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; 10 U.S.C. 7420; 10 U.S.C. 7430(e); 22 U.S.C. 287c; 22 U.S.C. 3201 *et seq.*; 22 U.S.C. 6004; 30 U.S.C. 185(s), 185(u); 42 U.S.C. 2139a; 42 U.S.C. 6212; 43 U.S.C. 1354; 15 U.S.C. 1824a; 50 U.S.C. app. 5; 22 U.S.C. 7201 *et seq.*; 22 U.S.C. 7210; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228; E.O. 13222, 66 FR 44025, 3 CFR, 2001 Comp., p. 783; Notice of August 12, 2010, 75 FR 50681 (August 16, 2010).

Supplement No. 1 To Part 738— [Amended]

- 2. Supplement No. 1 to Part 738 is amended by removing the “X” in “CB Column 3” for “India”.

PART 740—[AMENDED]

- 3. The authority citation for part 740 continues to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; 22 U.S.C. 7201 *et seq.*; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228; E.O. 13222, 66 FR 44025, 3 CFR, 2001 Comp., p. 783; Notice of August 12, 2010, 75 FR 50681 (August 16, 2010).

Supplement No. 1 To Part 740— [Amended]

- 4. Supplement No. 1 to part 740 is amended:
 - a. By adding “India” to the Country Group A table in alphabetical order and adding and “X” for “India” in Country Group A:2; and
 - b. By removing the entry “India” from the Country Group D table.

PART 742—[AMENDED]

- 5. The authority citation for part 742 continues to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; 22 U.S.C. 3201 *et seq.*; 42 U.S.C. 2139a; 22 U.S.C. 7201 *et seq.*; 22 U.S.C. 7210; Sec 1503, Pub. L. 108–11, 117 Stat. 559; E.O. 12058, 43 FR 20947, 3 CFR, 1978 Comp., p. 179; E.O. 12851, 58 FR 33181, 3 CFR, 1993 Comp., p. 608; E.O. 12938, 59 FR 59099, 3 CFR, 1994 Comp., p. 950; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228; E.O. 13222, 66 FR 44025, 3 CFR, 2001 Comp., p. 783; Presidential Determination 2003–23 of May 7, 2003, 68 FR 26459, May 16, 2003; Notice of August 12, 2010, 75 FR 50681 (August 16, 2010); Notice of November 4, 2010, 75 FR 68673 (November 8, 2010).

§ 742.3—[Amended]

- 6. Paragraph (a)(2) of § 742.3 is amended by removing the phrase “except India”.
- 7. Paragraph (d) of § 742.5 is revised to read as follows:

§ 742.5 Missile technology.

* * * * *

(d) *Missile Technology Control Regime.* Missile Technology Control Regime (MTCR) members, and India as an MTCR adherent, are listed in Country Group A:2 (see Supplement No. 1 to part 740 of the EAR). Controls on items identified in paragraph (a) of this section are consistent with the list agreed to in the MTCR and included in the MTCR Annex.

PART 744—[AMENDED]

- 8. The authority citation for part 744 continues to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; 22 U.S.C. 3201 *et seq.*; 42 U.S.C. 2139a; 22 U.S.C. 7201 *et seq.*; 22 U.S.C. 7210; E.O. 12058, 43 FR 20947, 3 CFR, 1978 Comp., p. 179; E.O. 12851, 58 FR 33181, 3 CFR, 1993 Comp., p. 608; E.O. 12938, 59 FR 59099, 3 CFR, 1994 Comp., p. 950; E.O. 12947, 60 FR 5079, 3 CFR, 1995 Comp., p. 356; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228; E.O. 13099, 63 FR 45167, 3 CFR, 1998 Comp., p. 208; E.O. 13222, 66 FR 44025, 3 CFR, 2001 Comp., p. 783; E.O. 13224, 66 FR 49079, 3 CFR, 2001 Comp., p. 786; Notice of August 12, 2010, 75 FR 50681 (August 16, 2010); Notice of November 4, 2010, 75 FR 68673 (November 8, 2010).

Supplement No. 4 To Part 744— [Amended]

- 9. The entry for “India” in Supplement No. 4 to part 744 is amended by removing the following entities:
 - “Bharat Dynamics Limited”;
 - “The following subordinates of Defense Research and Development Organization (DRDO): Armament Research and Development Establishment (ARDE); Defense Research and Development Lab (DRDL), Hyderabad; Missile Research and Development Complex; Solid State Physics Laboratory”;
 - and
 - “The following Indian Space Research Organization (ISRO) subordinate entities:
 - Liquid Propulsion Systems Center; Solid Propellant Space Booster Plant (SPROB); Sriharikota Space Center (SHAR); and Vikram Sarabhai Space Center (VSSC), Thiruvananthapuram.”.

Dated: January 20, 2011.

Eric L. Hirschhorn,

Under Secretary for Industry and Security.

[FR Doc. 2011–1471 Filed 1–24–11; 8:45 am]

BILLING CODE 3510–33–P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 229 and 230

[Release Nos. 33–9176, 34–63742; File No. S7–26–10]

RIN 3235–AK76

Issuer Review of Assets in Offerings of Asset-Backed Securities

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: We are adopting new requirements in order to implement Section 945 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Act”). We are adopting a new rule under the Securities Act of 1933 to require any issuer registering the offer and sale of an asset-backed security (“ABS”) to perform a review of the assets underlying the ABS. We also are adopting amendments to Item 1111 of Regulation AB that would require an ABS issuer to disclose the nature of its review of the assets and the findings and conclusions of the issuer’s review of the assets.

DATES: *Effective Date:* March 28, 2011.

Compliance Date: Any registered offering of asset-backed securities