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## DEPARTMENT OF COMMERCE

### Bureau of Export Administration

#### 15 CFR Parts 736 and 744

[Docket No. 001128335-0335-01]

RIN 0694-AC38

#### General Order Concerning Shaykh Hamad bin Ali bin Jaber Al-Thani, Gulf Falcon Group, Ltd., and Related Entities

**AGENCY:** Bureau of Export Administration, Commerce.

**ACTION:** Final rule.

**SUMMARY:** The Bureau of Export Administration is issuing General Order No. 3 which imposes a license requirement for exports and reexports of all items subject to the Export Administration Regulations (EAR) that are on the Commerce Control List destined to or for Shaykh Hamad bin Ali bin Jaber Al-Thani and entities related to or controlled by him, as follows: Gulf Falcon Group, Ltd. located in Doha, Qatar; Air Gulf Falcon located in Sharjah, United Arab Emirates; Falcon Aircraft Maintenance Center located in Sharjah, United Arab Emirates; and Falcon Air Leasing located in Sharjah, United Arab Emirates. This order also prohibits the use of License Exceptions for exports and reexports of all items subject to the EAR that are listed on the Commerce Control List to these entities. This rule amends the EAR to implement General Order No. 3.

**EFFECTIVE DATE:** This rule is effective December 7, 2000.

**FOR FURTHER INFORMATION CONTACT:** Eileen Albanese, Director, Office of Exporter Services, Bureau of Export Administration, Telephone: (202) 482-0436.

**SUPPLEMENTARY INFORMATION:**

### Background

On November 16, 2000, Shaykh Hamad bin Ali bin Jaber Al-Thani delivered to Baghdad, Iraq, a Boeing 747 aircraft to Iraqi President Saddam Hussein as a gift. This action violated the United Nations Security Council resolution restricting trade with Iraq. To guard against further such diversions to Iraq, the Department of Commerce is issuing General Order No. 3 imposing a license requirement for exports and reexports of all items subject to the EAR that are listed on the Commerce Control List destined to or for Shaykh Hamad bin Ali bin Jaber Al-Thani and entities related to or controlled by him, as follows: Gulf Falcon Group, Ltd. located in Doha, Qatar; Air Gulf Falcon located in Sharjah, United Arab Emirates; Falcon Aircraft Maintenance Center located in Sharjah, United Arab Emirates; and Falcon Air Leasing located in Sharjah, United Arab Emirates. This order also prohibits the use of License Exceptions (see part 740 of the EAR) for exports and reexports of items subject to the EAR that are listed on the Commerce Control List to such entities. This rule amends the EAR to implement General Order No. 3.

To assist readers in finding in the EAR these additional end-users subject to special restrictions with respect to exports and reexports, this rule also adds a new section 744.15 to part 744, "Control Policy: End-User and End-Use Based," which provides a cross reference to the prohibitions contained in the general orders in Supplement No. 1 to part 736.

### Saving Clause

Shipments of items subject to the requirements of General Order No. 3 that are removed from License Exception or NLR eligibility as a result of this regulatory action that were on dock for loading, on lighter, laden aboard an exporting or reexporting carrier, or en route aboard carrier to a port of export or reexport pursuant to actual orders for export on December 7, 2000 may be exported or reexported under the previous License Exception or NLR provisions up to and including December 14, 2000. Any such items not actually exported or reexported before midnight December 14, 2000, require a license in accordance with General Order No. 3.

### Rulemaking Requirements

1. This final rule has been determined to be not significant for purposes of E.O. 12866.

2. Notwithstanding any other provision of law, no person is required to respond to, nor shall any 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 currently valid Office of Management and Budget Control Number. This rule involves a collection of information subject to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*). This collection has been approved by the Office of Management and Budget under control number 0694-0088, "Multi-Purpose Application," which carries a burden hour estimate of 45 minutes for a manual submission and 40 minutes for an electronic submission.

3. This rule does not contain policies with Federalism implications sufficient to warrant preparation of a Federalism assessment under E.O. 13132.

4. The provisions of the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, the opportunity for public participation, and a delay in effective date, are inapplicable because this regulation involves a military and foreign affairs function of the United States (5 U.S.C. 553(a)(1)). Further, no other law requires that a notice of proposed rulemaking and an opportunity for public comment be given for this interim rule. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule under the Administrative Procedure Act or by any other law, the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) are not applicable. Therefore, this regulation is issued in final form. Although there is no formal comment period, public comments on this regulation are welcome on a continuing basis. Comments should be submitted to Sharron Cook, Office of Exporter Services, Bureau of Export Administration, Department of Commerce, P.O. Box 273, Washington, DC 20044.

**List of Subjects***15 CFR Part 736*

Exports, Foreign trade.

*15 CFR Part 744*

Exports, Foreign trade, Reporting and recordkeeping requirements.

Accordingly, parts 736 and 744 of the Export Administration Regulations (15 CFR parts 730–799) are amended as follows:

**PART 736—[AMENDED]**

1. The authority citation for 15 CFR part 736 is revised to read as follows:

**Authority:** 50 U.S.C. app. 2401 *et seq.*; Pub. L. No. 106–508; 50 U.S.C. 1701 *et seq.*; E.O. 12924, 59 FR 43437, 3 CFR, 1994 Comp., p. 917; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228; Notice of August 3, 2000 (65 FR 48347, August 8, 2000).

2. Supplement No. 1 to Part 736 is amended by adding and reserving General Order No. 2 and adding General Order No. 3 to read as follows:

*Supplement No. 1 to Part 736—General Orders*

\* \* \* \* \*

General Order No. 2 [Reserved]

General Order No. 3 of December 7, 2000; Imposition of license requirements and prohibition on use of any License Exceptions for exports and reexports of items subject to the EAR that are listed on the Commerce Control List to Shaykh Hamad bin Ali bin Jaber Al-Thani and entities related to or controlled by him, as follows: Gulf Falcon Group, Ltd. located in Doha, Qatar; Air Gulf Falcon located in Sharjah, United Arab Emirates; Falcon Aircraft Maintenance Center located in Sharjah, United Arab Emirates; and Falcon Air Leasing located in Sharjah, United Arab Emirates.

(a) *License requirements.* Effective December 7, 2000, a license is required for all items subject to the EAR that are listed on the Commerce Control List destined to or for: Shaykh Hamad bin Ali bin Jaber Al-Thani and entities related to or controlled by him, as follows: Gulf Falcon Group, Ltd. located in Doha, Qatar; Air Gulf Falcon located in Sharjah, United Arab Emirates; Falcon Aircraft Maintenance Center located in Sharjah, United Arab Emirates; and Falcon Air Leasing located in Sharjah, United Arab Emirates.

(b) *License Exceptions.* No License Exceptions are available for exports or reexports to the entities described in paragraph (a) of this General Order.

(c) *Licensing policy.* Items will be reviewed on a case-by-case basis to

determine whether there is a risk of diversion contrary to United Nations sanctions or U.S. law.

**PART 744—[AMENDED]**

3. The authority citation for 15 CFR part 744 is revised to read as follows:

**Authority:** 50 U.S.C. app. 2401 *et seq.*; Pub. L. No. 106–508; 50 U.S.C. 1701 *et seq.*; 22 U.S.C. 3201 *et seq.*; 42 U.S.C. 2139a; 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. 12924, 59 FR 43437, 3 CFR, 1994 Comp., p. 917; E.O. 12938, 59 FR 59099, 3 CFR, 1994 Comp., p. 950; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228; Notice of November 9, 2000 (65 FR 68063, November 13, 2000); Notice of August 3, 2000 (65 FR 48347, August 8, 2000).

4. Part 744 is amended by adding section 744.15 to read as follows:

**§ 744.15 Restrictions on exports and reexports to persons named in General Orders.**

Supplement No. 1 to part 736 of the EAR names certain persons (individuals and other legal entities) subject to special restrictions with respect to exports and reexports subject to the EAR. You may not violate any order issued under or made a part of the EAR, per General Prohibition nine of part 736 of the EAR.

Dated: November 27, 2000.

**R. Roger Majak,***Assistant Secretary for Export Administration.*

[FR Doc. 00–31101 Filed 12–6–00; 8:45 am]

**BILLING CODE 3510–33–P****SECURITIES AND EXCHANGE COMMISSION****17 CFR Part 242****[Release No. 34–43651; File No. S7–12–98]****RIN 3235–AH41****Regulation of Alternative Trading Systems; Extension of Temporary Stay of Effectiveness****AGENCY:** Securities and Exchange Commission.**ACTION:** Extension of temporary stay of effectiveness.

**SUMMARY:** The Securities and Exchange Commission extends the stay of effectiveness of Rules 301(b)(5)(i)(D) and (E) and 301(b)(6)(i)(D) and (E) until December 1, 2001. These provisions relate to alternative trading systems that trade certain categories of debt securities. This stay is necessary to provide sufficient time for a reporting system to be developed that would

compile and publish data for investment grade and non-investment grade corporate debt instruments. The other alternative trading system rules, which were published in 63 FR 70844 on December 22, 1998, remain effective as previously stated.

**DATES:** 17 CFR 242.301(b)(5)(i)(D) and (E) and 242.301(b)(6)(i)(D) and (E) are stayed until December 1, 2001.

**FOR FURTHER INFORMATION CONTACT:** John Polise, Senior Special Counsel, at (202) 942–0068, Gordon Fuller, Special Counsel, at (202) 942–0792, or Steven Johnston, Special Counsel at (202) 942–0795, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–1001.

**SUPPLEMENTARY INFORMATION:****I. Background**

On December 8, 1998, the Securities and Exchange Commission (“Commission”) adopted new rules and rule amendments to allow alternative trading systems to choose whether to register as national securities exchanges, or to register as broker-dealers and comply with additional requirements under Regulation ATS, depending on their activities and trading volume.<sup>1</sup> The effective date for most of these new rules and rule amendments was April 21, 1999. The Commission stated in the adopting release that Rules 301(b)(5)(i)(D) and (E) and 301(b)(6)(i)(D) and (E) would become effective on April 1, 2000. Specifically, for alternative trading systems trading 20 percent or more of the average daily trading volume in either investment grade or non-investment grade corporate debt securities over at least four of the preceding six months, the fair access and systems capacity, security, and integrity requirements were to take effect on April 1, 2000. On March 31, 2000, the Commission issued a temporary stay of effectiveness for Rules 301(b)(5)(i)(D) and (E) until December 1, 2000.<sup>2</sup>

**II. Extension of Temporary Stay of Effectiveness of Rules 301(b)(5)(i)(D) and (E) and 301(b)(6)(i)(D) and (E)**

In the Adopting Release and the Stay of Effectiveness Release, we noted that volume data for investment grade and non-investment grade corporate debt was not yet being compiled or published. Accordingly, market

<sup>1</sup> Securities Exchange Act Release No. 40760 (Dec. 8, 1998), 63 FR 70844 (December 22, 1998) (“Adopting Release”).

<sup>2</sup> Securities Exchange Act Release No. 42603A (March 31, 2000), 65 FR 18888 (April 10, 2000) (“Stay of Effectiveness Release”).