

Agency determines is necessary to cover projected shortfalls.

(4) An appraisal of the project as built. Upon a lender's written request, the Agency may exempt a project from this requirement if requested by the lender and the project meets the following criteria:

(i) Original appraisal—an original appraisal that meets Agency's appraisal requirements with a valuation date no older than 36 months;

(ii) Valuation—the appraisal's lowest valuation regardless of valuation approach and rent restrictions considered, is greater than the section 538 guaranteed loan amount; and

(iii) Guaranteed loan balance—the Agency's guaranteed loan's principal balance does not exceed 50 percent [unless a different percent has been announced in a Notice published in the **Federal Register**] of the project's total development costs.

(5) A certificate of substantial completion;

(6) A certificate of occupancy or similar evidence of local approval;

(7) A final inspection conducted by a qualified Agency representative;

(8) A final cost certification in a form acceptable to the Agency;

(9) A submission to the Agency of the complete closing docket;

(10) A certification by the lender that the project has reached an acceptable minimum level occupancy;

(11) An executed regulatory agreement;

(12) The Lender certifies that it has approved the borrower's management plan and assures that the borrower is in compliance with Agency standards regarding property management, contained in subparts E and F of this part;

(13) Necessary information to complete an updated necessary assistance review by the Agency; and

(14) Compliance with all conditions contained in the conditional commitment for guarantee.

* * * * *

Subpart J—Assignment, Conveyance, and Claims

§ 3565.457 [Amended]

8. Section 3565.457 is amended in paragraph (c)(1) by revising the word "collectibility" to read "collectability."

Dated: January 21, 2010.

Tammye Treviño

Administrator, Rural Housing Service.

[FR Doc. 2010-1792 Filed 1-28-10; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA-2009-1212; Directorate Identifier 2008-NM-167-AD]

RIN 2120-AA64

Airworthiness Directives; Airbus Model A330-200 and -300 Series Airplanes and A340-200, -300, -500, and -600 Series Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for the products listed above that would supersede an existing AD. This proposed AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The MCAI describes the unsafe condition as: The revision 00 of the AIRBUS A330 ALS [Airworthiness Limitations Section] Part 3 was issued primarily to introduce two new CMR [Certification Maintenance Requirements] tasks, referenced 282400-G0001-1-C and 282400-P0001-1-C. ALS Part 3 Revision 01 introduces more restrictive requirements for aircraft configurations already in service. The unsafe condition is safety-significant latent failures that would, in combination with one or more other specific failures or events, result in a hazardous or catastrophic failure condition. The proposed AD would require actions that are intended to address the unsafe condition described in the MCAI.

DATES: We must receive comments on this proposed AD by March 15, 2010.

ADDRESSES: You may send comments by any of the following methods:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov>. Follow the instructions for submitting comments.

- *Fax:* (202) 493-2251.

- *Mail:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590.

- *Hand Delivery:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-40, 1200 New Jersey Avenue, SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this proposed AD, contact Airbus SAS—Airworthiness Office—EAL, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 45 80, e-mail airworthiness.A330-A340@airbus.com; Internet <http://www.airbus.com>. You may review copies of the referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington. For information on the availability of this material at the FAA, call 425-227-1221 or 425-227-1152.

Examining the AD Docket

You may examine the AD docket on the Internet at <http://www.regulations.gov>; or in person at the Docket Operations office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this proposed AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone (800) 647-5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Vladimir Ulyanov, Aerospace Engineer, International Branch, ANM-116, Transport Airplane Directorate, FAA, 1601 Lind Avenue, SW., Renton, Washington 98057-3356; telephone (425) 227-1138; fax (425) 227-1149.

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the **ADDRESSES** section. Include "Docket No. FAA-2009-1212; Directorate Identifier 2008-NM-167-AD" at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD based on those comments.

We have lengthened the 30-day comment period for proposed ADs that address MCAI originated by aviation authorities of other countries to provide adequate time for interested parties to submit comments. The comment period for these proposed ADs is now typically 45 days, which is consistent with the comment period for domestic transport ADs.

We will post all comments we receive, without change, to <http://www.regulations.gov>, including any

personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this proposed AD.

Discussion

On February 22, 2007, we issued AD 2007-05-08, Amendment 39-14969 (72 FR 9658, March 5, 2007). That AD required actions intended to address an unsafe condition on the products listed above.

Since we issued AD 2007-05-08, the European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Community, has issued EASA Airworthiness Directive 2008-0138, dated July 23, 2008 (referred to after this as “the MCAI”), to correct an unsafe condition for the specified products. The MCAI states:

The Certification Maintenance Requirements (CMR) were given in the AIRBUS A330 CMR Document up to revision 19, and referenced in the Airworthiness Limitations Section (ALS) Part 3 Revision 00. The content of the CMR Document has been recently transferred into the ALS Part 3, which is approved by the European Aviation Safety Agency (EASA).

The revision 00 of the AIRBUS A330 ALS Part 3 was issued primarily to introduce two new CMR tasks, referenced 282400-G0001-1-C and 282400-P0001-1-C. The compliance times associated to these two tasks are re-stated in the Record Of Revisions (ROR) of the ALS Part 3 Revision 01.

ALS Part 3 Revision 01 introduces more restrictive requirements for aircraft configurations already in service.

EASA AD 2006-0224 [which corresponds to FAA AD 2007-05-08 and includes Model A340 airplanes], mandating compliance with the requirements of the A330 CMR Document at issue 19, is therefore superseded by this AD.

The unsafe condition is safety-significant latent failures that would, in combination with one or more other specific failures or events, result in a hazardous or catastrophic failure condition. The required actions also include deleting Airbus A330 CMR Task 272400-00001-1-C and adding new Task 272400-00003-1-C. You may obtain further information by examining the MCAI in the AD docket.

Relevant Service Information

Airbus has issued Airbus A330 ALS Part 3—Certification Maintenance Requirements (CMR), Revision 01, including Appendices 1 and 2, dated May 7, 2008. The actions described in this service information are intended to correct the unsafe condition identified in the MCAI.

FAA’s Determination and Requirements of This Proposed AD

This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all pertinent information and determined an unsafe condition exists and is likely to exist or develop on other products of the same type design.

Differences Between This AD and the MCAI or Service Information

We have reviewed the MCAI and related service information and, in general, agree with their substance. But we might have found it necessary to use different words from those in the MCAI to ensure the AD is clear for U.S. operators and is enforceable. In making these changes, we do not intend to differ substantively from the information provided in the MCAI and related service information.

We might also have proposed different actions in this AD from those in the MCAI in order to follow FAA policies. Any such differences are highlighted in a Note within the proposed AD.

Costs of Compliance

Based on the service information, we estimate that this proposed AD would affect about 43 products of U.S. registry.

The actions that are required by AD 2007-05-08 and retained in this proposed AD take about 1 work-hour per product, at an average labor rate of \$80 per work hour. Based on these figures, the estimated cost of the currently required actions is \$80 per product.

We estimate that it would take about 1 work-hour per product to comply with the new basic requirements of this proposed AD. The average labor rate is \$80 per work-hour. Based on these figures, we estimate the cost of the proposed AD on U.S. operators to be \$3,440, or \$80 per product.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA’s authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. “Subtitle VII: Aviation Programs,” describes in more detail the scope of the Agency’s authority.

We are issuing this rulemaking under the authority described in “Subtitle VII,

Part A, Subpart III, Section 44701: General requirements.” Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

We determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify this proposed regulation:

1. Is not a “significant regulatory action” under Executive Order 12866;
2. Is not a “significant rule” under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and
3. Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

We prepared a regulatory evaluation of the estimated costs to comply with this proposed AD and placed it in the AD docket.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. The FAA amends § 39.13 by removing Amendment 39-14969 (72 FR 9658, March 5, 2007) and adding the following new AD:

Airbus: Docket No. FAA-2009-1212; Directorate Identifier 2008-NM-167-AD.

Comments Due Date

(a) We must receive comments by March 15, 2010.

Affected ADs

(b) The proposed AD supersedes AD 2007-05-08, Amendment 39-14969.

Applicability

(c) This AD applies to all Airbus Model A330-201, -202, -203, -223, -243, -301, -302, -303, -321, -322, -323, -341, -342, and -343 series airplanes; Model A340-211, -212, -213, -311, -312, -313 series airplanes; and Model A340-541, and -642 series airplanes, certificated in any category; all serial numbers.

Subject

(d) Air Transport Association (ATA) of America Code 05.

Reason

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

The Certification Maintenance Requirements (CMR) were given in the AIRBUS A330 CMR Document up to revision 19, and referenced in the Airworthiness Limitations Section (ALS) Part 3 Revision 00. The content of the CMR Document has been recently transferred into the ALS Part 3, which is approved by the European Aviation Safety Agency (EASA).

The revision 00 of the AIRBUS A330 ALS Part 3 was issued primarily to introduce two new CMR tasks, referenced 282400-G0001-1-C and 282400-P0001-1-C. The compliance times associated to these two tasks are re-stated in the Record of Revisions (ROR) of the ALS Part 3 Revision 01.

ALS Part 3 Revision 01 introduces more restrictive requirements for aircraft configurations already in service.

EASA AD 2006-0224 [which corresponds to FAA AD 2007-05-08 and includes Model A340 airplanes], mandating compliance with the requirements of the A330 CMR Document at issue 19, is therefore superseded by this AD.

The unsafe condition is safety-significant latent failures that would, in combination with one or more other specific failures or events, result in a hazardous or catastrophic failure condition. The required actions also include deleting Airbus A330 CMR Task 272400-00001-1-C and adding new Task 272400-00003-1-C.

Note 1: This AD requires revisions to certain operator maintenance documents to include new inspections. Compliance with these inspections is required by 14 CFR 91.403(c). For airplanes that have been previously modified, altered, or repaired in the areas addressed by these inspections, the operator may not be able to accomplish the inspections described in the revisions. In this situation, to comply with 14 CFR 91.403(c), the operator must request approval for an alternative method of compliance according to paragraph (h) of this AD. The request should include a description of changes to the required inspections that will ensure the continued damage tolerance of the affected structure. The FAA has provided guidance

for this determination in Advisory Circular (AC) 25-1529-1.

Restatement of Requirements of AD 2007-05-08**Revise the Airworthiness Limitations Section of the Instructions for Continued Airworthiness**

(f) Unless already done: Within 90 days after April 9, 2007 (the effective date of AD 2007-05-08), revise the Airworthiness Limitations section of the Instructions for Continued Airworthiness by incorporating Airbus A330 Certification Maintenance Requirements, Document 955.2074/93, Issue 19, dated March 22, 2006 (for all Model A330 airplanes); or Airbus A340 Certification Maintenance Requirements, Document 955.3019/92, Issue 14, dated December 19, 2005 (for all Model A340 airplanes). Accomplish the actions specified in the applicable CMR at the times specified in the applicable CMR and in accordance with the applicable CMR, except as provided by paragraphs (f)(1), (f)(2), (f)(3), and (f)(4) of this AD.

(1) The associated interval for any new task is to be counted from April 9, 2007.

(2) The associated interval for any revised task is to be counted from the previous performance of the task.

(3) For Model A340 airplanes that have exceeded the more restrictive limitations of Airbus A340 Certification Maintenance Requirements, Document 955.3019/92, Issue 14, Maintenance Significant Items (MSI) 21.28.00 and 21.43.00: Do the task within 2,500 flight hours after the previous accomplishment. Repeat the task thereafter at the applicable interval in the Airbus A340 Certification Maintenance Requirements, Document 955.3019/92, Issue 14.

(4) For Model A340 airplanes that have accumulated more than 2,700 flight hours since the last maintenance done in accordance with Airbus A340 Certification Maintenance Requirements, Document 955.3019/92, Issue 14, MSI 28.24.00: Do the next task within 800 flight hours after April 9, 2007. Repeat the task thereafter at the applicable interval in the Airbus A340 Certification Maintenance Requirements, Document 955.3019/92, Issue 14.

New Requirements of This AD**Actions and Compliance**

(g) Unless already done, for Airbus Model A330-201, -202, -203, -223, -243, -301, -302, -303, -321, -322, -323, -341, -342, and -343 series airplanes: Within 90 days of the effective date of this AD, revise the Airworthiness Limitations section (ALS) of the Instructions for Continued Airworthiness by incorporating Airbus A330 ALS, Part 3—Certification Maintenance Requirements (CMR), Revision 01, dated May 7, 2008. Accomplish the actions specified in Airbus A330 Airworthiness Limitations Section (ALS), Part 3—Certification Maintenance Requirements (CMR), Revision 01, dated May 7, 2008, at the times specified in the Airbus A330 ALS—Part 3—Certification Maintenance Requirements (CMR), Revision 01, dated May 7, 2008, and in accordance with the Airbus A330 Airworthiness

Limitations Section (ALS), Part 3—Certification Maintenance Requirements (CMR), Revision 01, dated May 7, 2008, except as provided by paragraphs (g)(1), (g)(2), (g)(3), and (g)(4) of this AD. Doing this revision terminates the requirements of paragraph (f) of this AD for that airplane only.

(1) The associated interval for any new task is to be counted from the effective date of this AD.

(2) The associated interval for any revised task is to be counted from the previous performance of the task.

(3) Delete the Airbus A330 CMR Task 272400-00001-1-C “Remove Rudder Servo Controls for Workshop Check of Internal Seals.”

(4) Add the new Airbus A330 CMR Task 272400-00003-1-C “Functional Check of Rudder Individual Servo Controls.” This task must be accomplished before the airplane accumulates 50,000 total flight hours, or within 90 days after the effective date of this AD, whichever occurs later.

FAA AD Differences

Note 2: This AD differs from the MCAI and/or service information as follows: No differences.

Other FAA AD Provisions

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

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, International Branch, ANM-116, Transport Airplane Directorate, 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: Vladimir Ulyanov, Aerospace Engineer, International Branch, ANM-116, Transport Airplane Directorate, FAA, 1601 Lind Avenue, SW., Renton, Washington 98057-3356; telephone (425) 227-1138; fax (425) 227-1149. Before using any approved AMOC on any airplane to which the AMOC applies, notify your principal maintenance inspector (PMI) or principal avionics inspector (PAI), as appropriate, or lacking a principal inspector, your local Flight Standards District Office. The AMOC approval letter must specifically reference this AD. AMOCs approved previously in accordance with AD 2007-05-08, Amendment 39-14969, are approved as AMOCs for the corresponding requirements of this AD.

(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, under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), the Office of Management and Budget (OMB) has approved the information collection requirements and has assigned OMB Control Number 2120-0056.

Related Information

(i) Refer to EASA Airworthiness Directives 2006-0224, dated July 27, 2006, and 2008-0138, dated July 23, 2008; Airbus A330 Certification Maintenance Requirements, Document 955.2074/93, Issue 19, dated March 22, 2006; Airbus A340 Certification Maintenance Requirements, Document 955.3019/92, Issue 14, dated December 19, 2005; and Airbus A330 ALS, Part 3—Certification Maintenance Requirements (CMR), including Appendices 1 and 2, Revision 01, dated May 7, 2008; for related information.

Issued in Renton, Washington, on January 22, 2010.

Ali Bahrami,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2010-1924 Filed 1-28-10; 8:45 am]

BILLING CODE 4910-13-P

SECURITIES AND EXCHANGE COMMISSION
17 CFR Part 240

[Release No. 34-61414; File No. S7-04-10]

RIN 3235-AH37

Purchases of Certain Equity Securities by the Issuer and Others

AGENCY: Securities and Exchange Commission.

ACTION: Proposed rule.

SUMMARY: The Securities and Exchange Commission (“Commission” or “SEC”) is proposing amendments to Rule 10b-18 under the Securities Exchange Act of 1934 (“Exchange Act”), which provides issuers with a “safe harbor” from liability for manipulation when they repurchase their common stock in the market in accordance with the Rule’s manner, timing, price, and volume conditions. The proposed amendments are intended to clarify and modernize the safe harbor provisions in light of market developments since Rule 10b-18’s adoption in 1982.

DATES: Comments should be received on or before March 1, 2010.

ADDRESSES: Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission’s Internet comment form (<http://www.sec.gov/rules/proposed.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number S7-04-10 on the subject line; or
- Use the Federal eRulemaking Portal (<http://www.regulations.gov>). Follow the instructions for submitting comments.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File Number S7-04-10. This file number should be included on the subject line if e-mail is used. To help us process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s Internet Web site (<http://www.sec.gov/rules/proposed.shtml>). Comments are also available for public inspection and copying in the Commission’s Public Reference Room, 100 F Street, NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. All comments received will be posted without change; we do not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

FOR FURTHER INFORMATION CONTACT:

Josephine Tao, Assistant Director, Elizabeth Sandoe, Branch Chief, Joan Collopy, Special Counsel, Jeffrey Dinwoodie, Staff Attorney, Office of Trading Practices and Processing, Division of Trading and Markets, at (202) 551-5720, at the Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-7010.

SUPPLEMENTARY INFORMATION: The Commission is requesting public comment on proposed amendments to Rule 10b-18 (the safe harbor rule for issuer repurchases) [17 CFR 240.10b-18] under the Exchange Act.

I. Introduction

Issuers repurchase their securities for many legitimate business reasons. For example, issuers may repurchase their stock in order to have shares available for dividend reinvestment, stock option and employee stock ownership plans, or to reduce the outstanding capital stock following the cash sale of operating divisions or subsidiaries.¹ Issuers may believe that a repurchase program is preferable to paying dividends as a way

¹ Securities Exchange Act Release No. 19244 (Nov. 17, 1982), 47 FR 53333, 53334 (Nov. 26, 1982) (“1982 Adopting Release”). See also Gustavo Grullon and David L. Ikenberry, “What Do We Know About Stock Repurchases?,” 13 *Journal of Applied Corporate Finance*, pp. 31-51 (2000) (noting issuers repurchase their stock for several reasons, including to convey management’s expectation of future increases in earnings and cash flow).

of returning capital to shareholders.² Issuer repurchases also provide liquidity in the marketplace, which benefits shareholders.³

At the same time, an issuer has a strong interest in the market performance of its securities. Among other things, an issuer’s securities may be the consideration in an acquisition, or serve as collateral for financing. Since the market price determines the price of offerings of additional securities, an issuer may have an incentive to manipulate the price of its securities.⁴ One way that an issuer can positively affect the price of its securities is to purchase the securities in the open market.⁵ Because issuer repurchases could affect the market price of an issuer’s stock, an issuer may be exposed to claims that the repurchases were made in a manipulative manner even when the repurchases were not intended to move market prices.

Rule 10b-18 addresses this concern. In 1982, the Commission adopted Rule 10b-18,⁶ which provides issuers⁷ with a safe harbor from liability for manipulation under Sections 9(a)(2) and 10(b) of the Exchange Act, and Rule 10b-5 under the Exchange Act, when they repurchase their common stock in the market in accordance with the Rule’s manner, timing, price, and volume conditions.⁸ Rule 10b-18’s safe

² See Securities Exchange Act Release No. 46980 (Dec. 10, 2002), 67 FR 77594 (Dec. 18, 2002) (“2002 Proposing Release”).

³ See *id.*

⁴ *Id.*

⁵ *Id.*

⁶ 1982 Adopting Release, 47 FR 53333. Since 1967, the Commission has considered on several occasions the issue of whether to regulate an issuer’s market purchases of its own securities. The Commission first proposed Rule 10b-10 to govern issuer repurchases in connection with proposed legislation that became the Williams Act Amendments of 1968, Public Law 90-439, 82 Stat. 454 (July 29, 1968), reprinted in Hearings on S. 510 before Senate Committee on Banking and Currency, 90th Cong., 1st Sess. 214-216 (1967). The Commission then published for public comment proposed Rule 13e-2 in 1970, 1973, and 1980. Rule 13e-2, which was later withdrawn with the adoption of Rule 10b-18, would have been a prescriptive rule with mandatory disclosure requirements, substantive purchasing limitations, and general anti-fraud liability. Securities Exchange Act Release Nos. 8930 (July 13, 1970), 35 FR 11410 (July 16, 1970); 10539 (Dec. 6, 1973), 38 FR 34341 (Dec. 13, 1973); and 17222 (Oct. 17, 1980), 45 FR 70890 (Oct. 27, 1980) (“1980 Proposing Release”).

⁷ The safe harbor is also available for “affiliated purchasers” of the issuer. In this Release, the term “issuer” includes affiliated purchasers. See 17 CFR 240.10b-18(a)(3), (a)(13) and (b).

⁸ In other words, an issuer will not be deemed to have violated Sections 9(a)(2) and 10(b) of the Exchange Act or Rule 10b-5 under the Exchange Act, solely by reason of the timing, price, volume, or manner of its repurchases, if the repurchases are made within the limitations of the rule. However, some repurchase activity that meets the safe harbor

Continued