

Mail Contract 27 to the competitive product list.<sup>1</sup> The Postal Service asserts that Priority Mail Contract 27 is a competitive product “not of general applicability” within the meaning of 39 U.S.C. 3632(b)(3). *Id.* at 1. The Postal Service states that prices and classification underlying this contract are supported by Governors’ Decision No. 09–6 in Docket No. MC2009–25. *Id.* The Request has been assigned Docket No. MC2010–32.

The Postal Service contemporaneously filed a contract related to the proposed new product pursuant to 39 U.S.C. 3632(b)(3) and 39 CFR 3015.5. The contract has been assigned Docket No. CP2010–77.

*Request.* In support of its Request, the Postal Service filed six attachments as follows:

- Attachment A—a redacted copy of the Governor’s Decision No. 09–6, originally filed in Docket No. MC2009–25, authorizing certain Priority Mail contracts;
- Attachment B—a redacted copy of the contract;
- Attachment C—a proposed change in the Mail Classification Schedule competitive product list;
- Attachment D—a Statement of Supporting Justification as required by 39 CFR 3020.32;
- Attachment E—a certification of compliance with 39 U.S.C. 3633(a); and
- Attachment F—an application for non-public treatment of materials to maintain redacted portions of the contract and supporting document under seal.

In the Statement of Supporting Justification, Brian G. Denny, Acting Manager, Sales and Communications, asserts that the service to be provided under the contract will cover its attributable costs, make a positive contribution to institutional costs, and increase contribution toward the requisite 5.5 percent of the Postal Service’s total institutional costs. *Id.*, Attachment D. Thus, Mr. Denny contends there will be no issue of subsidization of competitive products by market dominant products as a result of this contract. *Id.*

*Related contract.* A redacted version of the specific Priority Mail Contract 27 is included with the Request. The contract will become effective on the day that the Commission provides all necessary regulatory approvals. It is terminable upon 30 days notice by a party, but could continue for 3 years.

<sup>1</sup> Request of the United States Postal Service to Add Priority Mail Contract 27 to Competitive Product List and Notice of Filing (Under Seal) of Contract and Supporting Data, July 21, 2010 (Request).

The Postal Service represents that the contract is consistent with 39 U.S.C. 3633(a). *See id.*, Attachment D. The Postal Service will provide the shipper with Priority Mail packaging for eligible Priority Mail items mailed by the shipper.

The Postal Service filed much of the supporting materials, including the specific Priority Mail Contract 27, under seal. It maintains that the contract and related financial information, including the customer’s name and the accompanying analyses that provide prices, terms, conditions, cost data, and financial projections should remain under seal. *See* Attachment F. It also requests that the Commission order that the duration of such treatment of all customer-identifying information be extended indefinitely, instead of ending after 10 years. *Id.* at 7.

## II. Notice of Filings

The Commission establishes Docket Nos. MC2010–32 and CP2010–77 for consideration of the Request pertaining to the proposed Priority Mail Contract 27 product and the related contract, respectively. In keeping with practice, these dockets are addressed on a consolidated basis for purposes of this order; however, future filings should be made in the specific docket in which issues being addressed pertain.

Interested persons may submit comments on whether the Postal Service’s filings in the captioned dockets are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642 and 39 CFR part 3015 and 39 CFR 3020, subpart B. Comments are due no later than July 30, 2010. The public portions of these filings can be accessed via the Commission’s Web site (<http://www.prc.gov>).

The Commission appoints Paul L. Harrington to serve as Public Representative in these dockets.

## III. Ordering Paragraphs

*It is ordered:*

1. The Commission establishes Docket Nos. MC2010–32 and CP2010–77 for consideration of the matter raised in each docket.

2. Pursuant to 39 U.S.C. 505, Paul L. Harrington is appointed to serve as officer of the Commission (Public Representative) to represent the interests of the general public in these proceedings.

3. Comments by interested persons in these proceedings are due no later than July 30, 2010.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

**Shoshana M. Grove**

Secretary.

[FR Doc. 2010–18540 Filed 7–27–10; 8:45 am]

BILLING CODE 7710–FW–S

## SECURITIES AND EXCHANGE COMMISSION

### Proposed Collection; Comment Request

*Upon Written Request, Copies Available*

From: Securities and Exchange Commission, Office of Investor Education and Advocacy, Washington, DC 20549–0213.

*Extension:*

Rule 17a–7; SEC File No. 270–147; OMB Control No. 3235–0131.

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (“Commission”) is soliciting comments on the collection of information summarized below. The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

Rule 17a–7 (17 CFR 240.17a–7) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) (“Exchange Act”) requires non-resident broker-dealers registered or applying for registration pursuant to Section 15 of the Exchange Act to maintain—in the United States—complete and current copies of books and records required to be maintained under any rule adopted under the Exchange Act. Alternatively, Rule 17a–7 provides non-resident broker-dealers may sign written undertakings to furnish the requisite books and records to the Commission upon demand.

There are approximately 63 non-resident brokers and dealers. Based on the Commission’s experience in this area, it is estimated that the average amount of time necessary to preserve the books and records required by Rule 17a–7 is one hour per year. Accordingly, the total burden is 63 hours per year. With an average cost per hour of approximately \$294, the total cost of compliance for the respondents is approximately \$18,522 per year.

*Written comments are invited on:* (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the Commission’s estimate of the burden of the proposed collection of information; (c) ways to

enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

Comments should be directed to: Charles Boucher, Director/Chief Information Officer, Securities and Exchange Commission, c/o Shirley Martinson, 6432 General Green Way, Alexandria, Virginia 22312, or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov).

Dated: July 21, 2010.

**Florence E. Harmon,**  
*Deputy Secretary.*

[FR Doc. 2010-18444 Filed 7-27-10; 8:45 am]

**BILLING CODE 8010-01-P**

## SECURITIES AND EXCHANGE COMMISSION

### Proposed Collection; Comment Request

*Upon Written Request, Copies Available*

*From:* Securities and Exchange Commission, Office of Investor Education and Advocacy, Washington, DC 20549-0213.

*Extension:*

Rule 17e-1; SEC File No. 270-224; OMB Control No. 3235-0217.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), the Securities and Exchange Commission (the "Commission") is soliciting comments on the collections of information summarized below. The Commission plans to submit these existing collections of information to the Office of Management and Budget ("OMB") for extension and approval.

Rule 17e-1 (17 CFR 270.17e-1) under the Investment Company Act of 1940 (15 U.S.C. 80a-1) (the "Act") is entitled "Brokerage Transactions on a Securities Exchange." The rule governs the remuneration that a broker affiliated with a registered investment company ("fund") may receive in connection with securities transactions by the fund. The rule requires a fund's board of directors to establish, and review as necessary, procedures reasonably designed to provide that the remuneration to an affiliated broker is a fair amount compared to that received by other brokers in connection with transactions in similar securities during a comparable period of time. Each quarter, the board must determine that

all transactions with affiliated brokers during the preceding quarter complied with the procedures established under the rule. Rule 17e-1 also requires the fund to (i) maintain permanently a written copy of the procedures adopted by the board for complying with the requirements of the rule; and (ii) maintain for a period of six years a written record of each transaction subject to the rule, setting forth: the amount and source of the commission, fee or other remuneration received; the identity of the broker; the terms of the transaction; and the materials used to determine that the transactions were effected in compliance with the procedures adopted by the board. The Commission's examination staff uses these records to evaluate transactions between funds and their affiliated brokers for compliance with the rule.

Based on an analysis of fund filings, the staff estimates that approximately 252 fund portfolios enter into subadvisory agreements each year.<sup>1</sup> Based on discussions with industry representatives, the staff estimates that it will require approximately 3 attorney hours to draft and execute additional clauses in new subadvisory contracts in order for funds and subadvisors to be able to rely on the exemptions in rule 17e-1. Because these additional clauses are identical to the clauses that a fund would need to insert in their subadvisory contracts to rely on rules 12d3-1, 10f-3, 17a-10, and because we believe that funds that use one such rule generally use all of these rules, we apportion this 3 hour time burden equally to all four rules. Therefore, we estimate that the burden allocated to rule 17e-1 for this contract change would be 0.75 hours.<sup>2</sup> Assuming that all 252 funds that enter into new subadvisory contracts each year make the modification to their contract required by the rule, we estimate that the rule's contract modification requirement will result in 189 burden hours annually, with an associated cost of approximately \$59,724.<sup>3</sup>

<sup>1</sup> Based on information in Commission filings, we estimate that 42.5 percent of funds are advised by subadvisors.

<sup>2</sup> This estimate is based on the following calculation (3 hours ÷ 4 rules = .75 hours).

<sup>3</sup> These estimates are based on the following calculations: (0.75 hours × 252 portfolios = 189 burden hours); (\$316 per hour × 189 hours = \$59,724 total cost). The Commission staff's estimates concerning the wage rates for attorney time are based on salary information for the securities industry compiled by the Securities Industry Association. The \$316 per hour figure for an attorney is from the SIA Report on Management & Professional Earnings in the Securities Industry 2009, modified to account for an 1800-hour work-year and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead.

Based on an analysis of fund filings, the staff estimates that approximately 1935 funds use at least one affiliated broker. Based on conversations with fund representatives, the staff estimates that rule 17e-1's exemption would free approximately 40 percent of transactions that occur under rule 17e-1 from the rule's recordkeeping and review requirements. This would leave approximately 1161 funds (1935 funds × .6 = 1161) still subject to the rule's recordkeeping and review requirements. The staff estimates that each of these funds spends approximately 59 hours per year (40 hours by accounting staff, 15 hours by an attorney, and 4 director hours) at a cost of approximately \$25,500 per year to comply with rule 17e-1's requirements that (i) the fund retain records of transactions entered into pursuant to the rule, and (ii) the fund's directors review those transactions quarterly.<sup>4</sup> We estimate, therefore, that the total yearly hourly burden for all funds relying on this exemption is 68,499 hours,<sup>5</sup> with yearly costs of approximately \$29,605,500.<sup>6</sup> Therefore, the estimated annual aggregate burden hour associated with rule 17e-1 is 68,688,<sup>7</sup> and the estimated annual aggregate cost associated with it is \$29,665,224.<sup>8</sup>

The estimate of average burden hours is made solely for the purposes of the Paperwork Reduction Act, and is not derived from a comprehensive or even a representative survey or study. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Written comments are invited on: (a) Whether the collections of information are necessary for the proper

<sup>4</sup> This estimate is based on the following calculations: (40 hours accounting staff × \$119 per hour = \$4760) (15 hours by an attorney × \$316 per hour = \$4740); (4 hours by directors × \$4000 = \$16,000) (\$4760 + \$4740 + \$16,000 = \$25,500 total cost). The Commission staff's estimates concerning the wage rate for professional time are based on salary information for the securities industry compiled by the Securities Industry Association, except for the estimate of \$4000 per hour for a board of directors. The \$316 per hour estimate for an attorney and the \$119 per hour estimate for accountant time is from the SIA Report on Management & Professional Earnings in the Securities Industry 2009, modified to account for an 1800-hour work-year and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead.

<sup>5</sup> This estimate is based on the following calculation: (1161 funds × 59 hours = 68,499).

<sup>6</sup> This estimate is based on the following calculation: (\$25,500 × 1161 funds = \$29,605,500).

<sup>7</sup> This estimate is based on the following calculation: (189 hours + 68,499 hours = 68,688 total hours).

<sup>8</sup> This estimate is based on the following calculation: (\$59,724 + \$29,605,500 = \$29,665,224).