

exceed 8 centimeters in length and 8.5 millimeters in diameter.

(c) *Commercial consignments.* French beans and runner beans must be imported as commercial consignments only.

(d) *Phytosanitary certificate.* Each consignment of French beans or runner beans must be accompanied by a phytosanitary certificate issued by Kenya's NPPO attesting that the conditions of this section have been met and that the consignment has been inspected and found free of the pests listed in this section.

Done in Washington, DC, this 21st day of March 2011.

Kevin Shea,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2011-7088 Filed 3-24-11; 8:45 am]

BILLING CODE 3410-34-P

SMALL BUSINESS ADMINISTRATION

13 CFR Parts 121, 124, 125, 126, and 127

[Docket No. SBA-2011-0006]

Small Business Jobs Act Tour: Selected Provisions Having an Effect on Government Contracting

AGENCY: U.S. Small Business Administration.

ACTION: Notice of Public Meetings.

SUMMARY: The U.S. Small Business Administration's (SBA) Office of Government Contracting and Business Development (GC/BD) is tasked with implementing several provisions of the Small Business Jobs Act of 2010 (SBJA). On Monday, March 7, 2011, SBA announced a series of public meetings on its implementation of these provisions. The dates, times and locations, as well as registration information, are set forth below. SBA is providing this supplementary information on the government contracting provisions of the SBJA to provide background and focus input.

DATES: The meetings will be held on the dates and times specified in the Event Information section of the Supplementary Information below. It is recommended that all attendees register at least one week prior to the scheduled meeting date. In addition, comments to SBA docket number SBA-2011-0006 must be received on or before April 16, 2011.

ADDRESSES: The meetings will be held at the locations specified in the Event Information section of the Supplementary Information below. Parties interested in attending a meeting must register by providing the requested registration information at <http://www.sba.gov/jobsacttour>. In addition, you may submit comments, identified by SBA docket number SBA-2011-0006 by any of the following methods:

Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
Mail: Small Business Jobs Act Tour—Office of Government Contracting and Business Development, U.S. Small Business Administration, 409 Third Street, SW., Suite 8000, Washington, DC 20416.

Hand Delivery/Courier: Richard L. Miller, Small Business Jobs Act Tour—Office of Government Contracting and Business Development, 409 Third Street, SW., Washington, DC 20416.

SBA will post all comments on <http://www.regulations.gov>. If you wish to submit confidential business information (CBI) as defined in the User Notice at <http://www.regulations.gov>, please submit the information to Mr. Miller, address above. Highlight the information that you consider to be CBI and explain why you believe SBA should hold this information as confidential. SBA will review the information and make the final determination whether it will publish the information.

FOR FURTHER INFORMATION CONTACT: Richard L. Miller, Small Business Job's Act Tour—Office of Government Contracting and Business Development, 409 Third Street, SW., Washington, DC

20416, at (202) 205-6895; *Fax:* (202) 481-4291; *e-mail:* richard.miller@sba.gov.

SUPPLEMENTARY INFORMATION

I. Background

On September 27, 2010, President Obama signed the SBJA, which makes many significant small business program improvements. The new law provides critical resources to help small businesses continue to drive economic recovery and create jobs. The new law extended the successful SBA enhanced loan provisions while offering billions more in lending support, tax cuts, and other opportunities for entrepreneurs and small business owners. The new law also contained numerous provisions to help enhance small businesses ability to compete in government contracting and subcontracting. For example, the law addresses small business set-asides on multiple award contracts, contract consolidation, and timely payments to small business subcontractors. The contracting provisions also dovetail with recommendations released by the Interagency Task Force on Small Business Contracting in September (<http://www.sba.gov/content/interagency-task-force-federal-contracting-opportunities-small-businesses>). The Task Force was established by the President in April 2010 to identify ways in which to increase small business participation in the federal marketplace so that agencies meet and exceed their small business contracting goals.

Accordingly, SBA will conduct a Small Business Jobs Act Tour that will cover 13 cities. The objective of the tour is to provide information on SBJA provisions and to receive input on key SBJA provisions.

II. Topics and Agenda

While the agenda may vary from city to city, a typical agenda is below. Please visit <http://www.sba.gov/jobsacttour> for updates on each location's agenda.

| | |
|----------------------------|--|
| 9 to 10 am | Opening Keynote & Overview of Small Business Jobs Act. |
| 10 to 10:15 am | Break. |
| 10:15 to 11:30 am | Room 1—CONTRACTING Discussion and intake session surrounding key Jobs Act provisions: multiple-award set-asides, bundling, consolidation of requirements, subcontracting, mentor-protégé programs, presumption of loss and misrepresentation issues, and annual certification issues. |
| | Room 2—LENDER ROUNDTABLE Discussion for current and prospective SBA lenders: new efforts to simplify/streamline, enhance customer service in areas such as lending policy, processing, and oversight. |
| | Room 3—EXPORTING Discussion of new exporting tools: increased loan sizes, the Export Express program, state-level STEP grants, and additional efforts under the National Export Initiative. |
| 11:30 am to 12:45 pm | Room 1—CONTRACTING (session above continues) Room 2—LENDER ROUNDTABLE (session above continues) |

| | |
|--|--|
| <p>12:45 to 1:45 pm 1:45 to 3 pm</p> | <p>Room 3—COUNSELING Discussion of counseling and training resources: Jobs Act support for Small Business Development Centers, enhanced efforts to support export counseling. Break for Lunch.</p> |
| | <p>Room 1—CONTRACTING Discussion of Size Standards: basics of SBA's small business size standards, current comprehensive review of size standards including methodology, other policy issues. Room 2—CAPITAL Discussion of opportunities in accessing capital: how SBA loan programs can help small business owners. Room 3—EXPORTING (repeat) Discussion of new exporting tools: Increased loan sizes, the Export Express program, state-level STEP grants, and additional efforts under the National Export Initiative.</p> |
| <p>3 to 4:15 pm</p> | <p>Room 1—CONTRACTING Discussion of local/regional contracting environment and resources: "meet-and-greet" with representatives such as regional/local SBA officials, 8(a) experts, and resource partners. Room 2—CAPITAL Discussion of new SBA loan programs and initiatives: Advantage loans, 504 re-financing (Jobs Act), the Dealer Floor Plan pilot (Jobs Act), and more. Room 3—COUNSELING (repeat) Discussion of counseling and training resources: Jobs Act support for Small Business Development Centers, enhanced efforts to support export counseling.</p> |

A. Putting More Capital in the Hands of Small Business Owners

SBA loans continue to be a critical tool for helping small businesses get the capital they need to grow and create jobs. The Small Business Jobs Act made permanent enhancements to SBA loan programs, such as raising the maximum loan sizes of the 7(a) and 504 programs. In addition, temporary provisions in the new law include a Dealer Floor Plan financing pilot as well as a program that allows some owner-occupied businesses to refinance their commercial real estate mortgages using an SBA loan. Beyond the SBJA, SBA is taking several steps to better serve its lending partners and borrowers, to simplify and streamline loan programs, and to improve oversight of SBA lending. Small business owners, prospective and current SBA lenders are especially encouraged to attend, share their ideas with the SBA, and learn more about new tools being offered.

B. Expanding Resources for Counseling and Training

SBA has at least one District Office in each state, as well as about 14,000 affiliated counselors at Small Business Development Centers, Women's Business Centers and SCORE chapters. The Small Business Jobs Act is helping support these groups in a number of ways. For example, \$50 million more is being provided to support the network of about 900 Small Business Development Centers throughout the country. Also, SBA is working with a broad group of counselors to equip them with more tools and information to help small firms start or increase exporting. All small business owners are encouraged to attend and learn more about the knowledge, tools, and contacts that SBA affiliated counselors can help provide.

C. Expanding Exporting Opportunities for Small Business

Small businesses looking for new opportunities to increase sales and profit, and take advantage of increased demand for high-quality U.S. goods and services, should consider exporting. The Small Business Jobs Act includes exporting resources to help small businesses by making the SBA Export Express pilot loan program permanent, increasing maximum sizes for SBA's three export loan programs, and creating a new State Trade and Export Promotion (STEP) grants pilot program which will provide funds to states to assist small business interested in exporting. See Notice of Grant Opportunities to States: STEP Grant Program, 76 FR 10082 (Feb. 23, 2011). These expanded opportunities also help build upon the goal of doubling exports in the next five years via the National Export Initiative. Small business owners with a current or prospective interest in exporting are especially encouraged to attend.

D. Strengthening Small Businesses' Ability To Compete for and Win Federal Contracts

The federal government awards hundreds of billions of dollars each year in federal contracts, nearly one-fourth of which goes to small firms. The Small Business Jobs Act contained 19 provisions that will help small businesses compete more effectively for federal contracts and subcontracts. SBA is rolling out these provisions that will help ensure more fairness, more opportunities, and more tools to help match federal agencies with small businesses that provide high-quality products and services. SBA wants to hear from interested parties about how it can effectively roll out new provisions, such as those relating to

Multiple Award Contract set asides, subcontracting, Mentor Protégé Programs, and, at select events, its size process. Small business contractors are encouraged to attend, learn more about these new tools, and share their thoughts on improving the environment for small business contracting. In addition, SBA seeks input and suggestions on the following specific SBJA government contracting provisions:

E. Multiple Award Contract Set-Asides (Pub. L. 111-240 §§ 1311 1331)

Section 1311 of the SBJA defines the term "multiple award contract." In addition, § 1331 of the SBJA requires the Administrator of SBA and the Administrator for Federal Procurement Policy, in consultation with the Administrator of the General Services Administration (GSA) to issue regulations under which "Federal agencies may, at their discretion—(1) Set aside part or parts of a multiple award contract for small business concerns, including the subcategories of small business concerns * * * (2) notwithstanding the fair opportunity requirements under section 2304c(b) of title 10, United States Code, and section 303J(b) of the Federal Property and Administrative Services act of 1949 (41 U.S.C. 253j(b)), set aside orders placed against multiple award contracts for small business concerns, including the subcategories of small business concerns * * * and (3) reserve one or more contract awards for small business concerns under full and open multiple award procurements, including the subcategories of small business concerns." In reviewing these provisions, the SBA would like input and suggestions on the following questions:

1. How should guidance differentiate between a total set-aside, a partial set-aside, and a procurement otherwise “reserved” for small businesses? When is it appropriate for each to be used? When would it be inappropriate for each to be used? What types of “reserves” might be effective in a full and open competition for a task and delivery order contract to facilitate access to small businesses (e.g., designating a certain number of the multiple awards for award to small businesses or subcategories of small business, or permitting a small business to receive a multiple award contract to compete for only a specified subset of functions on the task or delivery orders issued against the contract)? Should small businesses compete solely against other small businesses for contracts that are “reserved” for small business?

2. Should set-asides be authorized under GSA’s Multiple Award Schedule (MAS) contracts? Should they be required under certain circumstances? Why or why not? What additional steps might be considered to increase small business participation on the Schedules? (**Note:** GSA has created a new section of its GSA MAS Web site focused on small business contracting at <http://www.gsa.gov/portal/content/202261>. Readers are encouraged to review this site in considering their response to this question).

3. Will small business utilization under “multiple award contracts” including GSA MAS contracts be increased through mandatory or discretionary use of set-asides?

4. If small business set-asides are mandated either at the contract level or ordering level, how will it affect a procuring agency’s use of “multiple award contracts” including MAS contracts?

5. If set-asides are applied to “multiple award contracts” including GSA MAS contracts at the order level, what are some of the potential benefits or drawbacks?

6. At what time should small business size be determined for a multiple-award contract—at the time of (1) submission of a proposal for the contract, (2) submission of a quotation for the order, or some combination? What affect would requiring size determinations at the order level have on the procurement process for multiple award contracts?

7. How should the small business requirements (e.g., limitation on subcontracting; non-manufacturer rule) apply to orders set aside for small business?

F. Bundling Accountability, Consolidation of Contracts Requirements (Pub. L. 111–240 §§ 1312–1313)

Section 1313 of the SBJA provide that an agency may not conduct an acquisition involving contract requirements with a total value of more than \$2,000,000, unless the senior procurement executive or Chief Acquisition Officer for the Federal agency, before carrying out the acquisition strategy—(A) Conducts market research; (B) identifies any alternative contracting approaches that would involve a lesser degree of consolidation of contract requirements; (C) makes a written determination that the consolidation of contract requirements is necessary and justified; (D) identifies any negative impact by the acquisition strategy on contracting with small business concerns; and (E) certifies to the head of the Federal agency that steps will be taken to include small business concerns in the acquisition strategy. In addition, § 1312 of the SBJA requires agencies to post their rationale for a bundled requirement. In reviewing these provisions, the SBA would like input and suggestions on the following questions:

1. If you are a small business, do you frequently form teams (i.e., when small businesses joint venture or form a prime and subcontractor relationship) for bundled contracts? Do you ever enter into any other types of arrangements besides joint ventures or prime/subcontract relationships to compete for bundled contracts? If so, please describe these arrangements.

G. Subcontracting; Misrepresentations, Plan Improvements, and Timeliness of Payment (Pub. L. 111–240 §§ 1321, 1322, 1334)

The SBJA requires the Administrator to establish a policy on small business subcontracting compliance, including assignment of periodic oversight and review responsibilities between contracting offices, small business offices, and program offices (see § 1321). It further provides that for contracts requiring subcontracting plans, a large business contractor must notify the contracting officer in writing when the prime fails to use a small business concern in contract performance that the prime used in preparing the bid or offer (see § 1322). In addition, the SBJA provides that for contracts requiring subcontracting plans, a large business contractor must notify the contracting officer in writing when the prime has been paid, the subcontractor has

performed, and the prime’s payment to the subcontractor is 90 days past due, or the prime has paid the subcontractor a reduced amount. Finally, the SBJA further provides that a contracting officer may record the identity of a contractor with a history of unjustified, untimely payments in the Federal Awardee Performance and Integrity System (see § 1334). In reviewing these provisions, SBA would like input and suggestions on the following questions:

1. With respect to Section 1321, who is currently responsible for monitoring small business subcontracting plan compliance and performance? Is there a function or office that can better monitor performance and compliance?

2. In implementing sections 1322 and 1334, what factors should SBA take into account to ensure the provision facilitates opportunities for small businesses in a manner that is consistent with economy and efficiency in federal contracting? For example, should the contracting officer be responsible for determining whether a prime contractor used a particular subcontractor in creating a bid or proposal? Should the contracting officer be responsible for determining whether the subcontractor has satisfactorily completed performance? How should the prime contractor report to the contracting officer? How should the contracting officer use the reported information? Are subcontractors able to report to the contracting officer when a prime contractor fails to utilize a subcontractor or fails to pay a subcontractor, or do prime contractors restrict subcontractors’ ability to contact the contracting officer?

3. With respect to section 1334, what, if any, consequences should a prime contractor’s late or reduced payment to a small business subcontractor have on that contractor’s future ability to receive federal contracts?

H. Mentor Protégé Programs for WOSB, HUBZONE, and SDVOSB (Pub. L. 111–240 §§ 1331–1343)

The SBA’s 8(a) Business Development Program currently authorizes a Mentor-Protégé Program as a tool to aid small Participant firms gain needed business development assistance, including expertise within their specific industries to successfully compete in the marketplace. The SBJA authorizes SBA to implement a Mentor-Protégé Program for HUBZone small businesses, service disabled veteran owned (SDVO) small businesses, and women-owned small businesses (WOSB) similar in structure to the current SBA 8(a) Mentor-Protégé Program. SBA is seeking input and suggestions on the following questions:

1. If SBA implements a Government-wide Mentor-Protégé program for HUBZone small businesses, SDVO small businesses and WOSBs, how should these government-wide programs interact with Mentor-Protégé programs sponsored by individual agencies? Should agency-specific Mentor-Protégé programs of other agencies be maintained? What, if any, challenges might this pose?

2. Should the Mentor-Protégé programs be identical for each of the programs (HUBZone, SDVO, WOSB) or should current differences contained in the programs be continued (e.g., HUBZone program regulations currently allow joint ventures for HUBZone contracts only between 2 or more certified HUBZone firms; if continued, a mentor that is not a HUBZone firm could not perform a HUBZone contract as a joint venture with its HUBZone protégé firm)?

3. Are there specific industry sectors where small business development through Mentor-Protégé programs should be focused?

4. What types of incentives should be considered to encourage the formation of Mentor-Protégé relationships? Are there examples of incentives used by other agencies in their Mentor-Protégé programs (other than those requiring additional outlays of funds) that would benefit SBA's program?

5. What metrics should be considered to gauge a successful Mentor Protégé relationship?

6. What controls should be considered to mitigate potential fraud, waste, and abuse in the Mentor-Protégé relationship?

7. Would small businesses be better served if created a Government-wide Mentor-Protégé program to provide oversight and offer best practices, or would small businesses prefer Mentor-Protégé programs for each individual socioeconomic group?

I. Presumption of Loss/ Misrepresentation and Annual Certification of Size (Pub. L. 111-240 §§ 1341-1343)

Section 1341 of the SBJA provides that there shall be a presumption of loss equal to the value of the contract, subcontract, grant, cooperative agreement or cooperative research and development agreement set aside or intended for award to a small business when a concern willfully sought and received the award by misrepresentation. Section 1341 also provides that the submission of a bid or proposal for a contract, subcontract, grant, cooperative agreement or cooperative research and development set aside for small business concerns shall be deemed an affirmative, willful and intentional certification of size or status. Section 1341 further provides

that an offer or application for a contract, subcontract or grant shall contain a certification of size or status signed by an authorized official on the same page containing the certification. Finally, Section 1341 also provides that SBA shall promulgate regulations to protect concerns from liability for misrepresentations in the case of unintentional errors, technical malfunctions and other situations. Section 1342 of the SBJA provides that concerns shall update their size or status in federal procurement databases at least annually, and firms that fail to update its status shall no longer be identified as small or some other status in the database. SBA is seeking input and suggestions on the following questions:

1. How does the deemed certification provision interact or relate to the requirement to provide a signature in connection with a size or status representation or certification?

2. How can an individual or firm claim a misrepresentation was unintentional or a technical malfunction when the individual signed a certification that contained the precise size or status being claimed?

3. What effect will the requirement to update size or status in federal procurement databases annually have on multi-year contracts?

III. Event Information

| Location | Date | Address |
|-----------------------|--|--|
| Columbus, OH | March 28, 2011, Begins 9 a.m., Ends 4:15 p.m. | The Ohio State University, Ohio Union, 1739 N. High St., Columbus, OH 43210. |
| Miami, FL | March 28, 2011, Begins 9 a.m., Ends 4:15 p.m. | Miami Dade College, Wolfson Campus, Chapman Center (Building 3), 300 NE., 2nd Avenue, Miami, FL 33132. |
| New York, NY | March 30, 2011, Begins 9 a.m., Ends 4:15 p.m. | 26 Federal Plaza, 6th Floor Conference Room A/B, New York, NY 10278. |
| Atlanta, GA | March 30, 2011, Begins 9:30 a.m., Ends 4:45 p.m. | Loudermilk Center, 40 Courtland Street, NE., Atlanta, 30303. |
| Boston, MA | April 1, 2011, Begins 9 a.m., Ends 4:15 p.m. | O'Neill Federal Building, 10 Causeway Street, Boston, MA 02222. |
| San Antonio, TX | April 1, 2011, Begins 9 a.m., Ends 4:15 p.m. | The Norris Conference Center, 4522 Fredericksburg Road, San Antonio, TX 78201. |
| Albuquerque, NM | April 11, 2011, Begins 9 a.m., Ends 4:15 p.m. | Embassy Suites Albuquerque, 1000 Woodward Place, NE., Albuquerque, NM 87102. |
| San Diego, CA | April 11, 2011, Begins 9 a.m., Ends 4:15 p.m. | County Health Services Complex, 3851 Rosecrans St., San Diego, CA 92110. |
| Denver, CO | April 13, 2011, Begins 9 a.m., Ends 4:15 p.m. | Lowry Conference Center, 1061 Akron Wy. Bldg. 697, Denver, CO 80230. |
| Seattle, WA | April 13, 2011, Begins 9 a.m., Ends 4:15 p.m. | Holiday Inn, Seattle-SeaTac International Airport, 17338 International Blvd., Seattle, WA 98188. |
| Huntsville, AL | April 15, 2011, Begins 9 a.m., Ends 4:15 p.m. | Chan Auditorium, College of Business, 801 Sparkman Drive, Huntsville, AL 35899. |
| Chicago, IL | April 15, 2011, Begins 9 a.m., Ends 4:15 p.m. | Citigroup Center Building, 500 West Madison Street, Suite 1150, Chicago, IL 60661. |
| Washington, DC | TBD | TBD. |

IV. Registration and Oral Presentation

Any individual interested in attending and making an oral

presentation shall pre-register in advance with SBA. Oral presentations may consist of comments on existing rules and procedures, general questions,

or new ideas for the SBA to consider. Presentations will be made in the breakout sessions, pursuant to the format of each session. Based on the

number of registrants it may be necessary to impose time limits to ensure that everyone who wishes to speak has the opportunity to do so. Please refer to <http://www.sba.gov/jobsacttour> for registration information. SBA will attempt to accommodate all interested parties.

V. Information on Service for Individuals With Disabilities

Reasonable accommodations will be provided to those who request assistance at least one week in advance of the meeting for which assistance is being requested. For a complete list of meeting dates, locations and points of contact please visit <http://www.sba.gov/jobsacttour>.

Authority: Pub. L. 111–240.

Ana Ma,
Chief of Staff.

[FR Doc. 2011–7135 Filed 3–24–11; 8:45 am]

BILLING CODE 8025–01–P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 240

[Release No. 34–64099; File No. S7–11–11]

RIN 3235–AL11

Rule 17Ad–17; Transfer Agents', Brokers', and Dealers' Obligation To Search for Lost Securityholders; Paying Agents' Obligation To Search for Missing Securityholders

AGENCY: Securities and Exchange Commission.

ACTION: Proposed rule.

SUMMARY: The Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) amended the Securities Exchange Act of 1934 (“Exchange Act”) by adding a subsection entitled, “Due Diligence for the Delivery of Dividends, Interest, and Other Valuable Property Rights.” The amendment directs the Securities and Exchange Commission (“Commission”) to revise Exchange Act Rule 17Ad–17, “Transfer Agents' Obligation to Search for Lost Securityholders” to: extend to brokers and dealers the requirement of Rule 17Ad–17 to search for lost securityholders; add to Rule 17Ad–17 a requirement that “paying agents” notify “missing security holders” in writing that the paying agent has sent the missing security holder a check that has not yet been negotiated; add to Rule 17Ad–17 an exclusion for paying agents from the notification requirements when the value of the not yet negotiated check

is less than \$25; and add to Rule 17Ad–17 a provision clarifying that the written notification requirements shall have no effect on State escheatment laws. The amendment also requires the Commission to “adopt such rules, regulations, and orders necessary to implement this subsection no later than 1 year after the date of enactment of this subsection.” The Commission is publishing for comment proposed amendments to Rule 17Ad–17 to implement the statutory requirements.

DATES: Comments should be received on or before May 9, 2011.

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>);
- Send an e-mail to rule-comments@sec.gov and include File Number S7–11–11 on the subject line; or
- Use the Federal eRulemaking Portal (<http://www.regulations.gov>) and 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 S7–11–11. 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 Web site viewing and printing 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; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make publicly available.

FOR FURTHER INFORMATION CONTACT: Jerry W. Carpenter, Assistant Director, or Thomas C. Etter, Jr., Special Counsel, at (202) 551–5710, Division of Trading and Markets, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549–7010.

SUPPLEMENTARY INFORMATION:

I. Introduction

On July 21, 2010, the President signed the Dodd-Frank Act into law.¹ The Dodd-Frank Act was enacted to, among other things, promote the financial stability of the United States by improving accountability and transparency in the financial system.² Title IX of the Dodd-Frank Act provides the Commission with new tools to protect investors and improve the regulation of securities.³

Section 929W of the Dodd-Frank Act added subsection (g) to Section 17A of the Exchange Act (“Section 17A(g)”), which requires the Commission to revise Rule 17Ad–17 under the Exchange Act (“Rule 17Ad–17”) to extend the rule’s requirement that transfer agents search for “lost securityholders” to brokers and dealers.⁵

Section 17A(g) further directs the Commission to revise Rule 17Ad–17 to provide a requirement that the “paying agent provide a single written notification to each missing security holder that the missing security holder has been sent a check that has not yet been negotiated.”⁶ Under Section 17A(g), written notification must be sent to a missing security holder no later than seven months after the sending of the not yet negotiated check.⁷

Section 17A(g)(1)(D)(ii) defines “paying agent” to include “any issuer,

¹ Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. 111–203, 124 Stat. 1376 (2010).

² See *id.* at Preamble.

³ See *id.* § 901 (“This section may be cited as the ‘Investor Protection and Securities Reform Act of 2010.’”); Title IX (“Investor Protections and Improvements to the Regulation of Securities”).

⁴ 17 CFR 240.17Ad–17.

⁵ Rule 17Ad–17(b)(2) defines a “lost securityholder” to mean “a securityholder: (i) To whom an item of correspondence that was sent to the securityholder at the address contained in the transfer agent’s master securityholder file has been returned as undeliverable; provided, however, that if such item is re-sent within one month to the lost securityholder, the transfer agent may deem the securityholder to be a lost securityholder as of the day the resent item is returned as undeliverable; and (ii) for whom the transfer agent has not received information regarding the securityholder’s new address.”

⁶ Section 17A(g)(1)(A), 15 U.S.C. 78q–1(g)(1)(A). We note that Congress, in drafting Exchange Act Section 17A(g), used a two-word formulation of the term “security holder.” In Rule 17Ad–17, however, there is a one-word formulation of the term “securityholder.” For the sake of consistency within Rule 17Ad–17, we are proposing to use the term “missing securityholder” in Rule 17Ad–17. Throughout this release, we have used the term “securityholder” when discussing Rule 17Ad–17, and we have used the term “security holder” when discussing Section 929W of the Dodd-Frank Act or Section 17A(g) of the Exchange Act.

⁷ *Id.* Section 17A(g) provides that written notification may be sent along with a check or other mailing subsequently sent to the missing security holder.