

sharing agreements between the board of trade and the securities exchange(s) on which the underlying securities are traded.

F. To verify that the index is not narrow based, the Division considers the number and weighting of the component securities and the value of average daily trading volume of the lowest weighted quartile of securities. Under the Act, a security index is narrow-based if it meets any one of the following criteria:

- (1) The index is composed of fewer than 10 securities;
- (2) Any single security comprises more than 30% of the total index weight
- (3) The five largest securities comprise more than 60% of the total index weight; or
- (4) The lowest-weighted securities that together account for 25% of the total weight of the index have an aggregate dollar value of average daily trading volume of less than US\$30 million (or US\$50 million if the index includes fewer than 15 securities).

G. Accordingly, a foreign board of trade seeking no-action relief to offer and to sell, to persons located in the U.S., a futures contract on a non-narrow based foreign security index traded on that foreign board of trade should submit to the Office of General Counsel the following in English:

- (1) The terms and conditions of the contract and all other relevant rules of the exchange and, if applicable, of the exchange on which the underlying securities are traded, which have an effect on the over-all trading of the contract, including circuit breakers, price limits, position limits or other controls on trading;
- (2) Surveillance agreements between the foreign board of trade and the exchange(s) on which the underlying securities are traded;
- (3) Assurances from the foreign board of trade of its ability and willingness to share information with the Commission, either directly or indirectly;
- (4) When applicable, information regarding foreign blocking statutes and their impact on the ability of United States government agencies to obtain information concerning the trading of such contracts;
- (5) Information and data denoted in U.S. dollars (and the conversion date and rate used) relating to:
  - (i) The method of computation, availability, and timeliness of the index;
  - (ii) The total capitalization, number of stocks (including the number of unaffiliated issuers if different from the number of stocks), and weighting of the stocks by capitalization and, if applicable, by price in the index as well

as the combined weighting of the five highest-weighted stocks in the index;

(iii) Procedures and criteria for selection of individual securities for inclusion in, or removal from, the index, how often the index is regularly reviewed, and any procedures for changes in the index between regularly scheduled reviews;

(iv) Method of calculation of the case-settlement price and the timing of its public release;

(v) Average daily volume of trading, measured by share turnover and dollar value, in each of the underlying securities for a six-month period of time and, separately, the dollar value of the average daily trading volume of the securities comprising the lowest weighted 25% of the index for the past six calendar months, calculated pursuant to Commission Rule 41.11; and

(vi) If applicable, average daily futures trading volume;

(6) A statement that the index is not a narrow-based security index as defined in Section 1a(25) of the Act and the analysis supporting that statement; and

(7) When applicable, a request to make the futures contract available for trading in accordance with the terms and conditions of, and through the electronic trading devices identified in, the Foreign Trading System No-Action letter that the foreign board of trade received from Commission staff and a certification from the foreign board of trade that it is in compliance with the terms and conditions of that no-action letter.

Issued in Washington, DC on May 21, 2003, by the Commission.

**Jean A. Webb,**

*Secretary of the Commission.*

[FR Doc. 03-13414 Filed 6-4-03; 8:45 am]

**BILLING CODE 6351-01-M**

## DEPARTMENT OF THE INTERIOR

### Bureau of Indian Affairs

#### 25 CFR Part 170

**RIN 1076-AE34**

#### Distribution of Fiscal Year 2003 Indian Reservation Roads Funds

**AGENCY:** Bureau of Indian Affairs, Interior.

**ACTION:** Temporary rule and request for comments.

**SUMMARY:** We are issuing a temporary rule requiring that we distribute 75 percent of available fiscal year 2003

Indian Reservation Roads (IRR) Program funds to projects on or near Indian reservations using the relative need formula. As we did in fiscal years 2000, 2001 and 2002, we are using the Federal Highway Administration (FHWA) Price Trends report for information to calculate the relative need formula, with appropriate modifications to address non-reporting states. We will distribute the balance of the remaining 25 percent of fiscal year 2003 IRR Program funds according to the relative need formula.

**DATES:** This temporary rule is effective June 5, 2003, through September 30, 2003. We will accept comments on this temporary rule until July 7, 2003.

**ADDRESSES:** You may send comments on the formula for distribution of the Fiscal Year 2003 IRR Program funds to: LeRoy Gishi, Chief, Division of Transportation, Office of Trust Responsibilities, Bureau of Indian Affairs, 1849 C Street, NW., MS-4058-MIB, Washington, DC 20240. Mr. Gishi may also be reached at (202) 208-4359.

#### FOR FURTHER INFORMATION CONTACT:

LeRoy Gishi, Chief, Division of Transportation, Office of Trust Responsibilities, Bureau of Indian Affairs, 1849 C Street, NW., MS-4058-MIB, Washington, DC 20240. Mr. Gishi may also be reached at 202-208-4359 (phone), or 202-208-4696 (fax).

#### SUPPLEMENTARY INFORMATION:

##### Background

*Where Can I Find General Background Information on the Indian Reservation Roads Program, the Relative Need Formula, the FHWA Price Trends Report, and the Transportation Equity Act for the 21st Century (TEA-21) Negotiated Rulemaking Process?*

The background information on the IRR Program, the relative need formula, the FHWA Price Trends Report, and the TEA-21 Negotiated Rulemaking process is detailed in the **Federal Register** Notice dated February 15, 2000 (65 FR 7431).

*What Was the Basis for Distribution of Fiscal Years 2000, 2001 and 2002 IRR Program Funds?*

For fiscal year 2000 IRR Program funds, the Secretary published a temporary and final distributing one-half of the funds in February 2000 and the second half of the funds in June 2000. For fiscal years 2001 and 2002 IRR Program funds, the Secretary published a temporary distributing 75 percent of the funds in January 2001 and January 2002 and the remaining 25 percent of the funds in March 2001 and July 2002. These distributions followed the TEA-21 Negotiated Rulemaking Committee's

recommendation to distribute fiscal years 2000, 2001 and 2002 IRR Program funds under the relative need formula used in 1999, while continuing to develop a proposed formula to publish for comment as part of the 25 CFR 170 Notice of Proposed Rulemaking. In addition, in each of these years we modified the Federal Highway Administration Price Trends Report indices to account for non-reporting states.

*What Is the Basis for Distribution of Fiscal Year 2003 IRR Program Funds?*

The Transportation Equity Act for the 21st Century (TEA-21) provides that the Secretary develop rules and a funding formula for fiscal year 2000 and subsequent fiscal years to implement the Indian Reservation Roads Program section of the Act. The Negotiated Rulemaking Committee created under section 1115 of TEA-21 and comprised of representatives of tribal governments and the Federal Government has been diligently working to develop a funding formula that addresses the Congressionally identified criteria, Committee and tribal recommendations, and is consistent with overall Federal Indian Policy.

The Committee proposed a permanent funding formula that was published on August 7, 2002 (67 FR 51328) in the **Federal Register** for public comment. The Secretary is completing the review of comments and drafting a final rule at this time. In the meantime, there are about 1300 ongoing road and bridge construction projects on or near Indian reservations which need fiscal year 2003 funding to continue or complete work. Partially constructed road and bridge projects could pose safety threats. Other road and bridge projects need to be planned or initiated in this fiscal year. This rule is published as a temporary rule only for interim funding for fiscal year 2003 and sets no precedent for the final rule to be published as required by section 1115 of TEA-21. We expect to publish the final rule and funding formula before the beginning of fiscal year 2004. The interim formula for the current fiscal year will provide tribes with the critical resources to develop inventory data, long-range transportation plans, transportation improvement programs and other information necessary to distribute funds under a new funding formula to be put in place for fiscal year 2004. The Secretary is basing this distribution on

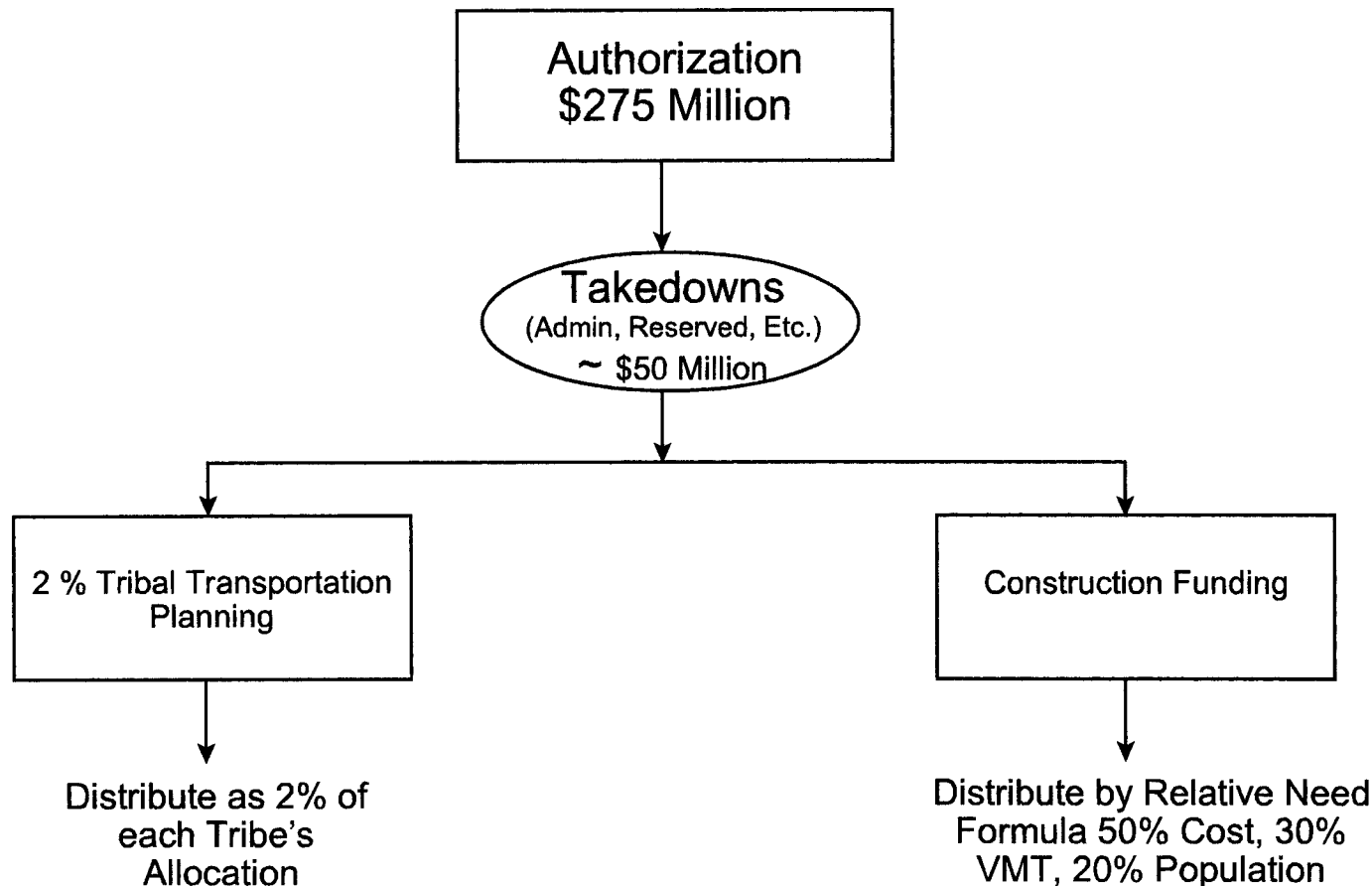
similar methodologies used in fiscal year 2000, 2001 and 2002.

*How Will the Secretary Distribute Fiscal Year 2003 IRR Program Funds?*

Upon publication of this rule, the Secretary will distribute 75 percent of fiscal year 2003 IRR Program funds based on the current relative need formula used in fiscal years 2000, 2001 and 2002, and the indices from the FHWA Price Trends Report with appropriate modifications for non-reporting states in the relative need formula distribution process. We will distribute fiscal year 2003 IRR Program funds to the twelve BIA regions using this distribution process. We are requesting comments on the use of the current relative need formula for distribution of the remaining 25 percent of fiscal year 2003 IRR Program funds.

*What Formula Components Are We Using for Distribution of Fiscal Year 2003 IRR Program Funds and How Are They Related?*

The following diagram shows the relationship between components for fiscal year 2003 IRR Program funds distribution:



### *What Data Are We Using for the Interim Distribution Funding Formula?*

We are using the most current road inventory data (June 2002) maintained by the Bureau of Indian Affairs.

### *Are There Any Differences in the Distribution of Fiscal Year 2003 IRR Program Funds as Compared to the Distributions of Fiscal Years 2000, 2001 and 2002 IRR Program Funds?*

The distribution of fiscal year 2003 IRR Program funds is based on the current relative need formula and the FHWA Price Trends Report indices that were used for the adjusted fiscal years 2000, 2001 and 2002 distribution. In February 2000 the Secretary partially distributed fiscal year 2000 IRR Program funds using the relative need formula. In June 2000 the Secretary distributed the remaining funds under the relative need formula by modifying the FHWA price trend report indices for two nonreporting states, Washington and Alaska, that impact tribes in those nonreporting states. In January 2001 the Secretary partially distributed fiscal year 2001 IRR Program funds using the relative need formula. In June 2001 the Secretary distributed the remaining funds under the relative need formula by modifying the FHWA price trend report indices for two nonreporting states. In January 2002 the Secretary partially distributed fiscal year 2002 IRR Program funds using the relative need formula. In July 2002 the Secretary distributed the remaining funds under the relative need formula by modifying the FHWA price trend report indices for non-reporting states. We are using the same modification process for non-reporting states for distribution of fiscal year 2003 IRR Program funds. For fiscal years 2001 and 2002 we distributed funds in the same manner as in fiscal year 2000, except that we reserved up to \$19.53 million for administrative capacity building for federally recognized tribes. We are distributing fiscal year 2003 funds in the same way as fiscal year 2000 IRR Program funds.

### *Why Does This Temporary Rule Not Allow for Notice and Comment on the First Partial Distribution of Fiscal Year 2002 IRR Program Funds, and Why Is It Effective Immediately?*

Under 5 U.S.C. 553(b)(3)(B), notice and public procedure on the first partial distribution under this rule are impracticable, unnecessary, and contrary to the public interest. In addition, we have good cause for making this temporary rule for distribution of 75 percent of fiscal year

2003 IRR Program funds effective immediately under 5 U.S.C. 553(d)(3).

Notice and public procedure would be impracticable because of the urgent need to distribute 75 percent of fiscal year 2003 IRR Program funds. Approximately 1300 road and bridge construction projects are at various phases that require additional funds this fiscal year to continue or complete work, including 220 deficient bridges and the construction of approximately 7300 miles of roads. Fiscal year 2003 IRR Program funds will be used to design, plan, and construct improvements (and, in some cases, to reconstruct bridges). Without this immediate partial distribution of fiscal year 2003 IRR Program funds, tribal and BIA IRR projects will be forced to cease activity, placing projects and jobs in jeopardy. Waiting for notice and comment on this temporary rule would be contrary to the public interest. In some of the BIA regions, approximately 80 percent of the roads in the IRR system (and the majority of the bridges) are designated school bus routes. Roads are essential access to schools, jobs, and medical services. Many of the priority tribal roads are also emergency evacuation routes and represent the only access to tribal lands. Approximately 40 percent of the road miles in Indian country are unimproved roads. Deficient bridges and roads are health and safety hazards. Partially constructed road and bridge projects and deficient bridges and roads jeopardize the health and safety of the traveling public. Further, over 600 projects currently in progress are directly associated with environmental protection and preservation of historic and cultural properties. This temporary rule is going into effect immediately because of the urgent need for partially distributing fiscal year 2003 IRR Program funds to continue these construction projects. Distribution of the remaining 25 percent of fiscal year 2003 IRR Program funds will be distributed under the same relative need formula as the first 75 percent of the funds after we review and consider comments.

### **Clarity of This Temporary Rule**

Executive Order 12866 requires each agency to write regulations that are easy to understand. We invite your comments on how to make this temporary rule easier to understand, including answers to questions such as the following: (1) Are the requirements in the temporary rule clearly stated? (2) Does the temporary rule contain technical language or jargon that interferes with its clarity? (3) Does the format of the temporary rule (grouping

and order of sections, paragraphing, etc.) aid or reduce its clarity? (4) Is the description of the temporary rule in the **SUPPLEMENTARY INFORMATION** section of the preamble helpful in understanding the temporary rule? What else could we do to make the temporary rule easier to understand?

### **Regulatory Planning and Review (Executive Order 12866)**

Under the criteria in Executive Order 12866, this temporary rule is a significant regulatory action requiring review by the Office of Management and Budget because it will have an annual effect of more than \$100 million on the economy. The total amount available for distribution of fiscal year 2003 IRR Program funds is approximately \$196 million and we are distributing approximately \$147 million under this temporary rule. Congress has already appropriated these funds and FHWA has already allocated them to BIA. The cost to the government of distributing the IRR Program funds, especially under the relative need formula with which the tribal governments and tribal organizations and the BIA are already familiar, is negligible. The distribution of fiscal year 2003 IRR Program funds does not require tribal governments and tribal organizations to expend any of their own funds. This temporary rule is consistent with the policies and practices that currently guide our distribution of IRR Program funds. This temporary rule continues to adopt the relative need formula that we have used since 1993, adjusting the FHWA Price Trends Report indices for states that do not have current data reports.

This temporary rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another Federal agency. The FHWA has transferred the IRR Program funds to us and fully expects the BIA to distribute the funds according to a funding formula approved by the Secretary. This temporary rule does not alter the budgetary effects on any tribes from any previous or any future distribution of IRR Program funds and does not alter entitlement, grants, user fees, or loan programs or the rights or obligations of their recipients. This temporary rule does not raise novel legal or policy issues. It is based on the relative need formula in use since 1993. We are changing determination of relative need only by appropriately modifying the FHWA Price Trend Report indices for states that did not report data for the FHWA Price Trends Report, just as we did for the distribution of fiscal year 2002 IRR Program funds.

Approximately 1300 road and bridge construction projects are at various phases that depend on this fiscal year's IRR Program funds. Leaving these ongoing projects unfunded will create undue hardship on tribes and tribal members. Lack of funding would also pose safety threats by leaving partially constructed road and bridge projects to jeopardize the health and safety of the traveling public. Thus, the benefits of this rule far outweigh the costs. This rule is consistent with the policies and practices that currently guide our distribution of IRR Program funds. This rule continues to adopt the relative need formula that we have used since 1993.

#### **Regulatory Flexibility Act**

A Regulatory Flexibility analysis under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) is not required for this temporary rule because it applies only to tribal governments, which are not covered by the Act.

#### **Small Business Regulatory Enforcement Fairness Act (SBREFA)**

This rule is a major rule under 5 U.S.C. 804(2), the Small Business Regulatory Enforcement Fairness Act, because it has an annual effect on the economy of \$100 million or more. We are distributing approximately \$147 million under this temporary rule. Congress has already appropriated these funds and FHWA has already allocated them to BIA. The cost to the government of distributing the IRR Program funds, especially under the relative need formula with which tribal governments, tribal organizations, and the BIA are already familiar, is negligible. The distribution of the IRR program funds does not require tribal governments and tribal organizations to expend any of their own funds.

This rule will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. Actions under this rule will distribute Federal funds to Indian tribal governments and tribal organizations for transportation planning, road and bridge construction, and road improvements.

This rule does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises. In fact, actions under this rule will provide a beneficial effect on employment through funding for construction jobs.

#### **Unfunded Mandates Reform Act**

Under the Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*), this temporary rule will not significantly or uniquely affect small governments, or the private sector. A Small Government Agency Plan is not required. This temporary rule will not produce a federal mandate that may result in an expenditure by State, local, or tribal governments of \$100 million or greater in any year. The effect of this temporary rule is to immediately provide 75 percent of fiscal year 2003 IRR Program funds to tribal governments for ongoing IRR activities and construction projects.

#### **Takings (Executive Order 12630)**

With respect to Executive Order 12630, the rule does not have significant takings implications since it involves no transfer of title to any property. A takings implication assessment is not required.

#### **Federalism (Executive Order 13132)**

With respect to Executive Order 13132, the rule does not have significant Federalism implications to warrant the preparation of a Federalism Assessment. This temporary rule should not affect the relationship between State and Federal governments because this rule concerns administration of a fund dedicated to IRR projects on or near Indian reservations that has no effect on Federal funding of state roads. Therefore, the rule has no Federalism effects within the meaning of Executive Order 13132.

#### **Civil Justice Reform (Executive Order 12988)**

This rule does not unduly burden the judicial system and meets the requirements of sections 3(a) and 3(b)(2) of Executive Order 12988. This rule contains no drafting errors or ambiguity and is clearly written to minimize litigation, provide clear standards, simplify procedures, and reduce burden. This rule does not preempt any statute. We are still pursuing the TEA-21 mandated negotiated rulemaking process to set up a permanent funding formula distributing IRR Program funds. The rule is not retroactive with respect to any funding from any previous fiscal year (or prospective to funding from any future fiscal year), but applies only to 75 percent of fiscal year 2003 IRR Program funding.

#### **Paperwork Reduction Act**

The Paperwork Reduction Act does not apply because this rule does not impose record keeping or information collection requirements or the collection of information from offerors,

contractors, or members of the public that require the approval of the Office of Management and Budget under 44 U.S.C. 501 *et seq.* We already have all of the necessary information to implement this rule.

#### **National Environmental Policy Act**

This rule is categorically excluded from the preparation of an environmental assessment or an environmental impact statement under the National Environmental Policy Act of 1969, 42 U.S.C. 4321 *et seq.*, because its environmental effects are too broad, speculative, or conjectural to lend themselves to meaningful analysis and the road projects funded as a result of this rule will be subject later to the National Environmental Policy Act process, either collectively or case-by-case. Further, no extraordinary circumstances exist to require preparation of an environmental assessment or environmental impact statement.

#### **Consultation and Coordination With Indian Tribal Governments**

Under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments (65 FR 218), consultation with representatives of Indian tribal governments who serve on the Transportation Equity Act for the 21st Century (TEA-21) Negotiated Rulemaking Committee has occurred. Distributing IRR Program funds under this interim rule has tribal implications in that transportation planning and projects rely on this funding. Distributing funds under this interim rule does not impose direct compliance costs on Indian tribal governments and does not preempt tribal law. While TEA-21 Negotiated Rulemaking Committee tribal representatives agree that we use the funding method for distributing IRR Program funds we have used since 1993, as they have agreed for fiscal years 2000, 2001, and 2002, there is disagreement among tribal representatives about reserving funds (approximately \$20 million) to distribute \$35,000 to each Federally-recognized tribe for administrative capacity building for fiscal year 2003. We reserved administrative capacity building funds in fiscal years 2001 and 2002 and distributed \$35,000 to each Federally-recognized tribe in each year. For fiscal year 2003, however, since there is no consensus to provide administrative capacity building funds, the method of formula distribution of all available funds will reflect the same distribution as in FY2000, FY2001 and FY2002.

**List of Subjects in 25 CFR Part 170**

Highways and Roads, Indians-lands.

■ For the reasons set out in the preamble, we are amending Part 170 in Chapter I of Title 25 of the Code of Federal Regulations as follows.

**PART 170—ROADS OF THE BUREAU OF INDIAN AFFAIRS**

■ 1. The authority citation for part 170 continues to read as follows:

**Authority:** 36 Stat. 861; 78 Stat. 241, 253, 257; 45 Stat. 750 (25 U.S.C. 47; 42 U.S.C. 2000e(b), 2000e-2(i); 23 U.S.C. 101(a), 202, 204), unless otherwise noted.

■ 2. Effective June 5, 2003, through September 30, 2003, revise § 170.4b to read as follows:

**§ 170.4b What formula will BIA use to distribute 75 percent of fiscal year 2003 Indian Reservation Roads funds?**

On June 5, 2003, we will distribute 75 percent of fiscal year 2003 IRR Program funds authorized under section 1115 of the Transportation Equity Act for the 21st Century, Pub. L. 105-178, 112 Stat. 154. We will distribute the funds to Indian Reservation Roads projects on or near Indian reservations using the relative need formula established and approved in January 1993. We are modifying the formula to account for non-reporting States by inserting the latest data reported for those States for use in the relative need formula process.

Dated: May 26, 2003.

**Aurene M. Martin,**

*Assistant Secretary-Indian Affairs.*

[FR Doc. 03-14184 Filed 6-4-03; 8:45 am]

BILLING CODE 4310-LY-P

**DEPARTMENT OF JUSTICE****28 CFR Part 5**

[AG Order No. 2674-2003]

RIN 1105-AA45

**Foreign Agents Registration Act**

**AGENCY:** Department of Justice.

**ACTION:** Final rule.

**SUMMARY:** The Department of Justice is amending its existing regulations implementing the Foreign Agents Registration Act of 1938, as amended. The rule establishes new regulations needed as a result of the passage of the Lobbying Disclosure Act of 1995 (LDA) and the Lobbying Disclosure Technical Amendments Act of 1998 (LDTAA), both of which amended the Foreign Agents Registration Act, and makes technical amendments to existing regulations.

**DATES:** July 7, 2003.

**FOR FURTHER INFORMATION CONTACT:**

Heather H. Hunt, Attorney, Registration Unit, Counterespionage Section, Criminal Division, United States Department of Justice, 1400 New York Avenue, NW., Washington, DC 20530, telephone (202) 514-1216, facsimile (202) 514-2836. These are not toll-free numbers.

**SUPPLEMENTARY INFORMATION:****Why Is the Department Changing the Foreign Agents Registration Act Regulations?**

Under the Foreign Agents Registration Act of 1938 (FARA or the Act), 22 U.S.C. 611-621, agents of foreign principals are required to register with the Department of Justice in order to make periodic public disclosure of their relationship with the foreign principal, activities on behalf of the foreign principal, and receipts and disbursements in support of these activities. In the Lobbying Disclosure Act of 1995, Pub. L. 104-65, 2 U.S.C. 1601-1613 (LDA), and the Lobbying Disclosure Technical Amendments Act of 1998, Pub. L. 105-166 (LDTAA), Congress amended FARA in several respects. First, Congress generally narrowed the scope of FARA to agents of foreign governments and foreign political parties. Under new section 3(h) of FARA, 22 U.S.C. 613(h), agents of foreign principals other than foreign governments or foreign political parties need not register under FARA if such agents engage in lobbying activities and register under the LDA. Second, Congress repealed section 1(q) of the Act, 22 U.S.C. 611(q), which had provided a safe harbor specifying circumstances in which agents of multinational corporations would be exempt from registration under section 3(d)(2) of the Act, 22 U.S.C. 613(d)(2). When Congress authorized registration under the LDA rather than FARA for lobbying activities on behalf of foreign principals other than foreign governments and foreign political parties, section 1(q) became largely unnecessary.

In addition, in the LDA, Congress clarified the applicability of an exemption in section 3(g), 22 U.S.C. 613(g), for legal representation of a foreign principal in certain proceedings. Finally, Congress substituted the term "informational materials" for the term "political propaganda" throughout FARA, except in section 4(e), 22 U.S.C. 614(e), which concerns the dissemination of materials on behalf of the foreign principal, and in section 11, 22 U.S.C. 621, which concerns the filing

of a semi-annual report with Congress. These amendments require changes in the FARA regulations.

**Did the Department Solicit Public Comments?**

On July 9, 1999, a proposed rule was published in the **Federal Register** (64 FR 37065). Interested persons were afforded the opportunity to participate in the regulatory process. The comment period ended on September 7, 1999. No written comments were received on the proposed rule. Notwithstanding the fact that comments were not received, the Department made minor clarifying adjustments to the proposed rule under 28 CFR 5.304 and 5.307 to more clearly construe the section 3(d)(2) and 3(h) exemptions.

**How Does This Final Rule Change the Current Regulations?**

The amendments to FARA required changes implementing, among others, sections 3(d)(2), 3(g), 3(h) and 4 of FARA. First, this rule clarifies the reach of section 3(d)(2) in light of the repeal of section 1(q) of FARA. Section 3(d)(2) of the Act exempts from registration under FARA activities of a political nature "not serving predominantly a foreign interest." Under the rule, political activities of an agent on behalf of a foreign corporation, even if the foreign corporation is owned in whole or in part by a foreign government, where the political activities further the bona fide commercial, industrial, or financial operations of the foreign corporation, are not directed by a foreign government or foreign political party, and do not directly promote the public or political interests of a foreign government or foreign political party, do not require registration under FARA because such activities do not "serve predominantly a foreign interest" for purposes of 3(d)(2). Even after the deletion of section 1(q), any person, including a foreign or domestic corporation, who engages in political activities, not in furtherance of the bona fide commercial, industrial, or financial operations of a foreign corporation, but, on behalf of a foreign government or foreign political party, is required to register under FARA, as these activities will "serve predominantly a foreign interest" and thus not be exempt under section 3(d)(2).

Second, the rule clarifies the circumstances in which agents of foreign principals, other than foreign governments or foreign political parties, can claim the new exemption provided in section 3(h), and it clarifies the reach of the revised "attorneys' exemption" in section 3(g). In addition, the rule strikes