

respondent: falsely represented to consumers that signed reaffirmation agreements would be filed with the bankruptcy courts, as required by the United States Bankruptcy Code; falsely represented to consumers that debts associated with unfiled reaffirmation agreements, or agreements that were filed but not approved by the bankruptcy courts, were legally binding on the consumers; and unfairly collected debts that it was not permitted by law to collect. The proposed consent order contains provisions designed to remedy the violations charged and to prevent the proposed respondent from engaging in similar acts in the future.

The proposed consent order preserves the Commission's right to seek consumer redress if the Commission determines that redress to consumers provided through related named and unnamed legal actions is not adequate.

Part I of the proposed order prohibits the proposed respondent from misrepresenting to consumers who have filed petitions for bankruptcy protection under the United States Bankruptcy Code that (A) reaffirmation agreements will be filed in bankruptcy court; or (B) any reaffirmation agreement is legally binding on the consumer. Part I.C of the proposed order prohibits the proposed respondent from collecting any debt (including any interest, fee, charge, or expense incidental to the principal obligation) that has been legally discharged in bankruptcy proceedings and that the proposed respondent is not permitted by law to collect. Part II of the proposed order prohibits the proposed respondent from making any misrepresentation in the collection of any debt subject to a pending bankruptcy proceeding.

Part III of the proposed order contains record keeping requirements for materials that demonstrate the compliance of the proposed respondent with the proposed order. Part IV requires distribution of a copy of the consent decree to certain current and future personnel who have responsibilities related to collecting debts subject to bankruptcy proceedings.

Part V provides for Commission notification upon any change in the corporate respondent affecting compliance obligations arising under the order. Part VI requires the proposed respondent to notify the Commission of proposed settlement terms in related actions filed by various named and unnamed parties. Part VII requires the filing of compliance report(s). Finally, Part VIII provides for the termination of the order after twenty years under certain circumstances.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

By direction of the Commission.

**Donald S. Clark,**  
*Secretary.*

[FR Doc. 98-22640 Filed 8-21-98; 8:45 am]

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## FEDERAL TRADE COMMISSION

[File No. 972-3308]

### **Kalvin P. Schmidt; Analysis to Aid Public Comment**

**AGENCY:** Federal Trade Commission.

**ACTION:** Proposed Consent Agreement.

**SUMMARY:** The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practices or unfair methods of competition. The attached Analysis to Aid Public Comment describes both the allegations in the draft complaint that accompanies the consent agreement and the terms of the consent order—embodied in the consent agreement—that would settle these allegations.

**DATES:** Comments must be received on or before October 23, 1998.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., N.W., Washington, D.C. 20580.

**FOR FURTHER INFORMATION CONTACT:** Tara Flynn, FTC/H-238, Washington, D.C. 20580. (202) 326-3710.

**SUPPLEMENTARY INFORMATION:** Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and Section 2.34 of the Commission's Rules of Practice (16 CFR 2.34), notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for July 14, 1998), on the World Wide Web, at "http://www.ftc.gov/os/actions97.htm." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, Sixth Street and Pennsylvania

Avenue, N.W., Washington, D.C. 20580, either in person or by calling (202) 326-3627. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

### **Analysis of Proposed Consent Order to Aid Public Comment**

The Federal Trade Commission has accepted, subject to final approval, an agreement containing a consent order from Calvin P. Schmidt, individually, and doing business as DKS Enterprises, DS Productions, DES Enterprises, www.mkt-america.com, and www.mkt-usa.com. Schmidt promoted Mega\$Nets and MegaResource, two high tech versions of traditional chain or pyramid marketing programs, on web sites he operated, and in unsolicited e-mail messages he created and sent via the Internet on his behalf and on the behalf of others. He also created and hosted web sites for participants in Mega\$Nets and MegaResources programs.

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

This matter concerns allegations about Schmidt's promotion and dissemination of two chain or pyramid marketing programs over the Internet. The Commission has issued a proposed draft complaint that sets forth the allegations to be resolved by the proposed administrative consent order. The draft complaint alleges that respondent Schmidt misrepresented that all or virtually all consumers who participate in the Mega\$Nets and MegaResources program earn substantial amounts of money. The draft complaint also alleges that respondent Schmidt did not possess a reasonable basis that substantiated these earnings claims at the time he made those representations. In additions, the draft complaint alleges that respondent Schmidt, by creating and designing for others web sites promoting the Mega\$Nets and MegaResources programs, hosting these web sites, and composing and sending unsolicited electronic mail messages to consumers directing them to these web sites, violated the law by providing the "means and instrumentalities" to others

to make unsubstantiated and false earnings claims.

The proposed administrative consent order, published for comment with this notice, contains prohibitions designed to prevent respondent from engaging in similar acts and practices in the future. Section I of the proposed consent prohibits Mr. Schmidt from participating in or assisting in any manner or capacity whatsoever in any prohibited marketing program, as defined in the order. The definition of "prohibited marketing program" is similar to the definition in the settlement of *FTC v. Nia Cano, et al.*, Civil No. 97-7947-CAS (AJWx), and includes any pyramid sales scheme, ponzi scheme, and chain marketing scheme. Sections IIA of the proposed order requires the respondent to have substantiation when in connection with any marketing plan or program or sale of good or service, he makes representations regarding material facts, including the income, profits, or sales volume achieved by participants in any marketing program or purchasers of any good or service. Section IIB requires the respondent to make certain affirmative disclosures when, in connection with any marketing plan or program, he makes any representations regarding earnings, profits, or sales volume.

Sections III, IV, V, and VI require the respondent to maintain copies of certain business records; to provide copies of the order to all of his current and future employees; to notify the Commission of any change in employment or corporate structure that might affect compliance with the order; and to file compliance reports with the Commission. Section VII is a "sunset" provision that terminates the order twenty years after it is issued or after a complaint is filed in federal district court.

The purpose of this analysis is to facilitate public comment on the proposed order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

By direction of the Commission.

**Donald S. Clark,**

*Secretary.*

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## GENERAL SERVICES ADMINISTRATION

### Federal Acquisition Policy Division, FAR Secretariat Revision of Standard Forms

**AGENCY:** General Services Administration.

**ACTION:** Notice.

**SUMMARY:** The General Services Administration/FAA Secretariat revised SF 1435, Settlement Proposal (Inventory Basis), to update the FAR citation in "Certification", update the burden statement, and make entry more database friendly.

Since this form is authorized for local reproduction, you can obtain the updated camera copy in three ways:

From the U.S. Government Management Policy CD-ROM;

On the internet. Address: <http://www.gsa.gov/forms/forms.htm>, or  
From CARM, Attn.: Barbara Williams, (202) 501-0581.

**FOR FURTHER INFORMATION CONTACT:** FAR Secretariat, (202) 501-2164. This contact is for information on completing the form and interpreting the FAR only.

**DATES:** Effective August 24, 1998.

Dated: August 14, 1998.

**Barbara M. Williams,**

*Deputy Standard and Optional Forms Management Officer.*

[FR Doc. 98-22662 Filed 8-21-98; 8:45 am]

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## GENERAL SERVICES ADMINISTRATION

[OMB Control No. 3090-0014]

### Submission for OMB Review; Comment Request Entitled Transfer Order-Surplus Personal Property and Continuation Sheet

**AGENCY:** Federal Supply Service, GSA. Extension to an existing OMB clearance (3090-0014).

**SUMMARY:** Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Office of Acquisition Policy has submitted to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning Transfer Order—Surplus Personal Property and Continuation Sheet. The information collection was previously published in the Federal Register on June 9, 1998 at 63 FR 31480, allowing for a 60-day public comment period. No comments were received.

**DATES:** Comment Due Date: September 23, 1998.

## FOR FURTHER INFORMATION CONTACT:

Andrea Dingle (703) 305-6190.

**ADDRESSES:** Comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, should be submitted to: Edward Springer, GSA Desk Officer, Room 3235, NEOB, Washington, DC 20503, and to Marjorie Ashby, General Services Administration (MVP), 1800 F Street NW, Washington, DC 20405.

## SUPPLEMENTARY INFORMATION:

### A. Purpose

The GSA is requesting the Office of Management and Budget (OMB) to review and approve information collection 3090-0014, Transfer Order—Surplus Personal Property and Continuation Sheet. This form is used by public agencies, nonprofit educational or public health activities, programs for the elderly, service educational activities, and public airports to apply for donation of Federal surplus personal property. The SF 123 serves as the transfer instrument and includes item descriptions, transportation instructions, nondiscrimination assurances, and approval signatures.

### B. Annual Reporting Burden

Respondents: 63,000; annual responses: 63,000; average hours per response: .30; burden hours: 18,900.

**Copy of Proposal:** A copy of this proposal may be obtained from the GSA Acquisition Policy Division (MVP), Room 4011, GSA Building, 1800 F Street, NW, Washington, DC 20405, or by telephoning (202) 501-3822, or by faxing your request to (202) 501-3341.

Dated: August 14, 1998.

**Ida M. Ustad,**

*Deputy Associate Administrator for Acquisition Policy.*

[FR Doc. 98-22663 Filed 8-21-98; 8:45 am]

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## GENERAL SERVICES ADMINISTRATION

### Review of Historic Preservation "Memorandum of Agreement" Documentation on Proposed Red Cross Headquarter's Expansion Project: 2025 E Street, NW, Washington, DC

The General Services Administration (GSA), in accordance with Section 106 of the National Historic Preservation Act (NHPA), has consulted with the D.C. State Historic Preservation Officer (DCSHPO), the Advisory Council on Historic Preservation, the National