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Washington, Friday, January 23, 1942

The President

EXECUTIVE ORDER

WITHDRAWAL OF PUBLIC LAND FOR USE AS AN ADMINISTRATIVE SITE IN CONNECTION WITH THE PALMER-RICHARDSON HIGHWAY

ALASKA

By virtue of the authority vested in me as President of the United States, it is ordered that the following-described public lands in Alaska be, and they are hereby, withdrawn and reserved for the use of the Alaska Road Commission as a site for a supply base and repair shop in connection with the construction and maintenance of the Palmer-Richardson highway:

COPPER RIVER MERIDIAN

T. 4 N., R. 2 W.,
sec. 22, E $\frac{1}{2}$ SE $\frac{1}{4}$ (unsurveyed);
sec. 23, W $\frac{1}{2}$ SW $\frac{1}{4}$ (unsurveyed);
aggregating 160 acres.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
January 21, 1942.

[No. 9035]

[F. R. Doc. 42-652; Filed, January 22, 1942;
11:24 a. m.]

Rules, Regulations, Orders

TITLE 16—COMMERCIAL PRACTICES

CHAPTER I—FEDERAL TRADE COMMISSION

[Docket No. 3911]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

IN THE MATTER OF RETAIL COAL MERCHANTS ASSOCIATION, ET AL.

§ 3.24 (d10) *Coercing and intimidating—Suppliers and sellers—To cut off supplies of price cutters:* § 3.24 (d10) *Coercing and intimidating—Suppliers and sellers—To limit sale and distribution to member distributors:* § 3.27 (d) *Combining or conspiring—To enhance,*

maintain or unify prices: § 3.27 (h) *Combining or conspiring—To restrain and monopolize trade:* § 3.33 (e) *Cutting off competitors' supplies—Threatening withdrawal of patronage.* In connection with the purchase by members of respondent Retail Coal Merchants Association of coal in commerce and on the part of said association, certain individuals as officers thereof and certain corporations individually and as members thereof and on the part of all other members, and among other things, as in order set forth, (1) carrying out any understanding, etc., with wholesale coal dealers, and entering into any future understanding, etc., with wholesale coal dealers, for the purpose or with the effect of restricting, restraining, suppressing or eliminating competition in, or monopolizing, the retail sale of coal in the trade area in and around Richmond, Virginia; (2) agreeing or carrying out any agreement through respondent Association, or through any other cooperative agency, with wholesale coal dealers, that such wholesale coal dealers will not ship coal from mines located in States of the United States other than the State of Virginia, or coal from or through States other than the State of Virginia, to retail coal dealers in Richmond, Virginia, who are not members of said respondent Association, or any other association of which respondents may be members, or to retailers in Richmond, Virginia, whose prices for coal in the trade area in and around said city do not conform to those agreed upon by the members of such Association; (3) calling upon wholesale coal dealers and urging such wholesale coal dealers, under threat of boycott, to cooperate with the said respondents by refusing to sell coal to any non-member of said Association, or to any dealer underselling the prices fixed by said Association; (4) arranging joint meetings between the members of said Association and wholesale coal dealers, and there seeking such cooperation of such wholesale coal dealers, under threat of boycott; (5) soliciting non-members of said respondent Association to join said Association, under threat that no supply of coal will be obtainable by such non-members unless they join said Association;

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(6) attempting, through the secretary of said Association, or by any other person or means, to induce wholesale coal dealers shipping coal from or through States other than the State of Virginia into the city of Richmond, Virginia, to insert in their contracts with retail dealers a clause to the effect that if the retail dealer fails to conduct his business in conformity with the price standards approved by respondents in his locality, the shipper shall have the right to discontinue supplying coal under such contracts; (7) using any other collective or collusive means or methods to effectuate any understanding, etc., for the purpose of or with the effect of restraining, restricting, suppressing and eliminating competition in, or monopolizing, the importation from States other than the State of Virginia of coal to be sold at retail in the trade area in and around Richmond, Virginia; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Retail Coal Merchants Association, et al., Docket 3911, January 19, 1942]

§ 3.27 (d) *Combining or conspiring—To enhance, maintain or unify prices:*

§ 3.27 (h) *Combining or conspiring—To restrain and monopolize trade. In*

connection with offer, etc., in commerce of coal and on the part of respondent Cabell Co., Inc. three other corporate respondents and four individuals, partners, engaged as wholesalers of coal or sales agents for operators of coal mines, and among other things, as in order set forth, (1) carrying out any understanding, etc., among themselves, or with respondent Association or the officers or members thereof, and entering into any future understanding, etc., for the purpose or with the effect of restricting, restraining, suppressing or eliminating competition in, or monopolizing, the retail sale of coal in the trade area in and around Richmond, Virginia; (2) agreeing or carrying out any agreement among themselves, or with respondent Association or the officers or members thereof, or with any other cooperative agency, that respondents will not ship coal from mines located in States of the United States other than the State of Virginia, or coal from or through States other than the State of Virginia, to retail coal dealers in Richmond, Virginia, who are not members of said Association, or to retailers in Richmond, Virginia whose prices for coal in the trade area in and around said city do not conform to those agreed upon by the members of said Association; and (3) using any other collective or collusive means or methods to effectuate any understanding, etc., for the purpose of or with the effect of restraining, restricting, suppressing and eliminating competition in, or monopolizing, the importation from States other than the State of Virginia, of coal to be sold at retail in the trade area in and around Richmond, Virginia; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Retail Coal Merchants Association, et al., Docket 3911, January 19, 1942]

In the Matter of Retail Coal Merchants Association, a corporation; D. Walton Mallory, individually and as President of Retail Coal Merchants Association; Edwin D. Newmann, individually and as Vice President of Retail Coal Merchants Association; A. Holland White, individually and as Treasurer of Retail Coal Merchants Association; Charles H. Hall, Jr., individually and as Secretary of Retail Coal Merchants Association; L. D. Wingfield and James L. Hatcher, as co-owners of Wingfield-Hatcher Coal Company; A. M. Hungerford, doing business as Hungerford Coal Company; Massey-Wood & West, a corporation; Sydnor-Howey & Company, Inc., a corporation; D. W. Mallory & Company, Inc., a corporation; Ellison & Hawes, Inc., a corporation; W. E. Seaton & Sons, Inc., a corporation; and Gill Fuel Company, Inc., a corporation, members of Retail Coal Merchants Association; Bluefield Coal and Coke Company, a corporation; Cabell Coal Company, Inc., a corporation; Cabin Creek Consolidated Sales Company, a corporation; A. T. Massey Coal Company, a corporation; Red Jacket Coal Sales Company, a corporation; George W. St. Clair, Robert

Henry Moore, Mrs. Robert Henry Moore, Katherine St. Clair Santori, and Houston St. Clair, partners, doing business under the partnership name of Virginia Smokeless Coal Company; White Oak Coal Company, a corporation; and Wyatt Coal Sales Company, a corporation

At the regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 19th day of January, A. D. 1942.

This proceeding having been heard¹ by the Federal Trade Commission upon the complaint of the Commission, the answers of the respondents, including the answer of respondent Association and the officers and members thereof admitting all the material allegations of fact in said complaint, testimony and other evidence taken before trial examiners of the Commission theretofore duly designated by it, in support of and in opposition to the allegations of said complaint, report of the trial examiners upon the evidence and the exceptions thereto, briefs in support of and in opposition to the complaint, and oral argument, and the Commission having made its findings as to the facts and its conclusion that certain of the respondents have violated the provisions of the Federal Trade Commission Act;

It is ordered, That respondent Retail Coal Merchants Association, a corporation; and D. Walton Mallory, Edwin D. Newmann, A. Holland White and Charles H. Hall, Jr., individually and as officers of said Association; and L. D. Wingfield and James L. Hatcher, trading as Wingfield-Hatcher Coal Company, A. M. Hungerford, trading as Hungerford Coal Company, Massey-Wood & West, a corporation, Sydnor-Howey & Company, Inc., a corporation, D. W. Mallory & Company, Inc., a corporation, Ellison & Hawes, Inc., a corporation, W. E. Seaton & Sons, Inc., a corporation, and Gill Fuel Company, Inc., a corporation, individually and as members of said Association; and all other members of said Association, as representatives for whom the said members named above were made respondents herein; and the officers, representatives, agents and employees of all of the respective members of said Association; directly or through any corporate or other device, in connection with the purchase by such members, or any of them, of coal in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Carrying out any understanding, agreement, combination or conspiracy with wholesale coal dealers, and from entering into any future understanding, agreement, combination or conspiracy with wholesale coal dealers, for the purpose or with the effect of restricting, restraining, suppressing or eliminating competition in, or monopolizing, the retail sale of coal in the trade area in and around Richmond, Virginia;

(2) Agreeing or carrying out any agreement through respondent Association, or through any other cooperative agency, with wholesale coal dealers, that

such wholesale coal dealers will not ship coal from mines located in states of the United States other than the State of Virginia, or coal from or through states other than the State of Virginia, to retail coal dealers in Richmond, Virginia, who are not members of said respondent Association, or any other association of which respondents may be members, or to retailers in Richmond, Virginia, whose prices for coal in the trade area in and around said city do not conform to those agreed upon by the members of such Association;

(3) Calling upon wholesale coal dealers and urging such wholesale coal dealers, under threat of boycott, to cooperate with the said respondents by refusing to sell coal to any non-member of said Association, or to any dealer underselling the prices fixed by said Association;

(4) Arranging joint meetings between the members of said Association and wholesale coal dealers, and there seeking such cooperation of such wholesale coal dealers, under threat of boycott;

(5) Soliciting non-members of said respondent Association to join said Association, under threat that no supply of coal will be obtainable by such non-members unless they join said Association;

(6) Attempting, through the secretary of said Association, or by any other person or means, to induce wholesale coal dealers shipping coal from or through states other than the State of Virginia into the City of Richmond, Virginia, to insert in their contracts with retail dealers a clause to the effect that if the retail dealer fails to conduct his business in conformity with the price standards approved by respondents in his locality, the shipper shall have the right to discontinue supplying coal under such contracts;

(7) Using any other collective or collusive means or methods to effectuate any understanding, agreement, combination or conspiracy for the purpose of or with the effect of restraining, restricting, suppressing and eliminating competition in, or monopolizing, the importation from states other than the State of Virginia of coal to be sold at retail in the trade area in and around Richmond, Virginia.

It is further ordered, That respondents Cabell Coal Company, Inc., a corporation; A. T. Massey Coal Company, a corporation; White Oak Coal Company, a corporation; and Robert Henry Moore, Mrs. Robert Henry Moore, Katherine St. Clair Santori, and Houston St. Clair, individually and doing business under the name Virginia Smokeless Coal Company or under any other name; and respondents' officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of coal in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Carrying out any understanding, agreement, combination or conspiracy among themselves, or with the respondent Association or the officers or members

thereof, and from entering into any future understanding, agreement, combination or conspiracy, for the purpose or with the effect of restricting, restraining, suppressing or eliminating competition in, or monopolizing, the retail sale of coal in the trade area in and around Richmond, Virginia;

(2) Agreeing or carrying out any agreement among themselves, or with respondent Association or the officers or members thereof, or with any other cooperative agency, that respondents will not ship coal from mines located in states of the United States other than the State of Virginia, or coal from or through States other than the State of Virginia, to retail coal dealers in Richmond, Virginia, who are not members of said Association, or to retailers in Richmond, Virginia whose prices for coal in the trade area in and around said city do not conform to those agreed upon by the members of said Association;

(3) Using any other collective or collusive means or methods to effectuate any understanding, agreement, combination or conspiracy for the purpose of or with the effect of restraining, restricting, suppressing and eliminating competition in, or monopolizing, the importation from states other than the State of Virginia, of coal to be sold at retail in the trade area in and around Richmond, Virginia.

It is further ordered, That all of the respondents against whom this order is directed shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

It is further ordered, That this proceeding be, and it hereby is, dismissed as to respondents Bluefield Coal and Coke Company, a corporation; Cabin Creek Consolidated Sales Company, a corporation; Red Jacket Coal Sales Company, a corporation; and Wyatt Coal Sales Company, a corporation.

The respondent George W. St. Clair having died subsequent to the institution of this proceeding: It is further ordered, That this proceeding be, and it hereby is, dismissed as to said respondent.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 42-641; Filed, January 22, 1942;
11:13 a. m.]

TITLE 17—COMMODITY AND SECURITIES EXCHANGES

CHAPTER II—SECURITIES AND EXCHANGE COMMISSION

PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

AMENDMENT TO RULES RELATING TO THE SOLICITATION OF PROXIES UNDER THE SECURITIES EXCHANGE ACT OF 1934

The Securities and Exchange Commission, deeming it necessary and appropriate in the public interest and for the

¹ 5 F. R. 802.

protection of investors and necessary for the execution of the functions vested in it so to do, pursuant to authority conferred upon it by the Securities Exchange Act of 1934, particularly sections 14 (a) and 23 (a) thereof (Sec. 14, 48 Stat. 895; 15 U.S.C. 78n; Sec. 23, 48 Stat. 901; Sec. 8, 49 Stat. 1379; 15 U.S.C. 78w), hereby amends paragraph (b) of § 240.14a-1 [Rule X-14a-1] to read as follows:

§ 240.14a-1 *Proxy statement.*

(b) Any information required to be included in the proxy statement as to terms of securities or other subject matter which from a standpoint of practical necessity must be determined in the future, or from a standpoint of the application of sound business judgment ought to be so determined, may be stated in terms of present knowledge and intention: *Provided, however,* That in such a case a brief statement of the circumstances rendering it necessary or advisable that such matters be determined in the future shall be made and, to the extent reasonably practicable, the authority to be conferred concerning each such matter shall be confined within limits reasonably related to the need for discretionary authority. Subject to the foregoing provision, information which is not known to the persons making the solicitation and which it is not reasonably within the power of such persons to ascertain or procure may be omitted, if a brief statement of the circumstances rendering such information unavailable is made.

Effective January 22, 1942.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-665; Filed, January 22, 1942;
11:34 a. m.]

PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

AMENDMENT TO RULES REQUIRING THE MAINTENANCE OF CERTAIN RECORDS AND THE PENDING OF WRITTEN CONFIRMATIONS BY BROKERS AND DEALERS OF SECURITY TRANSACTIONS SO AS TO MAKE IT UNNECESSARY FOR THE MAINTENANCE OF SUCH RECORDS WITH RESPECT TO TRANSACTIONS IN DEFENSE SECURITIES

The Securities and Exchange Commission deeming it necessary for the execution of the functions vested in it and necessary and appropriate in the public interest so to do, pursuant to authority conferred upon it by the Securities Exchange Act of 1934, as amended, particularly sections 15 (c) (1), 17 (a) and 23 (a) thereof (Sec. 15 (c), 52 Stat. 1075; 15 U.S.C. 78o; Sec. 17, 48 Stat. 897; Sec. 4, 49 Stat. 1379; Sec. 5, 52 Stat. 1076; 15 U.S.C. 78q; Sec. 23, 48 Stat. 901; Sec. 8, 49 Stat. 1379; 15 U.S.C. 78w) hereby takes the following action:

I. Section 240.17a-3 [Rule X-17a-3] is hereby amended by adding thereto the following paragraph:

§ 240.17a-3 *Reports of certain stabilizing activities.*

(c) This section shall not be deemed to require a member of a national securities exchange, or a broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934 (Sec. 15, 48 Stat. 895; Sec. 3, 49 Stat. 1377; 15 U.S.C. 78o) as amended, to make or keep such records as are required by paragraph (a) reflecting the sale of United States Tax Savings Notes, United States Defense Savings Stamps, or United States Defense Savings Bonds, Series E, F and G.

II. Section 240.15c1-4 [Rule X-15C1-4] is hereby amended to read as follows:

§ 240.15c1-4 *Confirmation of transactions.* The term "manipulative, deceptive, or other fraudulent device or contrivance," as used in section 15 (c) (1) of the Act (Sec. 2, 52 Stat. 1075; 15 U.S.C. 78o) is hereby defined to include any act of any broker or dealer designated to effect with or for the account of a customer any transaction in, or to induce the purchase or sale by such customer of, any security (other than United States Tax Savings Notes, United States Defense Savings Stamps, or United States Defense Savings Bonds, Series E, F and G) unless such broker or dealer, at or before the completion of each such transaction, gives or sends to such customer written notification disclosing (a) whether he is acting as a broker for such customer, as a dealer for his own account, as a broker for some other person, or as a broker for both such customer and some other person; and (b) in any case in which he is acting as a broker for such customer or for both such customer and some other person, either the name of the person from whom the security was purchased or to whom it was sold for such customer and the date and time when such transaction took place or the fact that such information will be furnished upon the request of such customer, and the source and amount of any commission or other remuneration received or to be received by him in connection with the transaction.

Effective January 21, 1942.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-664; Filed, January 22, 1942;
11:34 a. m.]

TITLE 21—FOOD AND DRUGS

CHAPTER I—FOOD AND DRUG ADMINISTRATION

[Docket No. FDC-80]

PART 145—CERTAIN CHEMICAL DERIVATIVES OF SUBSTANCES NAMED IN SECTION 502 (d) OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT DESIGNATED AS HABIT FORMING

FINDINGS OF FACT AND REGULATION

By virtue of the authority vested in the Federal Security Administrator by pro-

visions of the Federal Food, Drug, and Cosmetic Act (Secs. 502 (d), 52 Stat. 1050, 21 U.S.C., 352 (d); 701 (e), 52 Stat. 1055, 21 U.S.C., 371 (e)); the Reorganization Act of 1939 (53 Stat. 561 ff.; 5 U.S.C., secs. 133-133t); Reorganization Plan No. I, Part 2, (53 Stat. 1423, 5 U.S.C. 82); and Reorganization Plan No. IV, (54 Stat. 1234, 5 U.S.C. 97); and upon the basis of evidence of record at the above-entitled hearing duly held pursuant to notice thereof issued by the Administrator on January 27, 1941 (6 F.R. 680), the following order is hereby promulgated:

FINDINGS OF FACT

Finding 1

The principal factors which govern formation of a drug habit are the nature of the individual who takes the drug and the pharmacologic action produced by the drug.

Finding 2

The effect of a drug which may give rise to habit formation is pleasurable stimulation or escape from unpleasant experience, such as insomnia, fear, grief, pain, etc.

Finding 3

Such effects are produced by the administration of drugs which have depressant or stimulant properties.

Finding 4

Desire to obtain such effects is likely to cause frequently repeated use of such drugs.

Finding 5

Frequently repeated use of such drugs is likely to induce, and in certain persons does induce, psychic dependence and, in the case of some drugs, psychic and physical dependence on such drugs.

Finding 6

Psychic dependence on a drug is habituation to that drug, and psychic and physical dependence on a drug is addiction to that drug, so that addiction to a drug includes habituation to that drug. A drug which is likely to induce, and in certain persons does induce, habituation to such drug is a habit-forming drug, although repeated use of that drug may not necessarily induce addiction to that drug.

Finding 7

The fundamental nucleus of a drug which possesses the habit-forming properties is in no way modified by the addition of the basic or acidic ion, so that the habit-forming properties of a drug are substantially the same whether it be a free base, or acid, or a salt formed by its combination with an acidic or basic ion. The principal differences between these forms are only in their physical properties, such as solubility, which may affect the mode of administration of the drug or its rate of absorption by the human body; but once absorbed their effects are identical.

Finding 8

A chemical derivative is a substance so related to another substance by modification or partial substitution as to be regarded as theoretically derivable from it, even when not obtainable from it in practice.

Parent substance	Chemical derivative	Chemical description of derivative
Barbituric Acid.....	Alurate..... Amthal..... Barbital..... Barbitol..... Cyclopal, cyclopalen..... Delval, mal..... Eldoral..... Eumarcen..... Fyral..... Ipyral..... Meboral..... Narcornal..... Neomal..... Ortal..... Pentonal..... Pentobarbital..... Pernoston..... Phenodorn..... Phenobarbital..... Propional..... Ritalonal..... Sandoptal..... Sigmoidal, Recidion..... All lithium, sodium, potassium, magnesium, calcium, strontium, and ammonium salts of the foregoing chemical derivatives of barbituric acid. Seconal..... All salts of the foregoing chemical derivative formed by replacing the sodium with lithium, potassium, magnesium, calcium, strontium, or ammonium radical. Bromal Hydrate..... Brometone..... Bromoforn..... Extract of Cannabis..... Fluioextract of Cannabis..... Tincture of Cannabis.....	(5-allyl-5-isopropyl)-barbituric acid.) (5-ethyl-5-isopropyl)-barbituric acid.) (5-ethyl-5-phenyl)-barbituric acid.) (5-ethyl-5-sec-butyl)-barbituric acid.) (5-ethyl-5-cyclohexenyl)-barbituric acid.) (5-ethyl-5-(1-methyl-1-butanyl)-barbituric acid.) (5,5-diallyl)-barbituric acid.) (5-(2-bromoallyl)-5-isopropyl-1-methyl-barbituric acid.) (1,5-dimethyl-5-(1-cyclohexenyl)-barbituric acid.) (5-ethyl-5-isopropyl)-barbituric acid.) (5-ethyl-5-phenyl-1-methyl-barbituric acid.) (5-ethyl-5-butyl)-barbituric acid.) (5-isopropyl-5-(2-bromoallyl)-barbituric acid.) (5-allyl-5-hexyl)-barbituric acid.) (5-ethyl-5-cyclopentenyl)-barbituric acid.) (5-ethyl-5-(1-methylbutyl)-barbituric acid.) (5-ethyl-5-(1-methylbutyl)-24-hydrobarbituric acid.) (5-sec-butyl-5-(2-bromoallyl)-barbituric acid.) (5-ethyl-5-(1-cyclohexenyl)-barbituric acid.) (5-ethyl-5-phenyl)-barbituric acid.) (5,5-dipropyl)-barbituric acid.) (5-methyl-5-phenyl)-barbituric acid.) (5-allyl-5-isobutyl)-barbituric acid.) (5-(2-bromoallyl)-5-(1-methylbutyl)-barbituric acid.) (sodium-5-allyl-5-(1-methylbutyl)-barbiturate.) (tribromoacetalddehyde hydrate.) (2-(tribromomethyl)-2-propenol.) (tribromomethane.)
Bromal.....	Bromal Hydrate..... Brometone..... Bromoforn..... Extract of Cannabis..... Fluioextract of Cannabis..... Tincture of Cannabis.....	
Cannabis Marihuana.....	Extract of Cannabis..... Fluioextract of Cannabis..... Tincture of Cannabis.....	

Finding 9

Each of the following drugs is theoretically derivable or is actually derived from a parent substance specified in section 502 (d) of the Federal Food, Drug, and Cosmetic Act, as hereinafter indicated:

Parent substance	Chemical derivative	Chemical description of derivative
Carbromal.....	Acetylcarbromal..... Bromural..... Neobromal..... Secobromal..... Alpha-Chloralose..... Chloralformamide..... Chloral Hydrate..... Chloralmital..... Chlorobutanol..... All salts of cocaine obtained by combining cocaine with any acid. Dicochid..... Eucocid.....	(α-bromo-α-ethylbutyl)-acetyl-urea.) (α-bromo-α-valeryl)-urea.) (α-bromo-α, α-dibutyl)-acetamide.) (α-allyliso-valeryl)-urea.) (α-(2-trichloro-α-hydroxyethyl)-d-glucoside.) (1-(β-trichloro-α-hydroxyethyl)-formamide.) (trichloroacetamide hydrate.) (trichloroethylideneamine.) (2-(trichloromethyl)-2-propenol.) (dihydro-cocaine.) (dihydrobutoxy-cocaine.)
Chloral.....	Chloralformamide..... Chloral Hydrate..... Chloralmital..... Chlorobutanol.....	
Cocaine.....	All salts of cocaine obtained by combining cocaine with any acid. Dicochid..... Eucocid.....	
Cocaine.....	All salts of the foregoing chemical derivatives of cocaine, and all salts of cocaine obtained by combining any such derivative or cocaine with any acid. Eucocid.....	
Heroin.....	All salts of heroin obtained by combining heroin with any acid. Dikandid..... Ethylinorphin..... Paramorphin.....	
Morphine.....	All salts of the foregoing chemical derivatives of morphine, and all salts of morphine obtained by combining any such derivative or morphine with any acid. Extract of Opium..... Fluioextract of Opium..... Tincture of Opium..... Metaldelide..... Sulfonethylinethane..... Sulfonethylinethane.....	(codeine methyl bromide.) (dihydro-morphine.) (dihydro-morphine.)
Opium.....	Extract of Opium..... Fluioextract of Opium..... Tincture of Opium..... Metaldelide..... Sulfonethylinethane..... Sulfonethylinethane.....	
Paraldehyde.....	Paraldehyde.....	
Sulphonmethane.....	Sulfonethylinethane..... Sulfonethylinethane.....	

Each of such drugs is a chemical derivative of the parent substance indicated.

Finding 10

Each of the derivatives specified in finding 9 has been investigated, and it has been found that each possesses depressant or stimulant properties, and that its frequently repeated use is likely to induce, and in certain persons does induce, psychic dependence on such derivative and in some cases physical dependence.

On the basis of the evidence of record at the hearing and the foregoing findings of fact it is hereby found, after investigation, that each of the derivatives specified in finding 9 is habit forming. It is therefore ordered, That the following regulation be and it hereby is promulgated:

REGULATION

§ 145.1 Habit forming drugs which are chemical derivatives of substances specified in section 502 (d) of the Federal

Food, Drug, and Cosmetic Act. Each of the following chemical derivatives of a substance named in section 502 (d) of the Act is hereby designated as habit forming:

Parent substance	Chemical derivative	Chemical description of derivative
Barbituric Acid.....	Alurate.....	(5-allyl-5-isopropyl-barbituric acid.)
	Amlyal.....	(5-ethyl-5-isopropyl-barbituric acid.)
	Barbitak.....	(5,5-dimethyl-barbituric acid.)
	Buritol.....	(5-methyl-5-sec-butyl-barbituric acid.)
	Cyclopal, cyclopeen.....	(5-allyl-5-cyclopentyl-barbituric acid.)
	Divinal.....	(5-ethyl-5-(1-methyl-1-butenyl)-barbituric acid.)
	Disal.....	(5,5-diallyl-barbituric acid.)
	Ethoral.....	(5-ethyl-5-(1-piperidyl)-barbituric acid.)
	Eunarcocin.....	(5-(2-bromoallyl)-5-isopropyl-1-methyl-barbituric acid.)
	Evipal.....	(1,5-dimethyl-5-(1-cyclohexenyl)-barbituric acid.)
	Iprial.....	(5-ethyl-5-isopropyl-barbituric acid.)
	Meboral.....	(5-ethyl-5-phenyl-1-methyl-barbituric acid.)
	Narcocinmal.....	(5-allyl-5-isopropyl-1-methyl-barbituric acid.)
	Neomal.....	(5-ethyl-5-butyl-barbituric acid.)
	Ortal.....	(5-isopropyl-5-(2-bromoallyl)-barbituric acid.)
	Pentobarbital.....	(5-ethyl-5-cyclopentyl-barbituric acid.)
	Pentobarbital.....	(5-ethyl-5-(1-methylbutyl)-barbituric acid.)
	Pentobarbital.....	(5-ethyl-5-(1-methylbutyl)-2-thio-barbituric acid.)
	Pernoxon.....	(5-sec-butyl-5-(2-bromoallyl)-barbituric acid.)
	Phenobarbital.....	(5-ethyl-5-(1-cyclohexenyl)-barbituric acid.)
Proponal.....	(5,5-dipropyl-barbituric acid.)	
Raponal.....	(5-methyl-5-phenyl-barbituric acid.)	
Sandopal.....	(5-allyl-5-isobutyl-barbituric acid.)	
Sinal.....	(5-(2-bromoallyl)-5-(1-methylbutyl)-barbituric acid.)	
All lithium, Rescitol, sodium, potassium, magnesium, calcium, strontium, and ammonium salts of the foregoing chemical derivatives of barbituric acid		(sodium-5-allyl-5-(1-methylbutyl)-barbiturate.)
Secomal.....		
All salts of the foregoing chemical derivative formed by replacing the sodium with lithium, potassium, magnesium, calcium, strontium, or ammonium radical.		
Bromal.....	Bromal Hydrate.....	(tribromoacetaldehyde hydrate.)
	Bromofone.....	(tribromomethyl)-2-propanol.
	Bromofone.....	
Cannabis Marinusana.....	Extract of Cannabis.....	
	Fluidextract of Cannabis.....	
	Tincture of Cannabis.....	

Parent substance	Chemical derivative	Chemical description of derivative
Carbromal.....	Acetylcarbromal.....	(α-bromo-α-ethylbutyl-α-ethyl-urea.)
	Bromural.....	(α-bromo-α-valeryl-urea.)
Chloral.....	Sedormid.....	(α-allyl-α-valeryl-urea.)
	Alpha-Chloralose.....	(α-β-trichloro-α-hydroxyethyl)-4-glucoside.)
	Chloral Formamide.....	(N-(β-trichloro-α-hydroxyethyl)-formamide.)
	Chloral Hydrate.....	(trichloroacetaldehyde hydrate.)
Cocaine.....	Chlorobutanol.....	(trichloroethylideneimine.)
		(2-(trichloromethyl)-2-propanol.)
Codeine.....		All salts of cocaine obtained by combining cocaine with any acid.
		(dihydro-codeinone.)
		(dihydrohydroxy-codeinone.)
Heroin.....		(codeine methyl bromide.)
		(dihydro-morphinone.)
Morphine.....		(dihydro-morphine.)
		(dihydro-morphine.)
Opium.....		All salts of the foregoing chemical derivatives of morphine, and all salts of morphine, obtained by combining any such derivative or morphine with any acid.
		Extract of Opium.....
Paraldehyde.....		Fluidextract of Opium.....
		Tincture of Opium.....
Sulfobromethane.....		(3,3-dimethylbutyl)-butane.)
		(3,3-dimethylsulfonyl)-pentane.)

This regulation shall become effective on the ninetieth day following the date of publication of this order in the FEDERAL REGISTER, (502 (d) and 701 (e) of the Federal Food, Drug, and Cosmetic Act, (52 Stat. 1050, 1055; 21 U.S.C. secs. 352 (d), 371 (e) 1, the Reorganization Act of 1939 (53 Stat. 561; 5 U.S.C. secs. 133-133t), Reorganization Plan No. 1. Part

2 (53 Stat. 1423; 5 U.S.C. 82), and Reorganization Plan No. IV (54 Stat. 1234; 5 U.S.C. 97)

PAUL V. MCGNUTT,
Administrator.

JANUARY 20, 1942.

[F. R. Doc. 42-617; Filed, January 21, 1942; 11:31 a. m.]

§ 324.11 Special prices—(a) Railroad fuel prices for all movements exclusive of lake cargo railroad fuel—Supplement R-V

Railroad fuel prices for all movements exclusive of lake cargo railroad fuel from mines indexed below. For shipment to railroads as shown. See Schedule of Effective Minimum Prices, § 324.11 (a)

Name of railroad	Mine index Nos.	Additional mine index Nos.
Baltimore & Ohio Railroad Co.	10, 21, 30, 33, 39, 49, 58, 71, 72, 78, 81, 85, 87, 95, 96, 103, 104, 106, 116, 121, 124, 128, 134, 136, 144, 146, 147, 151, 155, 157, 160, 162, 8, 25, 133, 153, 161	Add Mine Index No. 2030.
Detroit, Toledo & Ironton Railroad Co.	9, 24, 26, 32, 42, 43, 52, 61, 99, 102, 122, 127, 135, 145, 154, 157, 164	Add Mine Index No. 2001. Add Mine Index No. 3181 Add Mine Index No. 2261 Add Mine Index No. 573
Wheeling & Lake Erie Railway Co.	5, 12, 37, 45, 110, 119	Add Mine Index No. 324
Akron, Canton & Youngstown Railway Co.	From all Mine Index Nos. except those shown below.	Add Mine Index Nos. 573, 2930.
Ann Arbor Railroad Co.	From Mine Index Nos. 3, 5, 7, 8, 12, 13, 16, 25, 26, 37, 45, 48, 68, 77, 79, 92, 97, 108, 110, 119, 133, 153, 159, 161, 166	Add Mine Index Nos. 318, 324, 326, 2901.
Canadian National Railways	From all Mine Index Nos. except those shown below.	Add Mine Index Nos. 573, 2630.
Grand Trunk Railway System		
Nickel Plate Road (New York, Chicago & St. Louis Railroad Co.)		
Pere Marquette Railway Co.		
For all railroads not shown above		

Prices as shown for Mine Index No. 133 in § 324.11 (a) in the Schedule of Effective Minimum Prices apply to additional Mine Index Nos. 318 and 326 hereinabove noted. Prices as shown in § 324.11 (a) in the Schedule of Effective Minimum Prices apply to all additional mine index numbers hereinabove noted.

§ 324.24 General prices in cents per net ton for shipment into all market areas—Supplement T

Code member index	Mine	Mine index No.	Lois # 2	Fulton No. 1
SUBDISTRICT NO. 1—EASTERN OHIO				
BELMONT COUNTY				
Crescent Valley Mining Corp.		324	8, 275, 265, 250	225, 220, 210, 190, 180
HARRISON COUNTY				
Fulton Coal Company, The		2636	8, 275, 265, 250	225, 220, 210, 190, 180
c/o H. J. Nelms				

§ 324.8 Numerical list of mines—Supplement R-II

Mine index No.	Mine name	Code member	Freight origin district	Freight origin Nos.	Railroad	Sub-District
315	Van Fossan	Van Fossan Bros. (Omar O. Van Fossan)	Jackson	42	D,T&I	7
324	Lois #2	Crescent Valley Mining Corp.	Ohio No. 8	38	W&L.E.	1
326	Gray Brothers	Gray Brothers (Roy T. Gray)	Lectonia	71	Erie	4
573	Tohol	Tohol, D. J.	Ohio No. 8	61	W&L.E.	1
2501	Roettler	Bosom Mining Company (Harry L. Bord)	Middle	18	B&O	4
2630	Merrill	Merrill, Bert	Jackson	41	B&O	7

§ 324.2 Seasonal discounts—Supplement R-III

On all shipments of coal in Size Groups 1 or 2, the discounts shown below in cents per net ton may apply. The date of shipment and not the date of sale shall govern the seasonal price applicable. These seasonal discounts apply for shipments to all market areas except Market Areas 1 to 13, inclusive, 98 and 99 (Great Lakes), River Shipments, Vessel Fuel and Railroad Fuel

Freight origin districts	Freight origin group Nos.	Additional freight origin group Nos.	Mine index Nos.	Additional mine index Nos.	Amount of discount for shipments during the month of—			
					April	May	June	July
Ohio No. 8	9, 10, 11, 12, 14, 15, 17, 18, 19		10, 21, 26, 30, 31, 34, 35, 42, 43, 54, 55, 56, 57, 65, 78, 81, 99, 102, 103, 107, 111, 114, 115, 116, 122, 123, 124, 127, 128, 144, 145, 147, 152, 157, 164, 167	Add Mine Index No. 573.	30	20	10	---
Jackson	12, 14, 17, 18		12, 16, 37, 45, 68, 92, 119, 161	Add Mine Index No. 324. Add Mine Index No. 318. Add Mine Index No. 2030. Add Mine Index No. 2901. Add Mine Index No. 326.	30	20	10	---
Middle	41, 42, 43	Add 42.	2, 131, 134		30	20	10	---
Lectonia	52	Add 61.	13, 108		50	40	30	20 10
	72, 74	Add 71.	3, 77, 159, 168		30	20	10	---

Seasonal discounts as shown in § 324.2 in the Schedule of Effective Minimum Prices apply to all additional mine index numbers hereinabove noted.

§ 324.9 Recapitulation of price classifications—Supplement R-IV

Prices for all rail shipment from mines indexed below into market areas as shown. For shipment into all market areas—See Schedule of Effective Minimum Prices, § 324.9, § 324.10. Also applies to Market Areas 98 and 99 (Great Lakes), § 324.11(b), and § 324.11(c), and Vessel Fuel, § 324.11(d)

Freight origin districts	Freight origin group Nos.	Additional freight origin group Nos.	Mine index Nos.	Additional mine index Nos.
Ohio No. 8	9, 10, 11, 12, 14, 15, 17, 18, 19		10, 21, 26, 30, 31, 34, 35, 42, 43, 54, 55, 56, 57, 65, 78, 81, 99, 102, 103, 107, 111, 114, 115, 116, 122, 123, 124, 127, 128, 144, 145, 147, 152, 157, 164, 167	Add Mine Index No. 573.
Jackson	12, 14, 17, 18	Add 42	12, 16, 37, 45, 68, 92, 119, 161	Add Mine Index No. 324. Add Mine Index No. 318. Add Mine Index No. 2030. Add Mine Index No. 2901. Add Mine Index No. 326.
Middle	41, 42, 43	Add 61	2, 131, 134	
Lectonia	52	Add 71	13, 108	
	72, 74		3, 77, 159, 168	

Prices as shown in § 324.9, § 324.10, § 324.11 (b), § 324.11 (c) and § 324.11 (d) in the Schedule of Effective Minimum Prices apply to all additional mine index numbers hereinabove noted.

§ 324.24 General prices in cents per net ton for shipment into all market areas—
Supplement T—Continued

[Docket No. A-1161]

PART 330—MINIMUM PRICE SCHEDULE,
DISTRICT NO. 10

Code member index	Mine	Mine index No.	Base sizes								
			Seam	6" lump		3", 4", 5" lump		2" x 4" egg, 2" x 5" egg		Mine run, nut and pea	
				1	2	3	4	5	6		7	8
SUBDISTRICT NO. 1—EASTERN OHIO—Continued											
JEFFERSON COUNTY											
Gregory, John.....	Gregory # 2.....	325	8	275	265	250	225	220	210	190	180
SUBDISTRICT NO. 2—CAMBRIDGE											
GUERNSEY COUNTY											
Hilton, Rose.....	Hilton.....	322	7	270	260	245	220	220	220	200	190
NOBLE COUNTY											
Frisbee Brothers (Howard Frisbee).....	Frisbee Bros.....	2928	9	270	260	245	220	220	220	200	190
Germantown Coal Co. (Grover C. Hendershot).....	Germantown.....	315	8	270	260	245	220	220	220	200	190
SUBDISTRICT NO. 4—MIDDLE											
COLUMBIANA COUNTY											
Gray Brothers (Roy T. Gray).....	Gray Brothers.....	326	6	300	290	275	250	245	225	205	195
Ungaro, Dominic.....	Ungaro.....	327	6	300	290	275	250	245	235	205	195
COSHO TON COUNTY											
Israel, Clyde.....	Israel.....	2639	5	290	280	270	245	240	195	165	155
Thomas, Fred.....	Thomas.....	2945	5	280	270	260	235	230	195	165	155
Valley View Coal Company (Robert Stubbs).....	Valley View.....	2937	5	280	270	260	235	230	195	165	155
HOLMES COUNTY											
Blue Crystal Mines (W. Harrington).....	Blue Crystal Mine #3.....	329	7	275	265	250	235	235	210	190	180
STARK COUNTY											
Paova Coal Company (W. R. Taylor).....	.....	2928	5 & 6	275	265	250	235	235	210	190	180
TUSCARAWAS COUNTY											
Blue Crystal Mines (W. Harrington).....	Blue Crystal Mine #2.....	328	5	275	265	250	235	235	210	190	180
Fanti, Joe.....	Fanti.....	321	6	275	265	250	235	235	220	190	180
Scott Coal Company, The, c/o Earl L. Scott.....	Scott.....	2932	6	275	265	250	235	235	220	190	180
Windy Hollow Coal Co. (B. V. Riggs).....	Windy Hollow.....	2933	6	275	265	250	235	235	220	190	180
SUBDISTRICT NO. 5—HOCKING											
HOCKING COUNTY											
Howell Coal Company (R. R. Johnson).....	.....	317	6	295	285	275	250	245	195	165	155
VINTON COUNTY											
Power Coal Co. (Clarence Power).....	Power Coal Co.....	316	6	295	285	275	250	245	195	165	155
SUBDISTRICT NO. 6—CROOKSVILLE											
MUSKINGUM COUNTY											
Abbott, Lee.....	.....	380	6	280	270	260	235	230	195	165	165
Orwig, C. A. (Orwig Coal Co.).....	Hydraulic.....	323	6	280	270	260	235	230	195	165	165
SUBDISTRICT NO. 7—JACKSON											
JACKSON COUNTY											
Franklin, Leo & James Denney (Leo Franklin).....	West.....	2946	4	295	285	275	250	245	195	175	165
Gillen Coal Company (Wilford Gillen).....	Gillen Coal Co.....	2935	2	295	285	275	250	245	195	175	165
Jenkins, John F.....	Sayre.....	319	4	295	285	275	250	245	195	175	165
Merrill, Bert.....	Merrill.....	2930	4	295	285	275	250	245	195	175	165
Spires Coal Co. (Clyde Spires).....	Spires.....	2929	5	295	285	275	230	245	195	175	165
Van Fossan Bros. (Omar O. Van Fossan).....	.....	318	1	295	285	275	230	245	195	175	165
LAWRENCE COUNTY											
Edwards Mining Co., David C. (David C. Edwards).....	Edwards, D. C.....	2934	4	295	285	275	250	245	195	175	165
VINTON COUNTY											
McArthur Brick Company, The (c/o L. W. Filcher).....	McArthur Brick Co.....	2940	4	295	285	275	230	245	195	165	155
SUBDISTRICT NO. 8—POMEROY											
GALLIA COUNTY											
Harding, Ross.....	Harding.....	2931	8	295	285	275	250	245	195	140	140
MEIGS COUNTY											
F. & E. Coal Co. (Clarence Folmer).....	F. & E.....	320	8	295	285	275	250	245	195	140	140

SUPPLEMENTAL ORDER GRANTING TEMPORARY RELIEF AND CONDITIONALLY PROVIDING FOR FINAL RELIEF IN THE MATTER OF THE PETITION OF DISTRICT BOARD 10 FOR THE ESTABLISHMENT OF PRICE CLASSIFICATIONS AND MINIMUM PRICES FOR THE COALS OF CERTAIN MINES IN DISTRICT 10 FOR TRUCK SHIPMENT

An original petition, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, having been duly filed with the Division by the above-named party requesting the establishment, both temporary and permanent, of price classifications and minimum prices for the coals of certain mines in District 10; and

An Order of Consolidation and Order Granting Temporary Relief and Conditionally Providing for Final Relief having been issued by the undersigned on December 4, 1941, 6 F.R. 6640, which granted no price classifications or minimum prices for the coals of the Pioneer Mine (Mine Index No. 1537) of the Pioneer Coal Co., because it did not appear at the time that the Pioneer Coal Co. was a member of the Bituminous Coal Code; and

It now being established that the Pioneer Coal Co. is a member of the Bituminous Coal Code; and

It further appearing that a reasonable showing of necessity has been made for the granting of temporary relief in the manner hereinafter set forth; and

No petition of intervention having been filed with the Division in the above-entitled matter; and

The following action being deemed necessary in order to effectuate the purposes of the Act;

It is ordered, That pending final disposition of the above-entitled matters, temporary relief be and the same hereby is granted as follows: Commencing forthwith § 330.25 (General prices in cents per net ton for shipment into all market areas) is amended by adding thereto Supplement T, which supplement is hereinafter set forth and hereby made a part hereof.

It is further ordered, That pleadings in opposition to the original petition in the above-entitled matter and applications to stay, terminate or modify the temporary relief herein granted may be filed with the Division within forty-five (45) days from the date of this Order, pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall become final sixty (60) days from the date of this Order, unless it shall otherwise be ordered.

Dated: January 6, 1942.

[SEAL]

DAN H. WHEELER,
Acting Director.

[Docket No. A-1208]

PART 330—MINIMUM PRICE SCHEDULE,
DISTRICT NO. 10

ORDER GRANTING TEMPORARY RELIEF AND CONDITIONALLY PROVIDING FOR FINAL RELIEF IN THE MATTER OF THE PETITION OF DISTRICT BOARD NO. 10 FOR THE ESTABLISHMENT OF PRICE CLASSIFICATIONS AND MINIMUM PRICES FOR THE COALS PRODUCED AT MINE INDEX NO. 1087 IN DISTRICT NO. 10, FOR ALL SHIPMENTS EXCEPT TRUCK

An original petition, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, having been duly filed with this Division by the above-named party, requesting the establishment, both temporary and permanent, of price classifications and minimum prices for the coals produced at Mine Index No. 1087 in District No. 10, for all shipments except truck; and

It appearing that a reasonable showing of necessity has been made for the granting of temporary relief in the manner hereinafter set forth; and

No petitions of intervention having been filed with the Division in the above-entitled matter; and

The following action being deemed necessary in order to effectuate the purposes of the Act;

TEMPORARY AND CONDITIONALLY FINAL EFFECTIVE MINIMUM PRICES FOR DISTRICT NO. 10

NOTE: The material contained in these supplements is to be read in the light of the classifications, prices, instructions, exceptions and other provisions contained in Part 330, Minimum Price Schedule for District No. 10 and supplements thereto.

FOR ALL SHIPMENTS EXCEPT TRUCK

§ 330.2 *Mine index numbers*—Supplement R-I

Price group No.	Produce	Mine	Mine Index No.	Freight origin group No.	Shipping point	Railroad
19	Gelssal, Leo M. (Prairie State Coal Co.)...	Mary Kay.....	1087	21	Marissa, Ill.....	IC.

§ 330.10 *Special prices*—(a) *Railroad locomotive fuel prices*—Supplement R-II. The f. o. b. mine prices for Mine Index No. 1087 shall be the same as the prices provided for the mines in Price Group 19 and Freight Origin Group 21 in Price Schedule No. 1 for District No. 10 for All Shipments Except Truck: *Provided, however*, That these prices apply f. o. b. shipping point as listed above. The railroad locomotive fuel prices shall be: 6" x 1 1/4" egg, \$1.75; mine run, \$1.70; screenings, \$1.40.

[F. R. Doc. 42-614; Filed, January 21, 1942; 11:29 a. m.]

It is ordered, That pending final disposition of the above-entitled matter, temporary relief is granted as follows: Commencing forthwith, § 330.2 (*Mine index numbers*) is amended by adding thereto Supplement R-I, and § 330.10 (*Special prices*—(a) *Railroad locomotive fuel prices*) is amended by adding thereto Supplement R-II, which supplements are hereinafter set forth and hereby made a part hereof.

It is further ordered, That pleadings in opposition to the original petition in the above-entitled matter and applications to stay, terminate or modify the temporary relief herein granted may be filed with the Division within forty-five (45) days from the date of this Order, pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall become final sixty (60) days from the date of this Order, unless it shall otherwise be ordered.

Dated: January 6, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

Division by the above-named party, requesting the establishment, both temporary and permanent, of price classifications and minimum prices for the coals of certain mines in District No. 12; and

It appearing that a reasonable showing of necessity has been made for the granting of temporary relief in the manner hereinafter set forth; and

No petitions of intervention having been filed with the Division in the above-entitled matter; and

The following action being deemed necessary in order to effectuate the purposes of the Act;

It is ordered, That pending final disposition of the above-entitled matter, temporary relief is granted as follows: Commencing forthwith, § 332.2 (*Alphabetical list of code members*) is amended by adding thereto Supplement R, and § 332.24 (*General prices in cents per net ton for shipment into all market areas*) is amended by adding thereto Supplement T, which supplements are hereinafter set forth and hereby made a part hereof.

It is further ordered, That pleadings in opposition to the original petition in the above-entitled matter and applications to stay, terminate or modify the temporary relief herein granted may be filed with the Division within forty-five (45) days from the date of this Order, pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall become final sixty (60) days from the date of this Order, unless it shall otherwise be ordered.

No relief is granted herein for the coals of Mine Index Nos. 489, 670, 537, and 448 because price classifications and minimum prices have been previously established for the coals of these mines.

No minimum prices are established herein for the coals of Mine Index No. 797 for truck shipment for the reasons set forth in an Order designating that portion of Docket No. A-1178 relating to such prices for these coals as Docket No. A-1178 Part II and granting temporary relief.

Dated: January 6, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[Docket No. A-1178]

PART 332—MINIMUM PRICE SCHEDULE,
DISTRICT NO. 12

ORDER GRANTING TEMPORARY RELIEF AND CONDITIONALLY PROVIDING FOR FINAL RELIEF IN THE MATTER OF THE PETITION OF DISTRICT BOARD NO. 12 FOR THE ESTABLISHMENT OF PRICE CLASSIFICATIONS AND MINIMUM PRICES FOR THE COALS OF CERTAIN MINES IN DISTRICT NO. 12

An original petition, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, having been duly filed with this

TEMPORARY AND CONDITIONALLY FINAL EFFECTIVE MINIMUM PRICES FOR DISTRICT NO. 12

NOTE: The material contained in these supplements is to be read in the light of the classifications, prices, instructions, exceptions and other provisions contained in Part 332, Minimum Price Schedule for District No. 12 and supplements thereto.

FOR ALL SHIPMENTS EXCEPT TRUCK

§ 332.2 Alphabetical list of code members—Supplement R

[Listing of code members, mines, mine index numbers and mine origin groups (for delivery by railroad)]

Mine index No.	Code member	Mine	Mine origin group	Originating railroad	Mine origin group No.
651	Barnett Coal Co. (John M. Barnett).	*Barnett Coal Co.	Flagler	CB&Q	26
779	Burk, Harold (H. B. Coal Company).	*H. B.	Hamilton	WAB-CB&Q	36
787	Deltrick, M.	*The Original Dunreath	Dunreath	WABASH	6
288	Diamond Block Coal Company	*Diamond Block Coal Co.	Pella	CRI&P	73
300	Evans, J. H. (J. H. Evans & Son Coal Co.).	*J. H. Evans & Son	Eddyville	M&SIL-CRI&P	74
797	Jordan, John C.	*Joannie	Cincinnati	CB&Q	61
363	Lee-Z Coal Company (Arlen Amsherry).	*Lee-Z	Hamilton	WAB-CB&Q	36
786	Marlin, James (Marlin Coal Co.).	*Marlin Coal Co.	Bussey	WAB-CB&Q	31
420	Peerless Coal Co. (S. H. Vanderzyl)	*Peerless	Monroe	CRI&P	54
318	Peewee Coal Company, %Chas. Brady.	*Peewee No. 3	Bussey & Hamilton	WAB-CB&Q	56
801	Simpson, M. H. (Simpson Coal Co.).	*Simpson Coal Co.	Kirkville & Ottumwa	CRI&P	72
686	Strother, J. P.	*Laddsdale Coal Co.	Eldon	CRI&P	7
478	Superior Coal Co. (Nellie M. Curran).	*Superior	Kirkville & Ottumwa	CRI&P	72
740	Wilkinson & Evans Coal Co. (John G. Evans).	*Wilkinson-Evans Coal Co.	Albia	M&SIL-WAB-CB&Q	55

*Indicates mines shipping via public sidings and ramps for railway delivery.

FOR TRUCK SHIPMENTS

§ 332.24 General prices in cents per net ton for shipment into all market areas—Supplement T

Code member index	Mine name	Mine No.	Group No.	County	Mine run									
					Chunk	Standard lump	Egg 8 x 2", 6 x 2"	Small egg 4 x 2", 3 x 1 1/2"	Nut 2 x 1 1/4", 1 1/4 x 3/4"	Dom. stoker 1 1/4", 1 x 3/16"	Screenings 2", 1 1/2", 1 1/4 x 0"	Ind. stoker Cr. 2", 1 1/2", 1 1/4" x 0"	5/16" x 0"	
					1	2	3	4	5	6	7	8	9	10
Anderson-Whitehurst Mining Co., Inc. c/o R. J. Anderson.	Anderson-Whitehurst	793	18	Marion	300	290	280	270	270	270	270	160	220	100
Big 3 Coal Co. (C. W. Roberts).	Big 3 Coal Co.	792	19A	Marion	305	295	285	275	270	270	270	160	220	100
Blue Diamond Coal Co. (John Dursky).	Blue Diamond Coal Co.	795	23	Mahaska	318	308	298	288	273	273	273	168	228	100
Burk, Harold (H. B. Coal Company).	H. B.	779	18	Marion	300	290	280	270	270	270	270	160	220	100
Deltrick, M.	The Original Dunreath	787	20	Marion	316	306	296	286	276	276	276	166	226	100
Marlin, James (Marlin Coal Co.).	Marlin Coal Co.	786	18	Marion	298	288	278	268	268	268	268	158	218	100
Premium Coal Co. (Glen A. Beebout).	Premium Coal Co.	796	19	Marion	306	296	286	276	266	266	266	166	226	100
Pure Coal Company (Leo B. Test).	Pure Coal	789	18	Marion	300	290	280	270	270	270	270	160	220	100
Saner & Easton Coal Company (W. R. Saner).	Saner & Easton Coal Co.	794	6	Davis	295	285	275	265	270	270	270	180	240	100
Seely, Louis	Airdale	791	2	Appanoose	285	275	265	255	275	265	275	200	275	100
Simpson, M. H. (Simpson Coal Co.).	Simpson Coal Co.	801	11	Wapello	300	290	280	270	270	270	270	185	245	100

[F. R. Doc. 42-613; Filed, January 21, 1942; 11:28 a. m.]

TITLE 31—MONEY AND FINANCE; TREASURY

CHAPTER I—MONETARY OFFICES

PARTS 130 AND 131—APPENDIX

PUBLIC CIRCULAR NO. 13 UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO, RELATING TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.¹

JANUARY 20, 1942.

General Licenses Nos. 13,² 14,³ 15,³ 19,³ 21⁴ and 27⁵ are hereby amended by deleting the final paragraph of each such general license.

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 42-628; Filed, January 21, 1942; 12:37 p. m.]

PART 131—GENERAL LICENSES UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO

AMENDMENT OF GENERAL LICENSE NO. 42A UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO, RELATING TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.

JANUARY 20, 1942.

Paragraph (b) of General License No. 42A is hereby amended to read as follows:
§ 131.42a General License No. 42A.

(b) Every person licensed herein as a generally licensed national shall file with the appropriate Federal Reserve Bank a report under oath in triplicate setting forth (1) the name, address and nationality of such person; (2) a statement that such person is licensed as a generally licensed national under this general license; and (3) a statement that such person has filed a report on Form TFR-300 or that such person was not required to file such report because the total value of all property interests of such person to be reported was less than \$1,000. Such report shall be filed on or before Febru-

¹ This public circular affects Parts 130 and 131 and will be included in appendices to those parts. Issued under the authority contained in section 5 (b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Public No. 354, 77th Congress; E.O. 8389, April 10, 1940, as amended by E.O. 8785, June 14, 1941, E.O. 8832, July 26, 1941, E.O. 8963, December 9, 1941, and E.O. 8998, December 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

² 6 F.R. 2788, 6792.

³ 6 F.R. 2789.

⁴ 6 F.R. 2790.

⁵ 6 F.R. 3214.

ary 15, 1942, or within thirty days after the date upon which such person avails himself of the privileges of this general license, whichever is later. Any person not complying with this reporting requirement is not authorized to engage in any transaction under this general license. (Sec. 5 (b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Public No. 354, 77th Congress; E.O. 8389, April 10, 1940, as amended by E.O. 8785, June 14, 1941, E.O. 8832, July 26, 1941, E.O. 8963, December 9, 1941, and E.O. 8998, December 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941)

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 42-627; Filed, January 21, 1942; 12:37 p. m.]

TITLE 32—NATIONAL DEFENSE

CHAPTER VI—SELECTIVE SERVICE SYSTEM

PART 614—GROUPING AND SERIAL NUMBERING REGISTRATION CARDS

Correction

The headnote of § 614.2 of F.R. Doc. 42-501 appearing on page 388 of the issue for Tuesday, January 20, 1942 should read as follows:

§ 614.2 *Local board's registration report to State Director of Selective Service.*

CHAPTER IX—OFFICE OF PRODUCTION MANAGEMENT

SUBCHAPTER B—PRIORITIES DIVISION

PART 971—ETHYL ALCOHOL AND RELATED COMPOUNDS

Amendment No. 3 to General Preference Order No. M-30 to Conserve the Supply and Direct the Distribution of Ethyl Alcohol and Related Compounds

Section 971.1 (*General Preference Order No. M-30*) is hereby amended to read as follows:

Whereas the national defense requirements have created shortages of Ethyl Alcohol and Related Compounds for defense, for private account, and for export, and it is necessary, in the public interest and to promote the defense of the United States, to conserve the supply and direct the distribution thereof:

Now, therefore, it is hereby ordered, That:

§ 971.1 *General Preference Order M-30—(a) Definitions.* For the purposes of this Order:

(1) "Ethyl Alcohol" means ethyl alcohol of 160 degrees proof or more produced in industrial alcohol plants, established under Regulation 3 of the Bureau of Internal Revenue issued pursuant to pro-

visions of sections 3100 to 3124 inclusive, Internal Revenue Code, and withdrawn, denatured or undenatured, for industrial purposes pursuant to the provisions of such regulation; and distilled spirits of 160 degrees proof or more produced in registered distilleries, established under Internal Revenue Laws, and withdrawn therefrom or from Internal Revenue bonded warehouses for industrial purposes pursuant to the provisions of section 2883, Internal Revenue Code, as amended by the Act of January 1, 1942, and regulations prescribed thereunder, and shall include proprietary solvent.

(2) "Related Compounds" means acetic acid, acetic anhydride, acetone, ethyl ether, ethyl acetate, butyl alcohol, butyl acetate, isopropyl alcohol and isopropyl acetate, from whatever source derived.

(3) "Producer" means any person engaged in the production of Ethyl Alcohol or Related Compounds, and includes any person who has Ethyl Alcohol or any Related Compounds produced for him pursuant to toll agreement.

(4) "Distributor" means any person who has purchased or purchases Ethyl Alcohol or any Related Compounds for purposes of resale.

(5) "Calendar Quarter" means the several three month periods of the year, commencing January 1, April 1, July 1 and October 1.

(b) *Applicability of Priorities Regulation No. 1.* This Order and all transactions in Ethyl Alcohol and Related Compounds affected thereby are subject to the provisions of Priorities Regulation No. 1, as amended from time to time, except to the extent that any provision hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(c) *Restrictions on use and deliveries of ethyl and isopropyl alcohol.* Anything in Priorities Regulation No. 1 to the contrary notwithstanding, and except as hereafter may be otherwise directed by the Director of Priorities:

(1) No person shall, during any Calendar Quarter commencing January 1, 1942, accept delivery of Ethyl Alcohol for any purpose not specified in subparagraphs (c) (2) and (4) hereof in excess of 100% of the quantity of Ethyl Alcohol which he used (distributed in the case of a Distributor) for such purpose during the corresponding Calendar Quarter in the twelve months' period ended June 30, 1941.

(2) No person shall, during any Calendar Quarter commencing January 1, 1942, accept delivery of Ethyl Alcohol for a purpose set forth below in excess of that percentage, set opposite such purpose, of the quantity of Ethyl Alcohol which he used (distributed in the case of a Distributor) for such purpose during the corresponding Calendar Quarter in the twelve months' period ended June 30, 1941.

¹ Omitted on original document.

Purpose	Percentage
Hair and Scalp Preparations.....	75% during the calendar quarter commencing January 1, 1942.
Bay Rum.....	
Shampoos.....	
Face and Hand Lotions.....	
Body Deodorants.....	70% during each calendar quarter thereafter.
Toilet Waters.....	
Perfume and Perfume Tinctures.....	
Toilet Soaps (including Shaving Cream).....	
Mouth Washes.....	
Tooth Cleaning Preparations.....	
Perfume Materials and Fixatives.....	
Rubbing Alcohol.....	
Witch Hazel.....	
Deodorant Sprays (non-body).....	
Vinegar.....	
Candy Glazes.....	

(3) The provisions of subparagraphs (c) (1) and (2) hereof shall be applicable with respect to the quantities of Isopropyl Alcohol, delivery of which, during any Calendar Quarter, a person may accept.

(4) Persons may, subject to Priorities Regulation No. 1, accept delivery of Ethyl or Isopropyl Alcohol for the purposes set forth below without limitation.

Acetone.
Military Explosives.
Acetic Acid (except Vinegar for food use).

Ethyl and Isopropyl Acetate.
Ethyl Chloride.
Other Ethyl Esters.
Plastics and Resins.
Acetaldehyde.
Ethyl Ether.

Health Supplies (as defined in Preference Rating Order P-29, as amended to September 30, 1941).

Ethers, Glycol and Other Fulminate of Mercury.

Ethylene Dibromide.
Xanthates.
Ethylene Gas and Ethylene Oxide.
Dyes and Intermediates.
Nitrocellulose (dehydration).
Diethylamine (for the manufacture of synthetic rubber).

(5) No Producer shall, during any Calendar Quarter commencing January 1, 1942, use either Ethyl or Isopropyl Alcohol in excess of the quantity of Ethyl or Isopropyl Alcohol, respectively, delivery of which he may accept pursuant to subparagraphs (c) (1), (2) and (3) above.

(6) No Producer or Distributor shall deliver any Ethyl or Isopropyl Alcohol to any person during any Calendar Quarter unless, prior to such delivery, the deliverer shall have submitted to the deliveror a certificate, properly filled out and manually signed by a duly authorized official, in substantially the following form:

The delivery, during this Calendar Quarter, of _____ gallons of _____ alcohol, which the undersigned requires for a purpose set forth, either specifically or otherwise, in subparagraph (c) () of General Preference Order No. M-30, as amended, and in connection with which this certificate is submitted, will not be, taking into consider-

ation ----- alcohol received and to be received during this Calendar Quarter from all sources, in excess of ----- percent of the quantity of alcohol which the undersigned used for the same purpose during the corresponding Calendar Quarter in the twelve months' period ended June 30, 1941, and will not be in excess of the quantity of ----- alcohol to which the undersigned is entitled pursuant to said Order, with the terms of which the undersigned is familiar.

Dated -----

(Name of Deliverer)

By -----
(Duly Authorized Official)

If a delivery is for one of the purposes specified in subparagraph (c) (4) hereof, it will be sufficient to certify to that fact alone.

(7) The restrictions and requirements hereinabove set forth with respect to the use and Delivery of Ethyl and Isopropyl Alcohol shall not apply to delivery to, or for the account of:

(i) The Army or Navy of the United States, the United States Maritime Commission, the Panama Canal, the Coast and Geodetic Survey, the Coast Guard, the Civil Aeronautics Authority, the National Advisory Committee for Aeronautics, the Office of Scientific Research and Development.

(ii) The government of any of the following countries: The United Kingdom, Canada and other Dominions, Crown Colonies and Protectorates of the British Empire, Belgium, China, Greece, The Kingdom of the Netherlands, Norway, Poland, Russia and Yugoslavia; and

(iii) The government of any country, including those in the Western Hemisphere, pursuant to the Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States" (Lend-Lease Act).

(iv) Persons holding permits issued by the Bureau of Internal Revenue permitting them to acquire such Ethyl Alcohol tax free.

(v) Fill orders bearing a preference rating of A-1-j or higher for such Ethyl Alcohol.

Quantities permitted hereunder shall be in addition to quantities permitted under subparagraphs (c) (1), (2) and (3) hereof.

(d) *Small order exemption.* The restrictions and requirements set forth in paragraph (c) hereof shall not be applicable with respect to deliveries of Ethyl or Isopropyl Alcohol to any one person during any one month in quantities aggregating fifty-four gallons or less of either.

(e) *Preference ratings assigned to deliveries of isopropyl alcohol.* Unless a higher preference rating has been, or is hereafter, assigned thereto, deliveries of Isopropyl Alcohol for the uses set forth below are hereby assigned the preference rating set opposite each such use as follows:

Use	Preference rating
Acetone-----	B-1
Chemicals, Chemical Products and Chemical Processing-----	B-3
Drugs and Pharmaceuticals (not including Rubbing Alcohol)-----	B-5
Anti Freeze-----	B-7

(f) *Restrictions on production of ethyl and butyl alcohol.* Except as may be otherwise directed by the Director of Priorities, no Producer shall, after January 15, 1942, produce Ethyl or Butyl Alcohol from Molasses (as defined in General Preference Order No. M-54) unless his equipment and facilities capable of producing Ethyl or Butyl Alcohol from corn or grain are being utilized to the fullest extent possible in the production of Ethyl or Butyl Alcohol from corn or grain.

(g) *Reports.* Reports shall be made at such times, on such forms and with respect to such matters as shall be prescribed by the Chemicals Branch of the Office of Production Management.

(h) *Notification of customers.* Producers shall, as soon as practicable, notify each of their regular customers of the requirements of this Order, but the failure to give such notice shall not excuse any person from the obligation of complying with the terms hereof.

(i) *Violations or false statements.* Any person who violates this Order, or who wilfully falsifies any records which he is required to keep by the terms of this Order, or by the Director of Priorities, or otherwise wilfully furnishes false information to the Director of Priorities or to the Office of Production Management may be deprived of priorities assistance or may be prohibited by the Director of Priorities from obtaining further deliveries of materials subject to allocation. The Director of Priorities may also take any other action deemed appropriate, including the making of a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(j) *Appeals.* Any person affected by this Order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him, or that it would result in a degree of unemployment which would be unreasonably disproportionate compared with the amount of Ethyl Alcohol and Related Compounds conserved, or that compliance with this Order would disrupt or impair a program of conversion from nondefense to defense work, may appeal to the Office of Production Management, Reference: M-30, attention Chemicals Branch, setting forth the pertinent facts and the reason he considers he is entitled to relief. The Director of Priorities may thereupon take such action as he deems appropriate.

(k) *Effective date.* This Order shall take effect immediately and shall continue in effect until revoked by the Director of Priorities. (P.D. Reg. 1 Amended, Dec. 23, 1941, 6 F.R. 6680; O.P.M. Reg. 3

Amended, Sept. 2, 1941, 6 F.R. 4865; E.O. 8629, Jan. 7, 1941, 6 F.R. 191; E.O. 8875, Aug. 28, 1941, 6 F.R. 4483; sec. 2 (a), Public No. 671, 76th Congress, Third Session, as amended by Public No. 89, 77th Congress, First Session)

Issued this 22nd day of January, 1942.

J. S. KNOWLSON,
Acting Director of Priorities.

[F. R. Doc. 42-648; Filed, January 22, 1942;
11:18 a. m.]

PART 976—MOTOR TRUCKS, TRUCK TRAILERS AND PASSENGER CARRIERS

Limitation Order L-35—To Restrict the Production of Replacement Parts for Medium and Heavy Motor Trucks, Truck Trailers, Passenger Carriers and School Bus Bodies

Whereas, the manufacture of replacement parts for medium and heavy motor trucks, truck trailers, passenger carriers and school bus bodies, requires the utilization of large quantities of aluminum, chromium, copper, nickel, nickel steel, tin, tungsten and other critical materials, and national defense requirements have created a shortage of these materials for the combined needs of defense, private account and export; action has already been taken to conserve the supply and direct the distribution of such materials to insure deliveries for defense and for essential civilian requirements; and the present supply of these materials will be insufficient for defense and essential civilian requirements unless the manufacture of replacement parts for medium and heavy motor trucks, truck trailers, passenger carriers and school bus bodies is curtailed and the use of critical materials for such manufacture thereby reduced.

Now, therefore, it is hereby ordered, That:

§ 976.11 *General Limitation Order L-35—(a) Definitions.* For the purposes of this order:

(1) "Medium and/or Heavy Motor Truck" means a complete motor truck or truck tractor with a maximum gross vehicle weight rating of 9,000 pounds or more (as certified to the Office of Production Management by the Producer's Engineering Department and as specified in a published rating in effect prior to August 1, 1941) or the chassis therefor.

(2) "Truck Trailer" means a complete semi-trailer or full trailer having a cargo-carrying capacity (as advertised by the Producer prior to August 1, 1941) of five tons or more, designed exclusively for the transportation of property, or the chassis or body therefor.

(3) "Passenger Carrier" means a complete motor or electrical coach for passenger transportation, having a seating capacity of not less than fifteen persons, or the chassis or (except in the case of a school bus body) the body therefor.

(4) "School Bus Body" means a complete body designed and constructed primarily to transport children of school age.

(5) "Replacement Parts" means only the following parts (including components entering into such parts) used for the repair or maintenance of heavy trucks, medium trucks, truck trailers, passenger carriers, and school bus bodies: engine, clutch, transmission, power dividers and take offs, transfer cases, propeller shafts, universal joints, axles, braking system, wheels, starting apparatus, frame and spring suspension assemblies, shock absorbers, speedometers, fuses and flares, directional signals, driving mirrors, windshield wiper assemblies, steering apparatus, coupling devices, trailer landing gears; exhaust, cooling, fuel, lubricating and electrical systems, including generators, starters, motors, lights, reflectors, signal horns, batteries; fenders, hoods, doors and door hardware, radiator guards, defroster heaters; truck refrigeration units, liquid measuring gauges; and, but only as to parts for passenger carriers and school bus bodies, body structural repair parts, sash, seats, destination signs, fare boxes, guards and grab rails, door operating mechanisms, signaling devices, heating and ventilating equipment.

(6) "Producer" means any individual, partnership, association, corporation or other form of business enterprise engaged in the manufacture of Replacement Parts.

(b) *General restrictions.* (1) Notwithstanding the provisions of Extension No. 2 of Limitation Order L-1-a, issued November 6, 1941, during the period commencing January 1, 1942 and ending March 31, 1942, a producer shall not manufacture more than 60% of that number of each of the replacement parts named in § 976.11 (a) (5) hereinabove, sold by him for replacement purposes during the base period from July 1, 1941 to December 31, 1941. The Director of Priorities may from time to time change the limitations imposed by this section to the extent deemed necessary by him to offset such curtailment in production as may result from conversion of facilities from non-defense to defense work or from other cause or to assure an available supply of replacement parts.

(2) The determination of authorized quotas established by this Order shall exclude, and the limitations on production imposed by this Order shall not apply to any replacement parts for medium and/or heavy motor trucks, truck trailers, passenger carriers and school bus bodies produced under contracts for delivery to or for the account of:

(i) the Army or Navy of the United States, the United States Maritime Commission, the Panama Canal, the Coast and Geodetic Survey, the Coast Guard, the Civil Aeronautics Authority, the National Advisory Commission for Aeronautics, the Office of Scientific Research and Development;

(ii) the government of any of the following countries: the United Kingdom,

Canada and other Dominions, Crown Colonies and Protectorates of the British Empire, Belgium, China, Greece, the Kingdom of the Netherlands, Norway, Poland, Russia, and Yugoslavia;

(iii) any agency of the United States Government for material or equipment to be delivered to, or for the account of, the government of any country listed above, or any other country, including those in the Western Hemisphere, pursuant to the Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States." (Lend-Lease Act).

(c) *Records.* All persons affected by this Order shall keep and preserve for not less than two years accurate and complete records concerning inventories, production and sales.

(d) *Audit and inspection.* All records required to be kept by this Order shall, upon request, be submitted to audit and inspection by duly authorized representatives of the Office of Production Management.

(e) *Reports.* All persons affected by this Order, shall execute and file with the Office of Production Management such reports and questionnaires as said Office shall from time to time request. No reports or questionnaires are to be filed by any person until forms therefor are prescribed by the Office of Production Management.

(f) *Violations.* Any person who willfully violates any provision of this Order, or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this Order may be prohibited from receiving further deliveries or any Material subject to allocation, and such further action may be taken as is deemed appropriate, including a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(g) *Appeal.* Any person affected by this Order who considers that compliance herewith would work an exceptional and unreasonable hardship upon him or would curtail the available supply of Replacement Parts by reason of a Producer's conversion from non-defense to defense work, may appeal to "Office of Production Management, Washington, D. C. Ref: L-35" setting forth the pertinent facts and the reasons such person considers that he is entitled to relief. The Director of Priorities may thereupon take such action as he deems appropriate.

(h) *Communications to Office of Production Management.* All reports required to be filed hereunder, and all communications concerning this Order, shall, unless otherwise directed, be addressed to: "Office of Production Management, Washington, D. C., Ref: L-35"

(i) *Applicability of Priorities Regulation No. 1.* This Order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1 (Part 944), as amended from time to time, except to the extent that any provisions hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(j) *Effective date.* This Order shall take effect immediately. (P.D. Reg. 1

Amended, Dec. 23, 1941, 6 F.R. 6680; O.P.M. Reg. 3 Amended, Sept. 2, 1941, 6 F.R. 4865; E.O. 8629, Jan. 7, 1941, 6 F.R. 191; E.O. 8875, Aug. 28, 1941, 6 F.R. 4483; sec. 2 (a), Public No. 671, 76th Congress, Third Session, as amended by Public No. 89, 77th Congress, First Session)

Issued this 22d day of January 1942.

J. S. KNOWLSON,
Acting Director of Priorities.

[F. R. Doc. 42-650; Filed, January 22, 1942; 11:18 a. m.]

PART 976—MOTOR TRUCKS, TRUCK TRAILERS AND PASSENGER CARRIERS

Limited Preference Rating Order P-107—Material Entering Into the Production of Replacement Parts for Medium and Heavy Trucks, Truck Trailers, Passenger Carriers and School Bus Bodies

§ 976.12 Preference Rating Order P-107. For the purpose of facilitating the acquisition of material for the production of Replacement Parts for medium and heavy trucks, truck trailers, passenger carriers and school bus bodies, a preference rating is hereby assigned to deliveries for such purposes upon the following terms:

(a) *Definitions.* For the purposes of this order:

(1) "Medium and/or Heavy Motor Truck" means a complete motor truck or truck tractor with a maximum gross vehicle weight rating of 9,000 pounds or more (as certified to the Office of Production Management by the Producer's Engineering Department and as specified in a published rating in effect prior to August 1, 1941) or the chassis therefor.

(2) "Truck Trailer" means a complete semi-trailer or full trailer having a cargo-carrying capacity (as advertised by the Producer prior to August 1, 1941) of five tons or more, designed exclusively for the transportation of property, or the chassis or body therefor.

(3) "Passenger Carrier" means a complete motor or electrical coach for passenger transportation, having a seating capacity of not less than fifteen persons, or the chassis or (except in the case of a school bus body) the body therefor.

(4) "School Bus Body" means a complete body designed and constructed primarily to transport children of school age.

(5) "Replacement Parts" means only the following parts (including components entering into such parts) used for the repair or maintenance of heavy trucks, medium trucks, truck trailers, passenger carriers, and school bus bodies: engine, clutch, transmission, power dividers and take-offs, transfer cases, propeller shafts, universal joints, axles, braking system, wheels, starting apparatus, frame and spring suspension assemblies, shock absorbers, speedometers, fuses and flares, directional signals, driving mirrors, windshield wiper assemblies, steering apparatus, coupling devices, trailer landing gears; exhaust, cool-

ing, fuel, lubricating and electrical systems, including generators, starters, motors, lights, reflectors, signal horns, batteries; fenders, hoods, doors and door hardware, radiator guards, defroster heaters; truck refrigeration units, liquid measuring gauges; and, but only as to parts for passenger carriers and school bus bodies, body structural repair parts, sash, seats, destination signs, fare boxes, guards and grab rails, door operating mechanisms, signaling devices, heating and ventilating equipment.

(6) "Producer" means any individual, partnership, association, corporation or other form of business enterprise engaged in the manufacture of Replacement Parts.

(7) "Supplier" means any person with whom a contract or purchase order has been placed for delivery, to the Producer or to another Supplier, of Material which will be physically incorporated into the Replacement Parts.

(8) "Material" means any commodity, equipment, accessories, parts, assemblies or products of any kind.

(b) *Assignment of preference rating.* Subject to the terms of this Order preference rating A-3 is hereby assigned:

(1) to deliveries to a Producer by his suppliers of Materials to be physically incorporated by him in Replacement Parts, *Provided, however,* That when his production of the Replacement Parts is limited by Limitation Order No. L-35, or by any other order or direction of the Director of Priorities, no materials shall be obtained in quantity greater than required for this production as so limited.

(2) to deliveries to any Supplier of Material which will ultimately be delivered by him or another Supplier to the Producer under the rating assigned above, or will be physically incorporated into material which will be so delivered.

(c) *Persons entitled to apply preference rating.* The Preference Rating hereby assigned may be applied by (1) a Producer; and (2) a Supplier, provided that he requires the Material so purchased in order to make deliveries which have been duly rated in the manner specified in paragraph (d).

(d) *Application of preference rating.* (1) A Producer in order to apply the preference rating to a delivery of material to him must endorse the following statement on the original and all copies of the purchase order or contract for such Material, signed by a responsible official duly designated for such purpose by such Producer.

CERTIFICATE OF PRODUCER APPLYING RATING

An A-3 preference rating is assigned to this purchase order pursuant to Limited Preference Rating Order P-107. This application of the rating is made by the Producer upon the conditions set forth in said order, with which we are familiar.

Authorized Signature for Producer.

Such endorsement shall constitute a certification to the Office of Production Management that such Material is required to the extent ordered in order to produce the number of Replacement Parts within the limits authorized.

(2) A Supplier in order to apply the preference rating to a delivery of Material to him must endorse the following statement on the original and all copies of the purchase order or contract for such Material signed by a responsible official duly designated for such purpose by such Supplier:

CERTIFICATE OF SUPPLIER APPLYING RATING

An A-3 preference rating is assigned to this purchase order pursuant to Limited Preference Rating Order P-107. This application of the rating is made by the Supplier upon the conditions set forth in said Order, with which we are familiar.

Authorized Signature for Supplier.

Such endorsement shall constitute a certification to the Office of Production Management that such Material is required to the extent ordered in order to fill a purchase order placed by a Producer or Supplier duly rated in accordance herewith. Any such Supplier's purchase order or contract shall be restricted to Material the delivery of which is rated in accordance herewith.

(3) A Producer or Supplier placing any such rated purchase orders or contracts and the Supplier selling the Material covered thereby, must each retain endorsed copies of such purchase orders or contracts segregated from all other purchase orders or contracts for a period of two years from the date thereof for inspection by authorized representatives of the Office of Production Management.

(e) *Restrictions on application of rating.* The preference rating hereby assigned shall not be applied:

(1) By a Producer to obtain deliveries of materials in excess of the amount needed for the production of the Replacement Parts, taking into consideration existing inventories of the Producer, and subject to any limitation contained in Limitation Order L-35, or in any other Order or direction issued by the Director of Priorities. If a Producer has sufficient Material to produce the authorized number of Replacement Parts and still have a practical minimum working inventory, he shall not make use of the rating to obtain delivery of such Material.

(2) By a Supplier to obtain Material in excess of the amount necessary to make rated deliveries, taking into consideration existing inventories of the Supplier. If a Supplier has sufficient Material to enable him to make his rated deliveries and still have a practicable minimum working inventory, he shall not make use of the rating to obtain delivery of such Materials.

(3) By a Producer or a Supplier (i) unless the Material to be delivered cannot be obtained when required without such rating,

(ii) to obtain deliveries earlier than required,

(iii) to deliveries of Materials on purchase orders placed after March 1, 1942,

(iv) to deliveries of materials on purchase orders calling for delivery after March 31, 1942.

(f) *Violations.* Any person who willfully violates any provision of this Order,

or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this Order may be prohibited from receiving further deliveries or any Material subject to allocation, and such further action may be taken as is deemed appropriate, including a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(g) *Reports.* Each Producer and Supplier who in any month applies the preference rating in the manner herein provided to any deliveries to him, shall, on or before the 15th day of the following month file with the Office of Production Management, Washington, D. C., Ref. L-35 a report on form to be prescribed by the Director of Priorities, setting forth the number of items or amount of materials to which the preference rating has been assigned in the preceding month, the stock of such items and amount of such materials on hand, and the number or amount used in production by him during the period from July 1 through December 31, 1941, and such other reports as the Director of Priorities may require.

(h) *Revocation or modification.* This Order may be revoked or amended by the Director of Priorities at any time in whole or in part or in its application to any Producer or any Supplier. In the event of revocation, or upon expiration of this Order, deliveries already rated pursuant to this Order shall be completed in accordance with said rating, unless the rating has been specifically revoked. No additional applications of this rating to any other deliveries shall thereafter be made by any Producer or Supplier affected by said revocation or expiration.

(i) *Applicability of Priorities Regulation No. 1.* This Order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1 (Part 944), as amended from time to time, except to the extent that any provisions hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(j) *Communications to Office of Production Management.* Acceptance of this Order, all reports required to be filed hereunder, and all communications concerning this Order, shall, unless otherwise directed, be addressed to: "Office of Production Management, Washington, D. C. Ref: P-107."

(k) *Effective date.* This Order shall take effect immediately, and unless sooner revoked shall expire on the 31st day of March, 1942. (P.D. Reg. 1 Amended, Dec. 23, 1941, 6 F.R. 6680; O.P.M. Reg. 3 Amended, Sept. 2, 1941, 6 F.R. 4865; E.O. 8629, Jan. 7, 1941, 6 F.R. 191; E.O. 8875, Aug. 28, 1941, 6 F.R. 4483; sec. 2 (a), Public No. 671, 76th Congress, Third Session, as amended by Public No. 89, 77th Congress, First Session)

Issued this 22d day of January 1942.

J. S. KNOWLSON,
Acting Director of Priorities.

[F. R. Doc. 42-649; Filed, January 22, 1942; 11:18 a. m.]

PART 976—MOTOR TRUCKS, TRUCK TRAILERS AND PASSENGER CARRIERS

Supplementary General Limitation Order L-3-f To Prohibit Production of Light Motor Trucks

In accordance with the provisions of § 976.3,¹ (General Limitation Order L-3) which the following order supplements, *It is hereby ordered, That:*

§ 976.13 *Supplementary General Limitation Order L-3-f—(a) Prohibition of light motor truck production after February 1, 1942.* Except to the extent that operations are permitted under paragraph (b) of this section, effective February 1, 1942 producers of light motor trucks shall not manufacture any such light motor trucks, either for civilian or for military use or for export, and either with or without tires, regardless of the provisions of any order heretofore issued by the Office of Production Management and regardless of the provisions of any contracts heretofore or hereafter entered into by such producers.

(b) *Completion during February, 1942 of operations on quotas for the month of January, 1942.* Any producer of light motor trucks who, on January 31, 1942, has not completed his January, 1942, quota of light motor trucks may apply to the Office of Production Management for permission to complete such January quota during the month of February, 1942: *Provided, however,* That in no event shall permission be granted to continue production after February 10, 1942 in order to complete such January quotas.

(c) *Effective date.* This order shall take effect immediately. (F.D. Reg. 1 Amended, Dec. 23, 1941, 6 F.R. 6680; O.P.M. Reg. 3 Amended, Sept. 2, 1941, 6 F.R. 4865; E.O. 8629, Jan. 7, 1941, 6 F.R. 191; E.O. 8875, Aug. 28, 1941, 6 F.R. 4483; sec. 2 (a), Public No. 671, 76th Congress, Third Session, as amended by Public No. 89, 77th Congress, First Session)

Issued this 21st day of January 1942.

DONALD M. NELSON,
Director of Priorities.

[F. R. Doc. 42-637; Filed, January 21, 1942; 3:22 p. m.]

PART 981—PASSENGER AUTOMOBILES

Supplementary General Limitation Order L-2-g To Prohibit the Production of Passenger Automobiles

In accordance with the provisions of § 981.1² (General Limitation Order L-2), which the following order supplements, and notwithstanding the provisions of § 981.5³ (Supplementary General Limitation Order L-2-d) which the following order supersedes, *It is hereby ordered, That:*

§ 981.8 *Supplementary General Limitation Order L-2-g—(a) Prohibition of passenger car production after February*

¹ 6 F.R. 4733.

² 6 F.R. 4735.

³ 6 F.R. 6358.

1, 1942. Except to the extent that operations are permitted under paragraph (b) of this section, effective February 1, 1942, producers of passenger automobiles shall not manufacture any such passenger automobiles, either for civilian or for military use or for export, and either with or without tires, regardless of the provisions of any order heretofore issued by the Office of Production Management and regardless of the provisions of any contracts heretofore or hereafter entered into by such producers.

(b) *Completion during February, 1942 of operations on quotas for the month of January, 1942.* Any producer of passenger automobiles who, on January 31, 1942, has not completed his January, 1942 quota of passenger automobiles may apply to the Office of Production Management for permission to complete such January quota during the month of February, 1942. *Provided, however,* That in no event shall permission be granted to continue production after February 10, 1942 in order to complete such January quotas.

(c) *Effective date.* This order shall take effect immediately. (P.D. Reg. 1 Amended, Dec. 23, 1941, 6 F.R. 6680; O.P.M. Reg. 3 Amended, Sept. 2, 1941, 6 F.R. 4865; E.O. 8629, Jan. 7, 1941, 6 F.R. 191; E.O. 8875, Aug. 28, 1941, 6 F.R. 4483; sec. 2 (a), Public No. 671, 76th Congress, Third Session, as amended by Public No. 89, 77th Congress, First Session.)

Issued this 21st day of January 1942.

DONALD M. NELSON,
Director of Priorities.

[F. R. Doc. 42-636; Filed, January 21, 1942; 3:22 p. m.]

CHAPTER XI—OFFICE OF PRICE ADMINISTRATION

PART 940—RUBBER AND PRODUCTS AND MATERIALS OF WHICH RUBBER IS A COMPONENT

Amendment No. 5 to Supplementary Order No. M-15-c to Restrict Transactions in New Rubber Tires, Casings, and Tubes

Paragraph (b) of § 940.4 is amended by adding thereto subparagraphs (5), (6), (7), (8), (9) and (10), and paragraphs (c) and (e) of § 940.4 are amended to read as follows:

§ 940.4 *Supplementary Order M-15-c.*

* * * * *

(b) *Definitions.*

* * * * *

(5) "Consumer" means any person who operates vehicles using tires.

(6) "Retailer" means a person selling new rubber tires, casings, or tubes exclusively to consumers, including commercial accounts.

(7) "Wholesaler" means a person selling new rubber tires, casings, or tubes exclusively to persons buying for purposes of resale and to commercial accounts.

(8) "Distributor" means a person selling new rubber tires, casings, or tubes both to consumers, including commercial accounts, and to persons who buy for purposes of resale.

(9) "Manufacturer" means a person who manufactures new rubber tires, casings, or tubes.

(10) "Commercial accounts" means a person who operates five or more vehicles using tires.

(c) *Prohibition on deliveries of new rubber tires, casings and tubes, except to persons possessing certificates.* (1) Except as provided in this paragraph and in paragraphs (g) and (h) of this section, or in regulations hereafter issued by the Office of Price Administration, no person shall sell, lease, trade, lend, deliver, ship, or transfer new rubber tires, casings, or tubes, and no person shall accept any such sale, lease, trade, loan, delivery, shipment or transfer of any such new rubber tires, casings, or tubes. (The provisions of this paragraph shall apply to all new rubber tires, casings and tubes, whether such new rubber tires, casings, and tubes are at the date of issuance of this Order already manufactured, or whether such new rubber tires, casings, and tubes are manufactured in the future.)

(2) No retailer, distributor, wholesaler or manufacturer possessing new rubber tires, casings, or tubes, or otherwise acquiring such tires, casings, or tubes shall mount such tires, casings, or tubes on vehicles owned by him or otherwise subject to his control unless he holds a certificate issued by the Office of Price Administration: *Provided,* That a manufacturer may mount new tires, casings or tubes on a vehicle owned by him or otherwise subject to his control used exclusively for testing purposes and not in connection with any other use.

(3) Any person, except a retailer, distributor, wholesaler, or manufacturer may sell, lease, trade, lend, deliver, ship, or transfer new rubber tires, casings, or tubes to a retailer, distributor, wholesaler, or manufacturer.

(4) A retailer may sell, lease, trade, lend, deliver, ship, or transfer any new rubber tire, casing, or tube (i) to any consumer in exchange for a certificate authorizing such purchase issued by the Office of Price Administration; (ii) to any other retailer; (iii) to any distributor; (iv) to any wholesaler; or (v) to any manufacturer.

Any retailer making a sale, lease, trade, loan, delivery, shipment or transfer pursuant to subdivisions (ii), (iii), (iv), and (v) of this subparagraph shall keep records showing the name of the person acquiring the new rubber tires, casings or tubes, the number and type of tires, casings or tubes acquired, the sales price and the date of the transfer.

(5) Any distributor may sell, lease, trade, lend, deliver, ship, or transfer any new rubber tire, casing, or tube (i) to any consumer in exchange for a certificate authorizing such purchase issued by the Office of Price Administration; (ii) to

any retailer or distributor, but only in exchange for the appropriate part of the certificate issued pursuant to paragraph (e) of this section or the receipt issued pursuant to paragraph (g) of this section; (iii) to any wholesaler; or (iv) to any manufacturer.

Any distributor making a sale, lease, trade, loan, delivery, shipment or transfer pursuant to subdivisions (ii), (iii), and (iv) of this subparagraph shall keep records showing the name of the person acquiring the new rubber tires, casings or tubes, the number and type of tires, casings or tubes acquired, the sales price and the date of the transfer.

(6) Any wholesaler may sell, lease, trade, lend, deliver, ship, or transfer any new rubber tire, casing, or tube (a) to a consumer in exchange for a certificate authorizing such purchase issued by the Office of Price Administration: *Provided*, That such consumer purchased or leased new rubber tires, casings, or tubes direct from such wholesaler's warehouse during the calendar year 1941; (ii) to any retailer, distributor or wholesaler, but only in exchange for the appropriate part of the certificate issued pursuant to paragraph (e) of this section or the receipt issued pursuant to paragraph (g) of this section; or (iii) to any manufacturer.

Any wholesaler making a sale, lease, trade, loan, delivery, shipment or transfer pursuant to subdivisions (ii) and (iii) of this subparagraph shall keep records showing the name of the person acquiring the new rubber tires, casings or tubes, the number and type of tires, casings or tubes acquired, the sales price and the date of the transfer.

(7) Any manufacturer may sell, lease, trade, lend, deliver, ship, or transfer any new rubber tires, casings, or tubes (i) to a consumer in exchange for a certificate authorizing such purchase issued by the Office of Price Administration: *Provided*, That such consumer purchased or leased new rubber tires, casings, or tubes direct from such manufacturer's factory or warehouse during the calendar year 1941; or (ii) to any retailer, distributor, wholesaler, or manufacturer, but only in exchange for the appropriate part of the certificate issued pursuant to paragraph (e) of this section or the receipt issued pursuant to paragraph (g) of this section: *Provided*, That during each quarter of every calendar year commencing January 1, 1942 no manufacturer shall sell, lease, trade, lend, deliver, ship or transfer to retailers and distributors owned, operated or controlled by such manufacturer a wholesale dollar value of new rubber tires and tubes in excess of the ratio which the wholesale dollar value of new rubber tires and tubes sold, leased, traded, delivered, or transferred to all retailers or distributors owned, operated or controlled by such manufacturer bore to its total wholesale dollar value of new rubber tires and tubes sold, leased, traded, loaned, shipped, or transferred for each quarter in 1941.

Any manufacturer making a sale, lease, trade, loan, delivery, shipment or transfer, pursuant to subdivision (ii) of this subparagraph shall keep records showing the name of the person acquir-

ing the new rubber tires, casings, or tubes, the number and type of tires, casings or tubes acquired, the sales price and the date of the transfer.

(8) Any retailer or distributor may deliver, ship or transfer new rubber tires, casings or tubes to any warehouse or premise owned, operated or controlled by such person, provided there is no change in ownership or control involved in this delivery, shipment or transfer. Records of such delivery, shipment or transfer shall be kept and reports in connection therewith shall be made as may be required by the Office of Price Administration.

(9) Any wholesaler or manufacturer may deliver, ship or transfer new rubber tires, casings, or tubes to any warehouse or premise owned, operated or controlled by such person and not used in performing the functions of a distributor or retailer provided there is no change in ownership or control involved in this delivery, shipment or transfer. Records of such delivery, shipment or transfer shall be kept and reports in connection therewith shall be made as may be required by the Office of Price Administration.

(10) Any common carrier which on December 11, 1941 was in possession of shipments of new rubber tires, casings, and tubes consigned to a consignee may (without certificates) deliver such tires, casings, and tubes to such consignee.

(11) Any manufacturer may sell, transfer or deliver, with the written approval of the Director of Priorities of the Office of Production Management, any new rubber tire, casing or tube to a manufacturer of new vehicles to be used as part of the original equipment of such vehicles. Records of such transfers shall be kept and reports in connection therewith shall be made as may from time to time be required by the Office of Production Management.

(e) *Acquisition of new rubber tires, casings, and tubes by persons in the categories enumerated in List A attached hereto.*

(4) That the tire, casing or tube for which application is made when added to all other tires, casings or tubes of whatever condition in the applicant's possession whether unmounted or mounted on a vehicle, will not add up to more than one spare tire of a given size for each eligible vehicle: *Provided, however*, That, when the applicant is a retailer, distributor, wholesaler, or manufacturer of new rubber tires, casings, or tubes this subparagraph of paragraph (e) can be satisfied by showing that the applicant operates only eligible vehicles and that none of his vehicles is equipped with more than one spare tire and tube of a given size. (Supplementary Order M-15-c, 6 F.R. 6792)

This amendment No. 5 shall become effective January 28th, 1942. Issued this 21st day of January 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-640; Filed, January 22, 1942; 10:55 a. m.]

PART 1307—RAW MATERIALS FOR COTTON TEXTILES

AMENDMENT NO. 6 TO PRICE SCHEDULE NO. 7¹—COMBED COTTON YARNS

Table III of § 1307.7 (b) (3) is hereby amended to read as follows:

§ 1307.7 Appendix A; *maximum prices for combed yarn.*

(b) *Combed yarns not covered by contract prior to December 24, 1941.*

(3) *Maximum price tables.*

TABLE III

(1) In addition to the applicable maximum prices as set forth in Table II above, the premiums set forth below may be charged for yarn on the following constructions: *Provided*, (a) that the yarn is made for use in the manufacture of products to meet the specification named below opposite the construction of the yarn sold; and (b) that the purchaser of the yarn shall certify in writing to the seller, before any delivery is made, that the yarn is to be so used.

Yarn construction	When made for use in products to meet	Allowable premium (cents per pound)
17/1	Army Specification P. Q. D. No. 1 (Wind Resistant Cotton Cloth), December 13, 1940.....	5.25
20/1	.....do.....	5.25
40/2	.....do.....	8.75
12/1	Type I or II, Army Specification P. Q. D. No. 33-A (Cloth, Cotton, Uniform, Twill), December 9, 1941.....	5.25
24/2	.....do.....	13.00
36/2	.....do.....	10.25
55/1	Type II, Quartermaster Corps Tentative Specification P. Q. D. No. 82 (Netting, Mosquito, Cotton, D. D.), July 30, 1941.....	10.50

(2) Pending establishment of other premiums, yarns (except those subject to (1) above) which are in special put-ups, of twists higher than knitting twist, or made of cotton other than American cotton or of American cotton of staple lengths greater than those set out below,² may be sold or delivered without agreement between the parties as to the specific price to be paid therefor if the parties agree that the buyer's obligation will be discharged at prices not in excess of those permissible under any revision of this Schedule becoming effective prior to February 1, 1942. (Executive Orders Nos. 8734, 8875, 6 F.R. 1917, 4483)

¹ 6 F.R. 2561, 3010, 3066, 3593.

² Yarn numbers: *Staple*
 Up to 24s, inclusive..... 1¹/₁₆
 25s to 30s, inclusive..... 1³/₃₂
 31s to 44s, inclusive..... 1⁵/₈
 45s to 55s, inclusive..... 1⁵/₁₆
 56s to 70s, inclusive..... 1³/₁₆
 71s to 80s, inclusive..... 1⁷/₃₂
 81s to 90s, inclusive..... 1¹/₄
 91s to 100s, inclusive..... 1¹/₁₆
 Over 100s..... 1³/₈

This Amendment No. 6 shall become effective as of January 14, 1942. Issued this 21st day of January 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-631; Filed, January 21, 1942; 1:53 p. m.]

PART 1307—RAW MATERIALS FOR COTTON TEXTILES

AMENDMENT NO. 2 TO PRICE SCHEDULE NO. 33¹—CARDED COTTON YARN

Section 1307.51 is hereby amended by adding thereto the following paragraph (c):

§ 1307.51 *Maximum prices for carded cotton yarn.*

(c) The provisions of this Schedule are not applicable to carded cotton yarn when sold, by persons other than the producer thereof, for use as wrapping twine or for resale for ultimate use as wrapping twine. (Executive Orders No. 8734, 8875, 6 F.R. 1917, 4483)

This Amendment No. 2 shall be effective as of October 6, 1941. Issued this 21st day of January 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-630; Filed, January 21, 1942; 1:53 p. m.]

PART 1316—COTTON TEXTILES

AMENDMENT NO. 4 TO PRICE SCHEDULE NO. 35²—CARDED GREY AND COLORED-YARN COTTON GOODS

Section 1316.61 (b) (4) is hereby amended in the following respects:

Table I of § 1316.61 (b) (4) is hereby amended so that the first two sentences, the feeler motion premium, and footnote 1 will read as set forth below;

Table III of § 1316.61 (b) (4) is hereby amended so that the maximum prices for osnaburgs will read as set forth below; and

Table III-A of § 1316.61 (b) (4) is amended to read as set forth below:

§ 1316.61 *Appendix A; maximum prices for cotton goods.*

(b) * * *

(4) *Maximum price tables.*

TABLE I

In addition to the maximum prices set forth in the following tables, the following premiums for special manufacturing processes may be charged. None of the premiums allowable hereunder is applicable, however, to osnaburgs delivered against contracts entered into prior to January 23, 1942, or to print cloths of Class B or C; or to any fabric accepted below; or to any fabric which, in its

¹ 6 F.R. 5091, 6047.

² 6 F.R. 5335, 6047, 6048.

standard construction, is normally manufactured by means of the process on which such premium is predicated.

Name of manufacturing process: *Premium Feeler motion*----- 1/8¢ per yd.¹

¹ This premium, which is not applicable to cloths other than sheetings, osnaburgs, carded

broadcloth, and Class A print cloths, is effective January 23, 1942. In connection with deliveries against contracts entered into between October 21, 1941, and January 22, 1942, inclusive, a premium of one cent per pound is allowable for feeler motion when used in the production of sheetings and Class A print cloths.

TABLE III—Sheeting yarn group

[Specifications for the types and classes of cloth listed herein are set forth in Table III-A]

Type and class of cloth	Spot cotton price—Cents per pound													
	14.24 to 14.67 incl.	14.68 to 15.11 incl.	15.12 to 15.54 incl.	15.55 to 15.98 incl.	15.99 to 16.42 incl.	16.43 to 16.85 incl.	16.86 to 17.29 incl.	17.30 to 17.73 incl.	17.74 to 18.17 incl.	18.18 to 18.60 incl.	18.61 to 19.04 incl.	19.05 to 19.48 incl.	19.49 to 19.91 incl.	19.92 to 20.35 incl.
Osnaburgs:	Cents per pound ¹													
Class A	27.00	27.50	28.00	28.50	29.00	29.50	30.00	30.50	31.00	31.50	32.00	32.50	33.00	33.50
Class B	28.00	28.50	29.00	29.50	30.00	30.50	31.00	31.50	32.00	32.50	33.00	33.50	34.00	34.50
Class C	29.00	29.50	30.00	30.50	31.00	31.50	32.00	32.50	33.00	33.50	34.00	34.50	35.00	35.50
Class D	30.00	30.50	31.00	31.50	32.00	32.50	33.00	33.50	34.00	34.50	35.00	35.50	36.00	36.50
Class E	30.50	31.00	31.50	32.00	32.50	33.00	33.50	34.00	34.50	35.00	35.50	36.00	36.50	37.00

¹ For seconds and short lengths of all fabrics listed in this table, the prices appearing herein shall be discounted by 5 percent.

² The maximum prices appearing above for osnaburgs are effective January 23, 1942. For part-waste osnaburgs delivered pursuant to contracts entered into between October 21, 1941 and January 22, 1942, inclusive, the maximum prices are as follows:

Class	Description of class	Maximum prices
A	Yarn numbers up to 5s, inclusive	Same as for Class A, above.
B	Yarn numbers above 5s	Same as for Class D, above.

[6 F.R. 5335, 5338-5339, October 21, 1941; 6 F.R. 6047, 6048, November 27, 1941]

³ The maximum prices set forth in the table above are for part-waste osnaburgs. Maximum prices for clean osnaburgs shall be the above prices plus the following differentials:

For clean osnaburgs made of tinged cotton, 1 1/2 cents per lb.
For clean osnaburgs made entirely of white cotton, 2 cents per lb.

No osnaburg shall be classed, for the purposes of this Schedule, as a clean osnaburg unless it is wholly free from card strips and other waste material.

For any osnaburg with 32 or more picks per inch, a premium of 1/2 cent per pound over the otherwise applicable maximum price may be charged.

TABLE III-A—Key to types and classes of cloth listed in Table III

Type and class of cloth	Yarn numbers (all numbers inclusive)	Weights (yards per pound—all numbers inclusive) ¹
Sheetings (under 42" in width):		
Class A	Up to 15s	
Class B	16s to 21s	
Class C	Above 21s	
Drills (under 42" in width):		
Class A		2.00 and under.
Class B		2.01 to 2.50.
Class C		2.51 to 3.00.
Class D		3.01 to 3.50.
Class E		3.51 and over.
Three-leaf Jeans (under 42" in width)	All	All.
Four-leaf Twills (under 42" in width):		
Class A		1.50 and under.
Class B		1.51 to 2.00.
Class C		2.01 to 2.85.
Class D		2.86 and over.
Osnaburgs (under 42" in width):		
Class A		2.35 and under.
Class B		2.36 to 2.70.
Class C		2.71 to 3.05.
Class D		3.06 to 3.50.
Class E		3.51 and over.

¹ Weights for sheetings, drills, three-leaf jeans, and four-leaf twills are for all widths pro-rated to 37"; weights for osnaburgs are for all widths pro-rated to 40".

(Executive Orders Nos. 8734, 8875, 6 F.R. 1917, 4483)

This Amendment, No. 4, shall become effective January 23, 1942. Issued this 21st day of January 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-629; Filed, January 21, 1942; 1:53 p. m.]

CHAPTER XIII—OFFICE OF PETROLEUM COORDINATOR FOR NATIONAL DEFENSE

[Recommendation No. 29.]

PART 1508—MARKETING

PACIFIC COAST AREA

To the Marketing Committee of District 5, to the Pacific Northwest Products Subcommittee, the Products Subcommittee for the State of Washington, the Products Subcommittee for the State of Oregon, and to each marketer or other person engaged in, or having an interest in, the marketing and distribution of petroleum or petroleum products in District 5:

The Congress of the United States has declared the existence of a state of war between the Government and the people of the United States and the Imperial Japanese Government, the Government of Germany and the Government of Italy.

The diversion of a part of the American tanker fleet for war purposes has resulted in a shortage of tanker tonnage available for the transportation of petroleum and petroleum products on the Pacific Coast. Because of the exigencies of warfare in the Pacific, the efficiency of operation of the tankers remaining in this service is necessarily reduced and the regularity of sailing schedules seriously impaired. These factors will, unless abated, result in intermittent periods of scarcity of petroleum and petroleum products in areas of the Pacific Coast states dependent on tanker transportation for petroleum, particularly the States of Washington and Oregon.

It is essential in the national interest that all possible steps be taken to avert or alleviate the serious adverse effects on the progress of the war effort and the public generally which such periods of scarcity of petroleum and petroleum products in the Pacific Northwest would occasion.

Therefore, pursuant to the President's letter of May 28, 1941, establishing the Office of Petroleum Coordinator for National Defense, I do hereby recommend that immediately and until further notice:

§ 1508.3 *Subcommittees authorized.* The following Subcommittees shall be designated by the Marketing Committee for District 5:

- (a) a Products Subcommittee for the State of Washington;
- (b) a Products Subcommittee for the State of Oregon;
- (c) a Pacific Northwest Products Subcommittee to be composed of a chairman, a vice-chairman, a representative for Eastern Washington, and the chairman of the Products Subcommittees for the States of Washington and Oregon.*

* §§ 1508.3 to 1508.9, inclusive, issued under the authority contained in the President's letter of May 28, 1941, to the Secretary of the Interior (6 F.R. 2760).

§ 1508.4 *Inventory and demand survey.* The said subcommittees shall ob-

tain, analyze and keep current all pertinent and available facts, figures, and other data with respect to stock inventories and demand for petroleum and petroleum products in the Pacific Northwest.*

§ 1508.5 *Sale, exchange, and loan of petroleum products.* The said subcommittees shall coordinate, arrange for, and, after approval by the Chief Counsel of the Office of Petroleum Coordinator for National Defense and subject to the direction of the Petroleum Coordinator for National Defense or the Deputy Petroleum Coordinator, carry into effect the sale, exchange, or loan of petroleum and petroleum products among the various marketers in the areas subject to their jurisdiction wherever and to whatever extent may be necessary to facilitate and assure the distribution of the available supply of petroleum and petroleum products to meet, in the order of statement, the needs of the military forces of the United States, the needs of war industries, essential civilian needs and all other reasonable civilian requirements.*

§ 1508.6 *Distribution and division of available petroleum.* In cases of an emergency character, where the District Director of Marketing for District 5 of the Office of Petroleum Coordinator for National Defense finds that immediate measures are essential to accomplish the objectives of this Recommendation and that, because of the need for speed, the procedure provided in § 1508.5 is inadequate, the appropriate subcommittee or subcommittees shall, subject to the direction of the said Director, make temporary arrangements for the distribution and division of incoming supplies and existing inventories of petroleum and petroleum products among the several marketers in such a manner, at such times, and in such amounts, as will result in the most efficient method of assuring a continuous supply of petroleum and petroleum products to meet war, defense, and essential civilian demands as they arise, while, at the same time and so far as is not inconsistent therewith, providing equal treatment for all marketers affected thereby. The said District Director of Marketing shall promptly submit to the Chief Counsel of the Office of Petroleum Coordinator for National Defense a full report on any action taken under the provisions of this section.*

§ 1508.7 *Plans.* The Pacific Northwest Products Subcommittee shall, in the event the Director of Marketing for District 5 finds that the methods provided in §§ 1508.5 and 1508.6 are inadequate to assure the efficient and equitable distribution of petroleum and petroleum products to meet essential demands in the affected areas, devise and present to the Marketing Committee for District 5 plans to accomplish the objectives of this Recommendation. Without limitation as to other necessary or appropriate provisions, such plans may provide for the exchange, loan, sale, lease, or pooling of petroleum and petro-

leum products, and of production, transportation, refining and storage facilities wherever and to whatever extent may be necessary for the purpose of this Recommendation. If approved by the Marketing Committee such plans shall be submitted to the Chief Counsel of the Office of Petroleum Coordinator for National Defense for his approval before being carried into effect.*

§ 1508.8 *Meetings.* Meetings of the several subcommittees, the Marketing Committee for District 5, and representatives of the several marketers in the affected areas may be held from time to time for the purpose of preparing the plans provided for in § 1508.7. The said committees and representatives may, upon the approval of any of the aforesaid plans by the Chief Counsel of the Office of Petroleum Coordinator for National Defense and pursuant to the direction of the Petroleum Coordinator for National Defense or the Deputy Petroleum Coordinator, meet from time to time for the purpose of doing all things necessary to carry into effect any such plan in accordance with the purposes of this Recommendation.*

§ 1508.9 *Effectuating plans.* The subcommittees and all persons affected by any plan formulated in accordance with § 1508.7 shall, upon the approval by the Chief Counsel of the Office of Petroleum Coordinator for National Defense of any such plan, and pursuant to the direction of the Petroleum Coordinator for National Defense or the Deputy Petroleum Coordinator, carry into effect such plan according to its terms, conditions and intent.

R. K. DAVIES,
Deputy Petroleum Coordinator
for National Defense.

JANUARY 14, 1942.

[F. R. Doc. 42-632; Filed, January 21, 1942; 2:53 p. m.]

TITLE 46—SHIPPING

CHAPTER II—UNITED STATES MARITIME COMMISSION

SUBCHAPTER D—UNITED STATES MARITIME SERVICE AND NAUTICAL SCHOOLS

[General Order No. 28, Revised]

PART 294—REGULATIONS GOVERNING THE APPOINTMENT AND TRAINING OF CADETS AND CADET OFFICERS

*Emergency Regulations Governing the Appointment and Training of Cadets and Cadet Officers in the United States Maritime Commission Cadet Corps*¹

Under authority of the Merchant Marine Act, 1936, as amended, the following revised regulations governing the appointment and training of Cadets and Cadet Officers in the United States Maritime Commission Cadet Corps are pre-

¹ General Order No. 28, United States Maritime Commission, December 13, 1938, effective January 1, 1939, which is hereby superseded, was codified as Part 261 of this chapter.

scribed and issued for the duration of the emergency proclaimed by the President May 27, 1941. All previous regulations which may conflict with the following are hereby cancelled.²

All communications relating to matters connected with the appointment and training of Cadets and Cadet Officers in the United States Maritime Commission Cadet Corps should be addressed to: Supervisor of Cadet Training, United States Maritime Commission, Washington, D. C.

SUBPART A—CADETS

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SUBPART A—CADETS

§ 294.1 *General requirements*—(a) *Citizenship*. A candidate must be a male citizen of the United States. If naturalized, a candidate must have been a citizen of the United States for ten years previous to the date of application.

(b) *Age*. A candidate must be not less than 18 years of age nor more than 23

² The material in brackets at the end of each section identifies the section as contained in the printed regulations issued by the United States Maritime Commission.

years of age on the date of application. If the candidate has not reached his eighteenth birthday or if he has reached his twenty-third birthday on or before that date, he will be ineligible for appointment. If under 21 years of age, he will be required to furnish the written consent of parent or guardian as a part of his application.

(c) *Character*. A candidate must satisfy the Supervisor of Cadet Training as to his good moral character.

(d) *Education*. A candidate must satisfy the Supervisor of Cadet Training that he has sufficient educational qualifications to pursue the prescribed courses of study for Cadets.

(e) *Marital status*. A candidate must be unmarried. Any Cadet who shall marry or who shall be found to be married before completion of training shall be requested to resign, and, failing to do so, shall be dismissed by the Supervisor of Cadet Training.

(f) *Ineligible persons*. No person who has been dismissed or compelled to resign from a Federal Service Academy or a State Maritime Academy for improper conduct, or who has been dishonorably discharged from the armed forces of the United States or who has been dismissed for cause or has resigned with prejudice as a civil employee of the United States is eligible for appointment as a Cadet in the United States Maritime Commission Cadet Corps.

(g) *Reappointment*. No person who has resigned from a cadetship in the United States Maritime Commission Cadet Corps will be reappointed unless his previous service record has been approved as satisfactory by the Supervisor of Cadet Training.

(h) *False application*. If it should be determined at any time during a Cadet's course of training, that he had purposely falsified his application or supporting papers, he shall be dismissed.* [1]

*§§ 294.1 to 294.25 and 294.51 to 294.70 issued under the authority contained in Sec. 216 (b) 52 Stat. 965; 53 Stat. 1182; 46 U.S.C. Sup. 1126.

§ 294.2 *Physical requirements*—(a) *Freedom from physical defects or disease; height*. A candidate must be of normal size, sound constitution, and free from physical defects or disease, especially those of vision, color perception, (Ishihara or other plate tests), speech, and hearing. He must be not less than 5 feet 5 inches and not more than 6 feet 4 inches in height. Candidates must have vision of 20/20 in each eye uncorrected.

(b) *Certification of application by physician*. The application of a candidate must be signed by a physician who has examined the candidate and certified that, in his opinion, the candidate meets the physical standards set by the Navy for appointment as an officer of the Naval Reserve and should be able to pass such a physical examination without a recommendation for waiver of defects.

(c) *Physical examination by Naval Medical Officer*. A candidate for appointment as Cadet must pass a physical examination for appointment as Cadet,

Merchant Marine Reserve, United States Naval Reserve, conducted by a medical officer of the United States Navy or Naval Reserve. A candidate for whom a waiver has been recommended will not receive an appointment as a Cadet and will not be assigned to a Cadet School until the Navy Department has approved the waiver and the Supervisor of Cadet Training has been so informed.

(d) *Discharge for physical defects or disease*. Any defect or disease developed by a Cadet during training, which would result in his discharge from the United States Naval Reserve, will be sufficient cause for the Supervisor of Cadet Training to terminate the training of a Cadet.

(e) *Reexamination by Public Health Service Medical Officer*. A Cadet may be required to be reexamined by a medical officer of the United States Public Health Service before assignment to Cadet School for his advanced course of shore training.* [2]

§ 294.3 *Scholastic requirements*—(a) *Authority of Supervisor of Cadet Training*. The Supervisor of Cadet Training is authorized to prescribe the scholastic requirements for appointment as Cadet for the duration of the emergency.

(b) *Minimum units; required and elective groups*. A candidate for appointment as Cadet (Deck) or Cadet (Engineer) during the emergency must possess at least 12 units from accredited schools, except as hereinafter changed by the Supervisor of Cadet Training. Lists of subjects and their corresponding weights in units, which must be submitted, except as hereinafter changed by the Supervisor of Cadet Training, are as follows:

Required Group (5 Units)

- 3 units in English.
- 1 unit in Mathematics from any of the following:
 - Algebra.
 - Plane Geometry.
 - Intermediate Algebra.
 - Solid Geometry.
 - Advanced Algebra.
 - Plane Trigonometry.
 - Spherical Trigonometry.
 - Calculus.
- Shop Mathematics (for Cadet Engineers only).
- 1 unit in Science from any of the following group:
 - Physics.
 - Chemistry.
 - General Science.
 - Biology.
 - Mechanic Arts Subjects.
 - Vocational and Workshop Subjects (for Cadet Engineers only).

Elective Group (7 Units)

The remaining 7 units may be supplied from other subjects completed in accredited schools.

(c) *English units*. If a candidate has four or more units in English or more than the one unit in subjects above mentioned in "Required Group", such excess units may be credited to elective group.

(d) *Credit for studies being undertaken at school*. A candidate may be given credit for studies being undertaken at school, provided the principal of the school or a tutor approved by the Super-

visor of Cadet Training submits a statement that, in his opinion, the candidate will complete subject or subjects with a satisfactory grade at the end of the term.

(e) *Rejection for inability to pursue study courses.* The Supervisor of Cadet Training may reject any candidate whose grades in required or elective subjects create doubt as to his ability to pursue the study courses prescribed for cadets.* [3]

§ 294.4 *Applications; submission of application.* Application for appointment as Cadet, fully completed, together with all supporting papers, shall be submitted to the Supervisor of Cadet Training, United States Maritime Commission, Washington, D. C.* [4]

§ 294.5 *Certificates.* A candidate must submit the following:

(a) *Certificates of studies and grades.* Properly attested certificates, on the forms prescribed and furnished by the Supervisor of Cadet Training, showing subjects studied and grades and units received from accredited schools. The school certificates shall be forwarded by the respective accredited schools direct to the Supervisor of Cadet Training, United States Maritime Commission, Washington, D. C.

(b) *Birth certificate or proof of citizenship.* Birth certificate or proof of citizenship with application. In cases where birth certificates are not available, the proof of citizenship submitted must be of a nature acceptable to the Navy Department for establishing citizenship for appointment as an officer in the United States Naval Reserve. (See § 294.25, Appendix A, for acceptable proofs to the Navy.)

(c) *Passport photograph.* One full face passport photograph attached to application.

(d) *Certificate of good moral character.* Three letters from responsible American citizens certifying to the good moral character of the applicant, attached to application.

None of the above papers, with the exception of (b), will be returned to a candidate after review of his application. Birth certificate, or other proof of citizenship, will be promptly returned to the candidate and must be in his possession when he reports to the office of the District Instructor.* [5]

§ 294.6 *Scholastic tests—(a) Waiver during emergency.* Scholastic tests for appointment as Cadet shall be waived for the duration of the emergency.

(b) *Approval of applications and supporting papers.* Applications and supporting papers will be carefully examined by a board of three officers of the Section of Cadet Training, United States Maritime Commission, and if the candidate is acceptable, his application will be approved and notice sent him accordingly by the District Instructor at either New York, New Orleans or San Francisco.

(c) *Reimbursement for travel from home to Cadet School; conditions.* A Cadet successfully passing his physical examination for appointment as Cadet, Merchant Marine Reserve, United States

Naval Reserve, shall be reimbursed by the United States Maritime Commission at the rate of five cents per mile, based upon official distance tables of the War Department, from his home to Cadet School and receive such remuneration after satisfactory completion of preliminary training and basic Naval Science courses at Cadet Schools. Cadets failing to successfully complete the preliminary and basic Naval Science course shall not be reimbursed for their traveling expenses.* [6]

§ 294.7 *Eligible lists—(a) Order of eligibility.* During the emergency the names of candidates will be placed on either Deck or Engineer eligible lists in accordance with the dates their applications and supporting papers were approved.

(b) *Coastal areas and Cadet School assignments.* The lists of eligible Deck candidates and Engineer candidates will be divided into coastal areas by the Supervisor of Cadet Training and assignments will be made to the Cadet Schools as indicated below:

To Atlantic Coast Cadet School

Candidates from—
Connecticut.
Delaware.
Illinois.
Indiana.
Maine.
Maryland.
Massachusetts.
Michigan.
Minnesota.
New Hampshire.
New Jersey.
New York.
North Carolina.
Ohio.
Pennsylvania.
Rhode Island.
Vermont.
Virginia.
West Virginia.
Wisconsin.
District of Columbia.
Puerto Rico.

To Gulf Coast Cadet School

Candidates from—
Alabama.
Arkansas.
Florida.
Georgia.
Iowa.
Kansas.
Kentucky.
Louisiana.
Mississippi.
Missouri.
Nebraska.
Oklahoma.
South Carolina.
Tennessee.
Texas.
Canal Zone.

To Pacific Coast Cadet School

Candidates from—
Arizona.
California.
Colorado.
Idaho.
Montana.

To Pacific Coast Cadet School—Con.

Candidates from—
Nevada.
New Mexico.
North Dakota.
Oregon.
South Dakota.
Utah.
Washington.
Wyoming.
Alaska.
Hawaii.

(c) *Assignment upon exhaustion of coastal eligible list.* In the event the eligible list for a coast becomes exhausted, the Supervisor of Cadet Training may make assignments from other coastal lists.

(d) *Notification of standing on eligible list.* A candidate will on request be advised of his standing on the eligible lists, by the District Instructors on the Atlantic Coast (New York), Pacific Coast (San Francisco) and Gulf Coast (New Orleans).

(e) *Request for removal from eligible list.* A candidate on the eligible list must advise the Supervisor of Cadet Training promptly when he ceases to be available for assignment and wishes his name removed from list. Such a candidate must inform the Supervisor of Cadet Training, in writing, of the reasons for his withdrawal.* [7]

§ 294.8 *Appointments and assignments—(a) Successful candidate.* A successful candidate, who has passed his Naval Reserve physical examination, shall be appointed a Cadet by the Supervisor of Cadet Training and assigned by the District Instructor to preliminary training and basic Naval Science classes at a designated United States Maritime Commission Cadet School.

(b) *Maintenance and designation of Cadet Schools.* Cadet Schools for preliminary training, Naval Science courses, observation of aptitude, and continuation of studies while awaiting reassignment, shall be maintained by the Maritime Commission, one each on the Atlantic, Gulf and Pacific coasts. The advanced classroom work will be conducted at the Atlantic Coast and Pacific Coast Cadet Schools only. Advanced Cadets of the Gulf Coast District will be assigned to either the Atlantic Coast or the Pacific Coast Cadet Schools. The official designation of the Cadet Schools shall be United States Maritime Commission Academy of the (Atlantic, Pacific, or Gulf) Coast.

(c) *Observation for aptitude.* During periods at Cadet Schools, Cadets will be observed for aptitude. A Cadet found not adaptable for a career as an officer in the Merchant Marine shall be requested to resign, and failing to do so, shall be dismissed by the Supervisor of Cadet Training.

(d) *Orders to home pending assignment to vessel.* The Supervisor of Cadet Training, the District Instructor, or, when directed by the Supervisor of Cadet Training, the Commanding Officer of the Cadet School, may order any Cadet to his home after a period at Cadet School, there to await assignment to a vessel.

In such cases a Cadet will be reimbursed for transportation from school to home and from home to vessel, but will not receive pay or any other allowance from the Maritime Commission during period away from school or vessel.

(e) *Assignments to vessels.* Assignments to vessels shall be made by the Supervisor of Cadet Training or the District Instructors after due consideration is given to the standing of Cadets at Cadet School and the recommendations of its Commanding Officer.

(f) *Instructions to report for Naval Reserve physical examination and acknowledgment thereof.* Candidates on eligible lists will be informed of the date to report to the District Instructor for their Naval Reserve physical examination, at San Francisco, New York, or New Orleans, by the Supervisor of Cadet Training or the District Instructor. Candidates must acknowledge receipt of instructions to report, by telegram within 24 hours, and must report to the office of the District Instructor on the date instructed.

(g) *Effect of failure to acknowledge instructions or reject assignment.* The name of an eligible will be removed from the list if he fails to acknowledge receipt of instructions, fails to report, or rejects assignment without acceptable reason. The Supervisor of Cadet Training shall decide whether reason offered is acceptable.

(h) *Selection of vessel, etc.* Candidates or Cadets shall not be permitted to select vessel or steamship company employer, and steamship companies shall not be permitted to select candidates or Cadets.

(i) *Arrangements by District Instructors.* The District Instructor, or when directed by the Supervisor of Cadet Training, the Commanding Officer of the Cadet School will arrange for:

(1) Submission of applications for appointment as Cadet, Merchant Marine Reserve, United States Naval Reserve;

(2) Physical examination by a medical officer of the United States Navy or Naval Reserve for appointment as Cadet, Merchant Marine Reserve, United States Naval Reserve;

(3) Oath of office as United States Maritime Commission Cadet and taking of finger prints;

(4) The Division of Purchase and Supply to furnish uniforms and textbooks prescribed by the Supervisor of Cadet Training;

(5) The Division of Finance to commence pay of Cadet on date he reports to Cadet School;

(6) Furnishing of prescribed study assignments, quizzes, circular letters, and supplementary study material;

(7) Assignment to Cadet School;

(8) Detachment from Cadet School upon satisfactory completion of preliminary training and basic Naval Science courses, and assignment to a vessel;

(9) The Division of Finance to reimburse for balance of pay and deposit due

while at Cadet School and travel allowance, after satisfactory completion of preliminary training and basic Naval Science courses, and after deductions for uniforms, textbooks and equipment furnished while at the Cadet Schools;

(10) Sea service papers from the Bureau of Marine Inspection and Navigation of the United States Department of Commerce;

(11) Introduction to proper shore official of steamship company to which assigned.

(j) *Instructions by steamship company.* The shore official of the steamship company will instruct cadets relative to:

(1) Company regulations.

(2) Approval of Master.

(3) Signing of ship's articles and commencement of pay from steamship company.

(k) *Certificates of appointment.* Certificates of appointment signed by the Secretary of the United States Maritime Commission and the Supervisor of Cadet Training shall be issued to all Cadets after their assignment to Cadet Schools.

(l) *Requests upon Local Selective Service Boards for deferment of Cadets.* The Supervisor of Cadet Training or District Instructors will request of Local Selective Service Boards the deferment of successful candidates until their oath of office is taken as Cadet in the United States Naval Reserve. Local Selective Service Boards will be promptly advised by the District Instructors of:

(1) Date oath as Cadet, Merchant Marine Reserve, is taken;

(2) Failure of a Cadet to satisfactorily complete preliminary training, with consequent withdrawal of request for deferment;

(3) Subsequent loss of status as Cadet because of resignation, dismissal or any other reason except promotion, with consequent discharge from the United States Naval Reserve and the withdrawal of request for deferment.

(m) *Notification to Commandants of Naval Districts of loss of Cadet status.* The Supervisor of Cadet Training will promptly inform the Commandants of Naval Districts relative to Cadets who have lost their status in the Cadet Corps of the United States Maritime Commission.* [8]

§ 294.9 *Courses of training—(a) Training periods.* For the duration of the duration of the emergency the courses of training for Cadets shall be at least two months at Cadet Schools for preliminary training and basic Naval Science, followed by at least ten months aboard ships and at least ten months at Cadet Schools for advanced study in preparation for licensed officer examination. Exceptions are those Cadets (E) holding engineering degrees which permit them to sit for their Third or Second Assistant Engineer Licenses after three to twelve months as Cadets (E) aboard ship. Such excepted

Cadets (E) shall be required to complete preliminary training course and basic Naval Science, but will be designated Cadets (E) First Class (Special) and follow special courses of study, outlined by the Commanding Officer of the Cadet School, in preparation for their examination for license. The maximum training for Cadets (E) First Class (Special) will be one year aboard ships subsequent to completion of preliminary training at Cadet Schools.

(b) *Period of preliminary training.* The period of preliminary training at Cadet Schools shall be not less than two months. During this period Cadets (D) shall qualify for visual signaling proficiency certificates.

(c) *Continuation of studies while waiting transfers between ships.* While waiting transfers between ships, Cadets shall report to Cadet Schools for continuation of studies or may be granted leave without pay or allowances at the discretion of the District Instructor.

(d) *Courses during emergency.* The courses during the emergency shall be as follows, except as hereinafter changed by the Supervisor of Cadet Training:

FIRST YEAR OF TRAINING

(A)

AT LEAST TWO MONTHS PRELIMINARY TRAINING AND BASIC NAVAL SCIENCE AT CADET SCHOOL

(A) *Naval Science—Classroom for Cadets (D-2) and Cadets (E-2).*

	<i>Periods</i>
U. S. Naval History—Traditions and Customs.....	27
U. S. Navy Regulations—Administration.....	22
Ordnance and Gunnery.....	38
Naval Communications.....	14
Total	101

(B) *Naval Science—Drill for Cadets (D-2) and Cadets (E-2).*

	<i>Periods</i>
Infantry, Gunnery, Small Arms Practice, and any other drill which the Naval Science Instructor may consider necessary	35

(C) *Merchant—Classroom.*

Cadets (D-2)

	<i>Periods</i>
Seamanship.....	16
General Knowledge ¹	8
Navigation.....	8
Mathematics (D).....	16
Elementary Marine Engineering.....	8
Cargo.....	8
Ship Construction.....	8
Total	72

Cadets (E-2)

	<i>Periods</i>
General Knowledge ¹	8
Marine Steam Engineering.....	16
Electrical Engineering.....	16
Mathematics (E).....	8
Machine Shop.....	8
Ship Construction.....	8
Diesel Engineering.....	8
Total	72

¹ Cadets will be quizzed in all rules, regulations, notebook instructions and circular letters until the Commanding Officer is satisfied that they have a thorough understanding of same.

(D) Merchant—Drills and Practical Work.

Cadets (D-2)	
	Periods
Boat Drill (Pulling and Sail).....	32
Inspection and General Drills (Collision, Fire, Abandon Ship, Fire and Rescue, etc.).....	16
Visual Signaling (All Cadets (D-2) must be qualified for proficiency certificate before detachment from the School. Cadets (D-2) who have secured visual signaling proficiency certificates will continue in preparation for "expert" certificate. The Commanding Officer is authorized to give final tests and grant certificates if found qualified)....	48
Practical Seamanship and Work (Marlin-spike seamanship, knots, splices, cargo gear, and upkeep of boats. Chipping, painting, cleaning, polishing, and typing. When practicable visits will be made to ships, docks, rope, and paint factories and shipyards).....	24

Cadets (E-2)

	Periods
Boat Drill (Pulling and Sail).....	32
Inspection and General Drills (Collision, Fire, Abandon Ship, Fire and Rescue, etc.).....	16
Practical Work (It is more desirable that this time be spent in machine shops, on repairs, or other mechanical work. If facilities are not available, Cadets (E-2) should be given (a) study periods in Marine Steam Engineering II, or (b) visits to machine shops, shipyards, and engine rooms of ships when practicable. Cadets (E-2) should also be given practical work in chipping, painting, cleaning, polishing, overhaul of boat engines and typing).....	72

FIRST YEAR OF TRAINING

(B)

ABOARD SHIPS

(At least 10 months self study aboard ships with assistance from District Instructors while in certain U. S. Ports.)

Cadets (D-2)

	Hours
Mathematics.....	180
Seamanship.....	180
Cargo.....	90
Elementary Marine Engineering.....	90
Ship Construction.....	72
Navigation.....	108
Communications (Radio).....	36
Total.....	756

Cadets (E-2)

	Hours
Mathematics.....	108
Steam Engineering.....	234
Electrical Engineering.....	180
Ship Construction.....	72
Diesel Engineering.....	90
Machine Shop.....	72
Total.....	756

SECOND YEAR OF TRAINING AT CADET SCHOOLS

(At last 10 months of advanced course at Cadet Schools on Atlantic or Pacific coast.)

Courses for Cadets assigned to the School for advanced classroom training shall be for a period of about thirty-six weeks. Minimum periods shall be:

	Periods
Classroom work (recitations and lectures).....	805
Drills, practical work and inspections.....	439
Study (Day and Evening).....	1,060
Total.....	2,304

The minimum number of classroom periods for each subject shall be:

(A) Advanced Naval Science—Classroom for Cadets (D-1) and Cadets (E-1).

	Periods
Naval Regulations and Administration.....	22
Military Law.....	22
Ordnance and Gunnery.....	38
Naval Leadership.....	16
Naval Communications.....	16
International Law.....	16
Elementary Tactics.....	27
Total.....	157

(B) Advanced Naval Science—Drills for Cadets (D-1) and Cadets (E-1).

	Periods
Infantry, Gunnery, Small Arms Practice, Gas Protection, and any other drill which the Naval Science Instructor may consider necessary.....	32

(C) Merchant—Classroom.

Cadets (D-1)

	Periods
Navigation.....	144
Ship Construction.....	72
Meteorology.....	36
Seamanship.....	108
Communications (Radio).....	72
Mechanical Drawing.....	36
First Aid.....	36
Elem. Electrical Eng.....	108
Review for License ²	36
Total.....	648

Cadets (E-1)

	Periods
Diesel Engineering.....	108
Ship Construction.....	72
Electrical Engineering.....	144
Steam Engineering and Refrigeration.....	180
Mechanical Drawing.....	36
Machine Shop.....	36
First Aid.....	36
Review for License ²	36
Total.....	648

(D) Merchant—Drills and Practical Work.

Cadets (D-1)

	Periods
Boat Drill.....	108
Inspection and General Drills.....	72
Visual Signaling.....	72
Radio Code Practice.....	36
Practical Seamanship and Practical Work.....	119
Total.....	407

Cadets (E-1)

Boat Drill.....	108
Inspection and General Drills.....	72
Practical Work.....	227
Total.....	407

SUMMARY

(a) Naval Science Classroom.....	157
(b) Naval Science Drills.....	32
(c) Merchant—Classroom.....	648
(d) Merchant—Drills and Practical Work.....	407
Study.....	1,244
Total.....	2,304

²To be given during last 18 weeks. The requirements for license should be summarized and each Cadet's weaknesses and strengths determined in order that the work mentioned in paragraph (E) shall be guided most efficiently. The time to be devoted to each subject under (E) should be outlined for each Cadet.

(E) The remaining time at Cadet School shall be devoted to study, attendance at classes with other Cadets to review instruction, or as the Commanding Officer may direct to prepare most efficiently for the examination for license. The District Instructor may assign Cadets (D) to Gyro School during this period if such Cadets are believed fully prepared for their license examinations. Boat Drill must be attended during this time and effort must be made to maintain the physical well-being of Cadets during this time of highly concentrated review and study.

(e) *Furnishing of study assignments, etc.* Study assignments, quizzes, problems, and supplementary material will be furnished gratis to Cadets.

(f) *Texts, equipment and class rings.* All prescribed texts and necessary equipment will be sold to Cadets by the Division of Purchase and Supply of the United States Maritime Commission at cost to the government. Cadets will be furnished with prescribed texts and equipment on entering Cadet Schools for preliminary and advanced courses. The costs of such texts and equipment will be deducted from their pay accrued while at Cadet School. Class rings, approved by the Supervisor of Cadet Training, will be furnished to Cadets during their advanced courses at Cadet Schools. The cost of rings to the government shall be deducted from the Cadet's accrued pay while at Cadet School. Miniature rings may be purchased by Cadets directly from suppliers.

(g) *Preparation and grading of assignments, quizzes, etc.* Assignments, quizzes, problems, and supplementary material shall be prepared and graded by the Educational Unit of the Section of Cadet Training and the staff of instructors at Cadet Schools. Outside sources may be contracted and utilized by the Supervisor of Cadet Training, in accordance with law and within budget limitations, when, in his judgment, the facilities or staff of the Educational Unit or Cadet Schools are not sufficient to properly prepare courses and grade papers in all prescribed subjects.

(h) *Notification of changes in curricula.* Cadets shall be advised by circular letters of any changes made in curricula by the Supervisor of Cadet Training.

(i) *Preparation for examination for license.* The District Instructors and Commanding Officers at Cadet Schools shall direct Cadets, relative to review of subjects and the purchase of reference textbooks considered necessary in preparation for the examination to secure their licenses.

(j) *Contract instructors.* The Supervisor of Cadet Training is authorized, in accordance with law and within budget limitations, to employ instructors on a contract basis for detail to Cadet Schools, Offices of District Instructors and the Educational Unit for the Section of Cadet Training. All such contracts must be approved by the Commission.

(k) *Purchase of Cadet School equipment and supplies.* The Supervisor of Cadet Training is authorized to arrange with the Division of Purchase and Supply for the purchase of berthing, messing,

recreational and instructional equipment and supplies for Cadet Schools and attached floating equipments, within the limitations of budget approved for operating expenditures.* [9]

§ 294.10 *Pay*—(a) *Rate ashore*. Cadets will receive pay at the rate of \$65.00 per month from the United States Maritime Commission while at Cadet Schools or place of special shore training. Pay while at Cadet School will commence on the date of reporting to the Commanding Officer and will terminate on the date of detachment from Cadet School. Periods spent at places of special shore training shall be considered the same as time spent at Cadet Schools.

(b) *Rate aboard ship*. While attached to ships Cadets will receive minimum pay at a rate of \$65 per month from their steamship company employers.

(c) *Suspension of pay*. No pay will be received from the Maritime Commission when not attached to Cadet Schools or assigned to places of special shore training, except as hereinafter changed by the Supervisor of Cadet Training.

(d) *War or other bonuses*. In addition to the minimum rates of pay, steamship companies shall grant to Cadets, attached to their ships, the same percentage of increase in pay for war or other emergency bonuses as has been granted to their Third Officers.

(e) *Cadets initially assigned to Cadet Schools*. Cadets initially assigned to Cadet Schools for preliminary training and basic Naval Science shall not receive their balance of pay until after the date of their detachment from Cadet School for assignments to ships or places of special shore training.

(f) *Cadets assigned to advanced courses and special training*. Cadets assigned to Cadet Schools for advanced courses and places of special shore training shall receive their pay at the end of each calendar month and on the date of their detachment from Cadet School or place of special shore training.

(g) *Suspension of pay for disciplinary reasons*. The Supervisor of Cadet Training is authorized to place any Cadet on a no-pay basis for disciplinary reasons while assigned to Cadet School or place of special shore training.* [10]

§ 294.11 *Transportation*—(a) *Rate of reimbursement*. The Maritime Commission shall reimburse Cadets at the rate of 5 cents per mile, based on official mileage tables of the War Department, for their traveling expenses:

(1) From home town to port wherein Cadet School is located, after passing Naval Reserve physical examination, reporting to the Commanding Officer of Cadet School, execution of oath of office as Cadet of the United States Maritime Commission Cadet Corps, and satisfactory completion of preliminary training and basic Naval Science courses.

(2) From port wherein Cadet School is located to the port where vessel, to which the Cadet is assigned or where place of special shore training, is located.

(3) From port where detached from vessel to port wherein Cadet School or place of special shore training is located.

(4) Between ports of Cadet Schools and between locations of places of special shore training.

(5) From port of Cadet School to home and from home to port where vessel to which assigned or place of special shore training is located, after having been ordered by the District Instructor to his home to await assignment to a vessel or place of special shore training.

(b) *Requests for reimbursement*. Requests from Cadets for transportation reimbursement properly endorsed and approved by the District Instructor will be submitted to the District Auditors of the United States Maritime Commission at either San Francisco, New York, or New Orleans for their action. When Cadets are transferred from one District to another, the mileage voucher will be prepared, approved, certified, and paid in the District to which the Cadet has been transferred.

(c) *No reimbursement during leave status; exception*. Cadets will not be reimbursed by the Maritime Commission for travel expenses to and from Cadet Schools or locations of special training ashore or ships, while they are on leave, unless ordered home by the District Instructor, to await assignment to ships or places of special training ashore.* [11]

§ 294.12 *Allowances; quarters and subsistence*—(a) *At Cadet School*. Cadets, while assigned to Cadet School, will be furnished with quarters and subsistence by the United States Maritime Commission. Laundry service, not to exceed \$1.00 per week for any one Cadet, will also be paid by the United States Maritime Commission.

(b) *On special assignments ashore*. Cadets, while on special assignments away from Cadet School and when so authorized by the Supervisor of Cadet Training or District Instructors, will receive an allowance of \$45 per month for quarters, subsistence, and other living expenses, in addition to their pay from the United States Maritime Commission, provided steamship companies, shipyards, or others to whom Cadets are assigned for special training ashore do not pay such wages and allowances.

(c) *Aboard ship*. Cadets, while assigned to ships, will be furnished with quarters and subsistence gratis by the steamship company employer.

(d) *When traveling or not quartered aboard ship*. Cadets, while traveling on the orders of a steamship company, or when quarters or subsistence are not furnished aboard ship, shall receive the same allowances for transportation, quarters and subsistence as Third Officers of the steamship company.* [12]

§ 294.13 *Deposit*—(a) *For uniforms, textbooks and equipment*. Cadets assigned to Cadet School for preliminary training and basic Naval Science course, prior to their original assignment to ships, shall make a deposit of at least \$75 with the District Auditor of the Maritime Commission, to cover the cost of the initial issue of prescribed uniforms, textbooks and equipment fur-

nished by the Division of Purchase and Supply of the United States Maritime Commission. The cost of additional prescribed uniforms and textbooks shall be deducted from pay earned while at Cadet School.

(b) *For spending money and personal items*. Cadets must provide themselves with a minimum of \$25 for spending money and personal items during the period of preliminary training.

(c) *Not required for advanced courses*. Cadets assigned to Cadet Schools for advanced courses or to wait reassignment to ships shall not be required to make a deposit unless directed by the District Instructor.* [13]

§ 294.14 *Quarters and mess*—(a) *Berth*. Cadets aboard ship shall be berthed in rooms with other Cadets or Cadet Officers in that part of the vessel designated as Officers' or First Class passenger quarters.

(b) *Mess*. Cadets shall mess with licensed deck and engineer officers.* [14]

§ 294.15 *Annual leave*. Effective January 1, 1942, and for the duration of the emergency no annual leave with pay shall be granted to Cadets by the Maritime Commission or steamship companies. However, a District Instructor or a Commanding Officer of a Cadet School is authorized to grant a Cadet leave, without pay, while waiting assignment or reassignment to ships or Cadet Schools as circumstances dictate. During the emergency District Instructors shall endeavor to have Cadets serve at least 10 months aboard ship and at least 12 months total at Cadet Schools or places of special training ashore with the minimum of deduction for time on leave.* [15]

§ 294.16 *Uniforms, insignia, textbooks, equipment*—(a) *Requirements and method of payment*. Cadets shall possess uniforms, insignia, textbooks, and equipment as prescribed by the Supervisor of Cadet Training in "Uniform Regulations for United States Maritime Commission Cadet Corps" and circular letters. Cadets assigned to Cadet Schools will be furnished uniforms, insignia, textbooks, and equipment by the Division of Purchase and Supply, and the costs of same shall be deducted from their pay while at Cadet Schools: *Provided*, That the total cost of uniforms, insignia, textbooks, and equipment furnished to Cadets shall not exceed their deposit plus accrued pay.

(b) *Items to be prescribed by Supervisor of Cadet Training*. The Supervisor of Cadet Training shall designate those items of uniform, insignia, textbooks, and equipment that shall be possessed and maintained during the period of training, or made optional, in accordance with the following groups:

Group 1 shall include personal items, such as underwear, shirts, shaving kit, etc., that must be possessed by a candidate or Cadet upon reporting to Cadet School.

Group 2 shall include items of uniform, insignia, textbooks and equipment designated by the District Instructor, which

shall be furnished by the Division of Purchase and Supply, during the period at Cadet School, and charged against the Cadet's deposit plus accrued pay.

Group 3 shall include those additional items of uniform, insignia, textbooks, and equipment which Cadets shall purchase after leaving Cadet Schools and while serving in ships.

Group 4 shall include those items of uniform and equipment which shall be optional with Cadets until reporting to Cadet School for advanced course.

Group 5 shall include those items of uniform and equipment which shall be optional for Cadets during the entire period of training.

(c) *Cadets in advanced courses.* Uniforms, insignia, textbooks, class rings for Cadets in advanced courses and equipment shall be furnished to Cadets at Cadet School by the Division of Purchase and Supply, the value of which shall not, at any time, exceed the deposit plus accrued pay.* [16]

§ 294.17 *Awards*—(a) *Required grades for scholastic awards.* Cadets receiving an average grade of 85 percent or higher, with a mark of at least 70% in every subject, in quizzes, lessons and problems submitted during their first 12 months of service shall be awarded a blue and white ribboned service pin with a small gold anchor or propeller, as appropriate, in the white center. Scholastic award pins shall be presented to Cadets, at the expense of the Maritime Commission, by District Managers, District Instructors or Commanding Officers of Cadet Schools.

(b) *By steamship companies.* Steamship companies may select one Cadet (D) and one Cadet (E) by February 1st of each year as outstanding Cadets in their service for the preceding year. The reports of the District Instructor may be consulted for the purpose of comparison or the steamship companies may make awards based on their own records. Cadets selected by steamship companies shall be presented with a gold and blue ribboned pin with gold anchors or propellers, as appropriate, on the blue center, by an executive of the steamship company.

(c) *Combination pins.* If an outstanding Cadet has also won a pin for high scholastic grades, such pin shall be worn as a continuation of the other. In such cases a combination pin shall be presented to Cadets, at the expense of the United States Maritime Commission, by either the District Manager, the District Instructor, the Commanding Officer of a Cadet School or an executive of the steamship company.

(d) *Presentation of special awards by Chairman of Maritime Commission.* Cadets who have rendered distinguished service, or, for some other reason have won special awards shall be ordered to Washington by the Supervisor of Cadet Training, to receive such award from the Chairman of the United States Maritime Commission or other government official. In such cases the Cadet shall receive pay at the rate of \$65 per month from the Maritime Commission during

period absent from Cadet School or ship and will travel on regular government travel request issued by the District Manager with a per diem allowance of \$5.00 per day. If assigned to Cadet School, the Cadet shall receive pay due on the day ordered to depart from school for Washington. The period of stay in Washington shall be five days.* [17]

§ 294.18 *Diploma.* Cadets will receive a diploma signed by the Chairman, the Commissioner in charge of Training, the Director of the Division of Training, and the Supervisor of Cadet Training of the United States Maritime Commission, after satisfactory completion of prescribed course of study and training. The Secretary of the United States Maritime Commission also will sign the diploma and affix the seal of the United States Maritime Commission. In addition to the diploma, Cadets will be furnished with a statement of grades received in each subject during their course of training and any notations relative to distinguished service.* [18]

§ 294.19 *Promotion to and Assignment as Cadet Officer*—(a) *Loss of Cadet status.* Cadets shall lose their status as such when the Supervisor of Cadet Training determines that they are either eligible and qualified to take their examinations for or have received a license as Third Mate or Third Assistant Engineer (steam and/or motor) from the Bureau of Marine Inspection and Navigation of the United States Department of Commerce. For Cadets (E), First Class (Special), who possess certain degrees from approved colleges and are permitted to sit for Third or Second Assistant Engineer licenses at the end of 3, 6, and 12 months' service aboard ships, the maximum service as Cadet (E) aboard ships shall be one year.

(b) *Request for assignment as Cadet Officer.* If after securing their licenses, Cadets are not promptly promoted by steamship companies to licensed officer positions, they may submit a request to the Supervisor of Cadet Training for promotion to and prompt assignment as Cadet Officer and shall, if approved by the Supervisor of Cadet Training, receive appointments and assignments to vacancies aboard ships, preferably to steamship companies with which they last served as Cadets.* [19]

§ 294.20 *Resignations*—(a) *Method of submission.* Cadets who for various reasons find that they must terminate their training, shall submit their written resignations to the Supervisor of Cadet Training, via the Master or Commanding Officers of their vessels and the District Instructor. Resignations of Cadets assigned to a vessel must be made effective at the termination of the voyage in a United States port and shall be submitted to the Master or Commanding Officer at least 10 days before arrival in port. Resignations of Cadets at Cadet Schools must be made effective at least 10 days from date and shall be submitted to the Commanding Officer of the Cadet School.

(b) *Statement of reasons.* Detailed reasons for terminating training must be stated in resignation.* [20]

§ 294.21 *Active duty in Navy as Midshipman, MMR*—(a) *Request for appointment.* Cadets who have served in vessels taken over by the Navy will request appointment as Midshipman, MMR, and active duty with pay and allowance of that rank, during the emergency. Other Cadets will request such appointments and active duty when so directed by the Supervisor of Cadet Training or the Navy Department.

(b) *Continuation of prescribed study courses.* During active duty in the Navy, Cadets will, as Midshipmen, MMR, carry on with the prescribed courses of study in preparation for their licenses as Third Mate or Third Assistant Engineer (steam and motor). Midshipmen, MMR, will not be detached from active duty and assigned to Cadet Schools for advanced course. During the emergency they will be eligible to sit for their licenses after a total of twenty-two months as either Cadet or Midshipman aboard merchant or Naval vessels.* [21]

§ 294.22 *Maximum number of Cadet Officers or Cadets*—(a) *Limitations on assignments.* During the emergency there shall be no limit in the total number of Cadets or Cadet Officers under training. Two Cadets shall be assigned to all emergency built vessels and at least two Cadets to all other new vessels aboard which rooms existed for Cadets at the time of delivery.

(b) *Placement by District Instructors.* Endeavor shall be made by District Instructors to fill all vacancies for Cadets or Cadet Officers aboard existing ships in offshore trades and aboard the new vessels to be delivered during the emergency. District Instructors shall promptly advise the Supervisor of Cadet Training of the reasons why any vessel in offshore trades failed to carry Cadets or Cadet Officers.* [22]

§ 294.23 *Distribution of regulations.* The regulations in this subpart shall be published in the FEDERAL REGISTER and distributed to all Cadets, applicants for appointment as Cadets, and others concerned with or interested in the training of Cadets ashore and afloat.* [23]

§ 294.24 *Instructions supplementing regulations.* The Supervisor of Cadet Training is hereby authorized and directed to prescribe and issue instructions, supplementing the regulations in this subpart, for the training of Cadet Officers and Cadets assigned to Cadet Schools, locations of special training, and aboard ships. Copies of such instructions will be distributed to Cadet Training Instructors, offices of steamship companies providing for the training of Cadet Officers and Cadets, Cadet Officers and Cadets, and others concerned.* [24]

§ 294.25 *Evidence of citizenship.*

APPENDIX A

REQUIREMENTS OF NAVY DEPARTMENT RELATIVE TO EVIDENCE OF CITIZENSHIP

(Article H-2106 (2) (a) *Bunav Manual*)

(2) All applications must show and be signed with the full legal names of applicants. They must be accompanied by or include the following:

(a) Evidence of citizenship as shown below.
If native born:

(1) A duly verified copy of a public or church record of birth, or

(2) The affidavit, under oath, of the physician, midwife, or other persons present at the birth.

(3) In cases where neither (1) nor (2) can be obtained by the candidate, the affidavit of either parent.

(4) In cases where the candidate certifies that no one of the above is obtainable, the affidavits (under oath) of two reputable citizens acquainted with him. Each of these affidavits should state the facts within the knowledge of the deponent upon which he bases his statements as to the citizenship of the candidate, as for example, that he has known the candidate since birth, that he knew his parents, or as the case may be.

If foreign born:

(5) Certificate of naturalization, under the seal of the court in which naturalized.

(6) Certificate of naturalization, under the seal of the court in which naturalized, of the parent during the minority of the candidate, together with the affidavit of a parent that the candidate is the child of the parent whose certificate of naturalization is submitted.

(7) In special cases where the candidate certifies that neither (5) nor (6) is obtainable, the affidavits of two reputable citizens acquainted with him (see par. 4, under native-born citizens). As every naturalization is a matter of record in some court, these affidavits will be accepted only in very exceptional cases, and on the understanding that the candidate shall later submit a proper certificate of naturalization.

NOTE: In the cases of naturalized citizens, the Navy Department requires a period of ten years citizenship before it will approve an application for Cadet MMR, U.S.N.R.* [25]

SUBPART B—CADET OFFICERS

§ 294.51 *General requirements*—(a) *Age*. A candidate must be not less than 19 nor more than 25 years of age on the date application is received. If less than 21 years of age, the application shall contain written consent of a parent or guardian.

(b) *Possession of license*. He must possess a license, under which he has not served, as Third Mate—Ocean, or original Second Mate—Ocean, or Third Assistant Engineer—Unlimited, or original Second Assistant Engineer—Unlimited, issued by the Bureau of Marine Inspection and Navigation of the United States Department of Commerce.

(c) *Character*. A candidate must satisfy the Supervisor of Cadet Training as to his good moral character.

(d) *Education*. A candidate must satisfy the Supervisor of Cadet Training that he has sufficient educational qualifications to pursue courses of study which are prescribed for Cadet Officers.

(e) *Marital status*. A candidate must be unmarried. Any Cadet Officer who shall marry or who shall be found to be married before completion of training shall be requested to resign and, failing to do so, shall be dismissed by the Supervisor of Cadet Training.

(f) *Ineligible persons*. No person who has been dismissed or compelled to resign from the United States Maritime Commission Cadet Corps, a Government Service Academy or a State Maritime

Academy, for improper conduct, or who has been dishonorably discharged from the armed forces of the United States, or who has been dismissed for cause or has resigned with prejudice as a civil employee of the United States is eligible for an appointment as a Cadet Officer in the United States Maritime Commission Cadet Corps.

(g) *Enrollment in Merchant Marine Reserve*. A candidate must enroll or be enrolled, as a Cadet, Merchant Marine Reserve, or hold a commission in the United States Naval Reserve, to be eligible for appointment as Cadet Officer.* [1]

§ 294.52 *Physical requirements*—(a) *Naval Reserve physical examination*. No physical examination will be required of candidates who are enrolled in the Naval Reserve. Candidates who are not enrolled in the Naval Reserve will be required to pass the Naval Reserve physical examination for appointment as Cadet, Merchant Marine Reserve, without waiver. If waiver is recommended, candidates cannot be appointed until after waiver is approved by the Navy Department.

(b) *Termination of training for physical defect or disease*. Any defect or disease developed by a Cadet Officer during training, which would result in his discharge from the United States Naval Reserve, will be sufficient cause for the Supervisor of Cadet Training to terminate his training as a Cadet Officer.* [2]

§ 294.53 *Applications*—(a) *Submission to Supervisor of Cadet Training*. Application for appointment as Cadet Officer, fully completed, together with all supporting papers, shall be submitted to the Supervisor of Cadet Training.

(b) *Graduates of Cadet Corps*. Graduates of the United States Maritime Commission Cadet Corps may submit requests for promotion to Cadet Officers in lieu of new applications.* [3]

§ 294.54 *Certificates*—(a) *Subjects and grades at accredited schools or colleges*. A candidate who is not a graduate of an approved State Maritime Academy or the United States Maritime Commission Cadet Corps, but has attended other schools, shall submit a properly attested certificate listing subjects and grades received at accredited schools or colleges. The school certificates shall be forwarded by the respective accredited schools direct to the Supervisor of Cadet Training, United States Maritime Commission, Washington, D. C., on the form prescribed and furnished by the Supervisor of Cadet Training.

(b) *Graduates of State Maritime Academies or Cadet Corps*. A candidate who is a graduate of an approved State Maritime Academy shall submit a properly attested certificate from his State Maritime Academy in which shall be listed subjects studied, grades received, and class standing on graduation. No certificates will be required of graduates of the United States Maritime Commission Cadet Corps.

(c) *Rejection for inability to pursue self-study courses*. The Supervisor of

Cadet Training shall reject any candidate whose school certificates cause doubt as to his ability to pursue the self-study courses prescribed for Cadet Officers.

(d) *Passport photograph*. A candidate must submit one full face photograph of passport size.

(e) *Certificate of good moral character*. A candidate, except a graduate of the United States Maritime Commission Cadet Corps, must submit a letter from the Superintendent of an approved State Maritime Academy or last employer (if not a graduate of an approved State Maritime Academy), certifying good moral character.* [4]

§ 294.55 *Eligible list*—(a) *Eligible candidates*. A candidate shall be placed on the eligible list after it is determined that the qualifications herein prescribed have been met.

(b) *Coastal areas and Cadet School or other assignments*. The lists of eligible deck Cadet Officers and Engineer Cadet Officers will be divided into coastal areas by the Supervisor of Cadet Training. Successful candidates will be assigned to the Cadet Schools indicated below, or direct to ships, or to locations of special training ashore:

Atlantic Coast Cadet School:

Connecticut.
Delaware.
Illinois.
Indiana.
Maine.
Maryland.
Massachusetts.
Michigan.
Minnesota.
New Hampshire.
New Jersey.
New York.
North Carolina.
Ohio.
Pennsylvania.
Rhode Island.
Vermont.
Virginia.
West Virginia.
Wisconsin.
District of Columbia.
Puerto Rico.

Gulf Coast Cadet School:

Alabama.
Arkansas.
Florida.
Georgia.
Iowa.
Kansas.
Kentucky.
Louisiana.
Mississippi.
Missouri.
Nebraska.
Oklahoma.
South Carolina.
Tennessee.
Texas.
Canal Zone.

Pacific Coast Cadet School:

Arizona.
California.
Colorado.
Idaho.
Montana.
Nevada.

Pacific Coast Cadet School—Continued.

New Mexico.
North Dakota.
Oregon.
South Dakota.
Utah.
Washington.
Wyoming.
Alaska.
Hawaii.

(c) *Assignment upon exhaustion of coastal eligible list.* In the event the eligible list for a coast becomes exhausted, the Supervisor of Cadet Training may make assignments from other coastal lists.

(d) *Notification of standing on eligible list.* A candidate will be advised of his standing on the coastal deck or engineer eligible lists on request to the Supervisor of Cadet Training.

(e) *Acceptance of shipboard position pending assignment.* An eligible candidate who accepts another shipboard position, pending assignment as Cadet Officer, must advise the Supervisor of Cadet Training of the name of the vessel on which he is serving and the dates, his capacity, and United States ports of call of such vessel. Failure to observe this regulation will result in removal of name from eligible list.

(f) *Request for removal from eligible list.* A candidate on the eligible list must advise the Supervisor of Cadet Training promptly when he ceases to be available for assignment and wishes his name removed from list. Such a candidate shall inform the Supervisor of Cadet Training, in writing, with the reasons for his withdrawal.* [5]

§ 294.56 *Appointments and assignments—(a) By Supervisor of Cadet Training.* Selected candidates shall be assigned by the Supervisor of Cadet Training to the Cadet Schools or direct to ship or location of special training as vacancies occur.

(b) *Preference.* The Supervisor of Cadet Training may give preference to those eligible candidates who have completed the courses for Cadets in the United States Maritime Commission Cadet Corps or in an unlicensed capacity with the steamship company to which a Cadet Officer is to be assigned; provided the eligible candidate is recommended by the steamship company.

(c) *Seniority.* If the steamship company employer with a vacancy for Cadet Officer does not recommend an eligible candidate under the provisions of paragraph (b) of this section, the Supervisor of Cadet Training shall make assignments from amongst those candidates on the eligible lists who have been on such eligible lists the longest in point of time.

(d) *Selection for post graduate training.* The Supervisor of Cadet Training may select qualified eligibles for post graduate training in vessels of the United States Coast and Geodetic Survey and other Government agencies and at locations of special training ashore.

(e) *Procurement of textbooks and uniforms.* After appointment and assignment to Cadet School, Cadet Officers shall arrange to procure textbooks for the first year course of study, and the uni-

forms designated by District Instructors or Commanding Officers of Cadet Schools.

(f) *Orders to home pending assignment to vessel.* The Supervisor of Cadet Training, the District Instructor, or when authorized by the Supervisor of Cadet Training, the Commanding Officer of the Cadet School may order any Cadet Officer to his home after a period at Cadet School and there await assignment to a vessel. In such cases a Cadet Officer will be reimbursed for transportation, at the rate of 5 cents per mile from school to home and from home to vessel, but will not receive pay or allowances during period away from school or vessel.

(g) *Prompt report for duty.* Candidates high on the eligible lists must be prepared to report promptly to Cadet School or locations of special training ashore, or direct to ships on short notice.

(h) *Removal from eligible list.* The name of an eligible will be removed from the list if he fails to acknowledge receipt of instructions by telegram within 24 hours of receipt of same, fails to report, or rejects assignment without acceptable reason. The Supervisor of Cadet Training shall decide whether reason offered is acceptable.

(i) *Selection of vessel, etc.* Candidates or Cadet Officers shall not be permitted to select vessel or steamship company employer, and steamship companies shall not be permitted to select candidates or Cadet Officers except as provided in paragraph (b) of this section.

(j) *Arrangements by District Instructor or Commanding Officer.* The District Instructor, or, when directed by the Supervisor of Cadet Training, the Commanding Officer of the Cadet School will arrange for:

(1) Oath of office as United States Maritime Commission Cadet Officer and taking of fingerprints;

(2) The Division of Finance to commence pay of Cadet Officer on date he reports to Cadet School;

(3) Furnishing of prescribed study assignments, quizzes, circular letters, and supplementary study material;

(4) Assignment to Cadet School;

(5) Detachment from Cadet School and assignment to a vessel;

(6) The Division of Finance to reimburse for pay due while at Cadet School and travel allowance, upon detachment from Cadet School;

(7) Introduction to proper shore official of steamship company to which assigned.

(k) *Instructions by steamship company.* The shore official of the steamship company will instruct Cadet Officers relative to:

(1) Company regulations.

(2) Approval of Master.

(3) Signing of ship's articles and commencement of pay from steamship company.

(l) *Certificates of appointment.* Certificates of appointment signed by the Secretary of the United States Maritime Commission and the Supervisor of Cadet

Training shall be issued to all Cadet Officers after appointment.* [6]

§ 294.57 *Course of training.—(a) Proof of diligence.* Cadet Officers must prove to the District Instructor, who will visit their vessels while in United States ports, that they have been applying themselves diligently.

(b) *Regulations, instructions and circular letters.* Cadet Officers shall be supplied with Regulations, instructions, and circular letters, before sailing on their first voyage, or before assignment to Cadet School.

(c) *Naval Reserve Correspondence Courses.* Cadet Officers shall make application for the Naval Reserve Correspondence Courses listed below, prior to assignment to Cadet School or vessel.

(d) *Courses of study.* The courses of study shall be as follows, except as may be changed by direction of the Supervisor of Cadet Training:

Cadet Officers (D)

Naval Reserve Correspondence Course in: Navigation (A).

Cadet Officers (E)

Naval Reserve Correspondence Course in: Engineering.

(e) *Detail to shore or specialized vessel training.* In addition to the foregoing, Cadet Officers may be detailed to shore training at shipyards, plants, educational institutions or specialized training aboard vessels of the United States Coast and Geodetic Survey and other Government agencies.

(f) *Purchase of prescribed textbooks.* Cadet Officers must purchase all prescribed textbooks excepting texts loaned by the Navy.

(g) *Notification of changes in curricula.* Cadet Officers shall be advised by circular letters of any change made in their curricula by the Supervisor of Cadet Training.* [7]

§ 294.58 *Pay—(a) Rate.* Cadet Officers will receive pay at the rate of \$100 per month from the United States Maritime Commission while at Cadet Schools and while serving aboard United States Coast and Geodetic Survey vessels for special training. Pay while at Cadet School will commence on the date of reporting to the Commanding Officer and will terminate on the date of detachment from Cadet School.

(b) *Reimbursement for transportation; assisting instructors.* A candidate who receives an appointment as Cadet Officer and is assigned to a Cadet School will be expected to serve as Cadet Officer on board ship to which assigned, in order to receive reimbursement for transportation and pay while at Cadet School. While at Cadet Schools, Cadet Officers shall assist the instructors, as directed by the Commanding Officer of the Cadet School.

(c) *Cadet Officers initially assigned to Cadet Schools.* Cadet Officers initially assigned to the Cadet Schools shall not receive their pay or transportation allowances until after the date of their detachment from Cadet School for assignment to ships or places of special shore training.

(d) *Cadet Officers aboard merchant vessels.* Cadet Officers will receive minimum pay at a rate of \$100 per month during their first year aboard merchant vessels and \$120 per month during their second year aboard merchant vessels, from their steamship company employers.

(e) *War or other emergency bonuses.* In addition to minimum rates of pay, steamship companies shall grant to Cadet Officers the same percentage of increases for war or other emergency bonuses as is granted to Third Officers.* [8]

§ 294.59 *Transportation*—(a) *Rate of reimbursement.* The Maritime Commission shall reimburse Cadet Officers at the rate of 5 cents per mile, based on the official mileage tables of the War Department, for their traveling expenses:

(1) From home town to port wherein Cadet School is located, after reporting to the Commanding Officer of Cadet School, execution of oath of office as Cadet Officer of the United States Maritime Commission, and detachment from Cadet School for assignment to vessel or places of special shore training.

(2) From port wherein Cadet School is located to port where vessel to which Cadet Officer is assigned, or where place of special shore training is located.

(3) From port where detached from vessel to port wherein Cadet School or place of special shore training is located.

(4) From port of Cadet School to home and from home to port where vessel to which assigned or a place of special shore training is located, after having been ordered by the District Instructor to his home to await assignment to a vessel or place of special shore training.

(b) *Requests for reimbursement.* Requests from Cadet Officers for transportation reimbursement, properly endorsed and approved by the District Instructor, will be submitted to the District Auditors of the United States Maritime Commission at either San Francisco, New York, or New Orleans for their action. When Cadet Officers are transferred from one District to another, the mileage voucher will be prepared, approved, certified, and paid in the District to which the Cadet Officer has been transferred.

(c) *No reimbursement during leave status; exception.* Cadet Officers will not be reimbursed by the Maritime Commission for travel expenses to and from Cadet Schools or ships or place, of special shore training while they are on leave, unless ordered home from the Cadet School by the Supervisor of Cadet Training or the District Instructor to wait for assignment to ships or places of special shore training.* [9]

§ 294.60 *Allowances; Quarters and Subsistence*—(a) *At Cadet Schools.* Cadet Officers, while assigned to Cadet Schools, will be furnished with quarters and subsistence by the United States Maritime Commission. Laundry service, not to exceed \$1.00 per week for any one Cadet Officer, will also be paid by the United States Maritime Commission.

(b) *On special assignments ashore.* Cadet Officers, while on special assign-

ments ashore away from the Cadet School and when so authorized by the Supervisor of Cadet Training, or District Instructors, will receive an allowance of \$45 per month for quarters, subsistence, and other living expenses, in addition to their pay from the United States Maritime Commission, provided steamship companies, shipyards, or others to whom Cadet Officers are assigned for special training ashore do not pay such wages or allowances.

(c) *Aboard ship.* Cadet Officers, while assigned to merchant vessels will be furnished quarters and subsistence gratis by the steamship company employer.

(d) *When traveling.* Cadet Officers, while traveling on orders of a steamship company, or when quarters and subsistence are not furnished aboard ship, shall receive the same allowances for transportation, quarters and allowance as Third Officers of the steamship company.* [10]

§ 294.61 *Quarters and mess*—(a) *Berth.* Cadet Officers aboard ship shall be berthed in rooms with other Cadet Officers or Cadets in that part of the vessel designated as Officers' or First Class passenger quarters.

(b) *Mess.* Cadet Officers shall mess with licensed deck and engineer officers.* [11]

§ 294.62 *Annual leave.* Cadet Officers shall receive the same annual leave with pay as is granted by employers to their licensed officers.* [12]

§ 294.63 *Deposit—Uniforms and textbooks.* Cadet Officers assigned to Cadet School, before their first assignment to ships, shall make a deposit sufficient to cover the cost of uniforms and textbooks designated by the District Instructor or Commanding Officer of Cadet School and furnished by the Division of Purchase and Supply of the United States Maritime Commission. The cost of such uniforms and textbooks shall be deducted from this deposit plus pay earned while at Cadet School.* [13]

§ 294.64 *Uniforms, insignia, textbooks, equipment*—(a) *Purchase.* Cadet Officers shall purchase uniforms, insignia, textbooks, and equipment as prescribed by the Supervisor of Cadet Training in "Uniform Regulations for United States Maritime Commission Cadet Corps", circular letters, and designated by the District Instructor or Commanding Officer of Cadet Schools.

(b) *Items to be prescribed by Supervisor of Cadet Training.* The Supervisor of Cadet Training shall prescribe those items of uniform, insignia, textbooks, and equipment that shall be possessed and maintained during the period of training, or made optional, in accordance with the following groups:

Group 1 shall include personal items, such as underwear, shirts, etc., that must be possessed upon reporting to the Cadet School.

Group 2 shall include items of uniform, insignia, textbooks, and equipment in designated quantities, which may be furnished by the Division of Purchase and Supply, and the costs deducted from pay while at Cadet School.

Group 3 shall include those additional items of uniforms, insignia, textbooks, and equipment which Cadet Officers shall purchase after leaving the Cadet School and/or while serving in ships or locations of special training ashore.

Group 4 shall include those items of uniform and equipment that will be optional for Cadet Officers during the entire period of training.

(c) *Deposit to cover.* Uniforms, insignia, textbooks, and equipment as designated by the District Instructor or Commanding Officer of Cadet School, shall be furnished to each Cadet Officer at Cadet School by the Division of Purchase and Supply only after such Cadet Officers have deposited sufficient funds with the District Auditor to pay for all items to be furnished by the Division of Purchase and Supply during period at Cadet School.* [14]

§ 294.65 *Certificates*—(a) *Completion certificate.* Cadet Officers, upon satisfactory completion of prescribed courses, shall be awarded a certificate of completion signed by the Chairman of the United States Maritime Commission.

(b) *Post graduate certificate.* Cadet Officers assigned to United States Coast and Geodetic Survey vessels for post graduate course shall, upon satisfactory completion of post graduate training, be awarded a certificate signed by the Rear Admiral-Director of the United States Coast and Geodetic Survey, and by the Chairman of the United States Maritime Commission.* [15]

§ 294.66 *Length of service*—(a) *Extension of status as Cadet Officer.* Cadet Officers shall not remain in such grade for a period longer than one year, except that the status shall not be impaired until the conclusion of the last voyage begun within this year of service, and that the status as Cadet Officer may be extended in the discretion of the Supervisor of Cadet Training, on the request of the Cadet Officer, provided:

(1) The extension of status is recommended by the Master.

(2) The employer agrees to promote the Cadet Officer to licensed position when the opportunity presents itself.

(3) The progress record of the Cadet Officer is satisfactory.

(b) *Limit of extension.* The limit of extension of service as Cadet Officer shall be one year. If not promoted within that time, the Cadet Officer shall lose his status as such at the end of the extended year.* [16]

§ 294.67 *Promotion and future opportunities.* The Supervisor of Cadet Training shall have no jurisdiction over promotions to licensed officer positions. This matter is one for employers to decide.* [17]

§ 294.68 *Resignations*—(a) *Method of submission.* Cadet Officers who for various reasons find that they must terminate their training, shall submit their written resignations to the Supervisor of Cadet Training, via the Master or Commanding Officer of their vessels and the District Instructor. Resignations of Cadet Officers assigned to vessels must

be made effective at the termination of the voyage in a United States port and shall be submitted to the Master or Commanding Officer at least 10 days before arrival in port.

(b) *Statement of reasons.* Detailed reasons for terminating training, especially whether promoted or resigned to accept licensed position in another vessel, must be stated in resignation.* [18]

§ 294.69 *Distribution of regulations.* The regulations in this subpart shall be published in the FEDERAL REGISTER and distributed to all Cadet Officers, applicants for appointment as Cadet Officers, and others concerned with the training of Cadet Officers and Cadets ashore and afloat.* [19]

§ 294.70 *Instructions supplementing regulations.* The Supervisor of Cadet Training is hereby authorized and directed to prescribe and issue instructions supplementing the regulations in this subpart, for the training of Cadet Officers and Cadets assigned to Cadet Schools, locations of special training, and aboard ships. Copies of such instructions or rules will be distributed to Cadet Training Instructors, Officials of steamship companies, ship's officers, Cadet Officers, and others concerned.* [20]

By Order of the United States Maritime Commission.

[SEAL]

A. J. WILLIAMS,
Assistant Secretary.

JANUARY 8, 1942.

[F. R. Doc. 42-638; Filed, January 22, 1942;
9:43 a. m.]

Notices

DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Docket No. A-1248]

PETITION OF DISTRICT BOARD NO. 10 FOR A REDUCTION IN THE EFFECTIVE MINIMUM PRICES FOR 14,000 TONS OF SIZE GROUP NO. 23 COALS OF THE ROYALTON NO. 7 MINE (MINE INDEX NO. 151) OF THE FRANKLIN COUNTY COAL CORPORATION, A CODE MEMBER IN DISTRICT NO. 10, FOR ALL SHIPMENTS EXCEPT TRUCK

NOTICE OF AND ORDER FOR HEARING

A petition, pursuant to the Bituminous Coal Act of 1937, having been duly filed with this Division by the above-named party;

It is ordered, That a hearing in the above-entitled matter under the applicable provisions of said Act and the rules of the Division be held on February 18, 1942, at 10 o'clock in the forenoon of that day, at a hearing room of the Bituminous Coal Division, 734 Fifteenth Street NW., Washington, D. C. On such day the Chief of the Records Section in room 502 will advise as to the room where such hearing will be held.

It is further ordered, That D. C. McCurtain or any other officer or officers of the Division duly designated for that purpose shall preside at the hearing in such matter. The officers so designated to preside at such hearing are hereby authorized to conduct said hearing, to

administer oaths and affirmations, examine witnesses, subpoena witnesses, compel their attendance, take evidence, require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, to continue said hearing from time to time, and to prepare and submit proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to all parties herein and to persons or entities having an interest in this proceeding and eligible to become a party herein. Any person desiring to be admitted as a party to this proceeding may file a petition of intervention in accordance with the rules and regulations of the Bituminous Coal Division for proceedings instituted pursuant to section 4 II (d) of the Act, setting forth the facts on the basis of which the relief in the original petition is supported or opposed or on the basis of which other relief is sought. Such petitions of intervention shall be filed with the Bituminous Coal Division on or before February 13, 1942.

All persons are hereby notified that the hearing in the above-entitled matter and any orders entered therein, may concern, in addition to the matters specifically alleged in the petition, other matters necessarily incidental and related thereto, which may be raised by amendment to the petition, petitions of intervention or otherwise, or which may be necessary corollaries to the relief, if any, granted on the basis of this petition.

The matter concerned herewith is in regard to the petition of District Board No. 10 for a reduction from 190 to 140 cents per net ton in the effective minimum prices for 14,000 tons of Size Group No. 23 coals, allegedly substandard and now in storage at the Royalton No. 7 Mine (Mine Index No. 151) of the Franklin County Coal Corporation, a code member in District No. 10, for all shipments except truck, to the Commonwealth Edison Company at Chicago, Illinois, the Lehigh Portland Cement Company at Mason City, Iowa, and the Universal Atlas Cement Company at Buffington, Indiana.

Dated: January 20, 1942.

[SEAL]

DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-642; Filed, January 22, 1942;
11:20 a. m.]

[Docket No. A-1229]

PETITION OF ALABAMA BY-PRODUCTS CORPORATION, CODE MEMBER IN DISTRICT 13, FOR REVISION OF THE MINIMUM PRICES AND PRICE CLASSIFICATIONS ESTABLISHED FOR THE SAMOSET MINE, MINE INDEX NO. 37, IN DISTRICT 13 TO PERMIT A MOISTURE ALLOWANCE ON SHIPMENTS OF COAL FOR RAILROAD LOCOMOTIVE FUEL USE

NOTICE OF AND ORDER FOR HEARING

A petition, pursuant to the Bituminous Coal Act of 1937, having been duly filed

with this Division by the above-named party;

It is ordered, That a hearing in the above-entitled matter under the applicable provisions of said Act and the rules of the Division be held on March 2, 1942, at 10 o'clock in the forenoon of that day, at a hearing room of the Bituminous Coal Division, 734 Fifteenth Street NW., Washington, D. C. On such day the Chief of the Records Section in room 502 will advise as to the room where such hearing will be held.

It is further ordered, That Joseph D. Dermody or any other officer or officers of the Division duly designated for that purpose shall preside at the hearing in such matter. The officers so designated to preside at such hearing are hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, subpoena witnesses, compel their attendance, take evidence, require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, to continue said hearing from time to time, and to prepare and submit proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to all parties herein and to persons or entities having an interest in this proceeding and eligible to become a party herein. Any person desiring to be admitted as a party to this proceeding may file a petition of intervention in accordance with the rules and regulations of the Bituminous Coal Division for proceedings instituted pursuant to section 4 II (d) of the Act, setting forth the facts on the basis of which the relief in the original petition is supported or opposed or on the basis of which other relief is sought. Such petitions of intervention shall be filed with the Bituminous Coal Division on or before February 24, 1942.

All persons are hereby notified that the hearing in the above-entitled matter and any orders entered therein, may concern, in addition to the matters specifically alleged in the petition, other matters necessarily incidental and related thereto, which may be raised by amendment to the petition, petitions of intervention or otherwise, or which may be necessary corollaries to the relief, if any, granted on the basis of this petition.

The matter concerned herewith is in regard to the petition of Alabama By-Products Corporation, a code member in District 13, for revision of the minimum prices and price classifications applicable to the coals of the petitioner's Samoset Mine, Mine Index No. 37, to permit a moisture allowance of 7.5 per cent on washed coal shipped to the Illinois Central Railroad Company for railroad locomotive fuel use.

Dated: January 20, 1942.

[SEAL]

DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-643; Filed, January 22, 1942;
11:20 a. m.]

[Docket No. B-146]

IN THE MATTER OF ZIMMERMAN COAL COMPANY, REGISTERED DISTRIBUTOR, REGISTRATION No. 9985, RESPONDENT

NOTICE OF AND ORDER FOR HEARING

1. The Bituminous Coal Division (the "Division") finds it necessary in the proper administration of the Bituminous Coal Act of 1937 (the "Act") and the Bituminous Coal Code (the "Code") promulgated thereunder, to determine:

(a) whether or not Zimmerman Coal Company, Registered Distributor, Registration No. 9985, whose address is 609 Tribune Building, Terre Haute, Indiana, respondent in the above-entitled matter, has violated any provisions of the Act, the Code, any orders or regulations of the Division including the Marketing Rules and Regulations, the Rules and Regulations for the Registration of Distributors, (the "Distributor's Regulations"), and the Distributor's Agreement, (the "Agreement") executed September 24, 1940, by respondent, pursuant to Order of the Bituminous Coal Division dated June 19, 1940, in General Docket No. 12; and

(b) whether or not the registration of said distributor should be revoked or suspended or other appropriate penalties should be imposed; and for said purposes gives notice that the Division has information to the effect that:

2. Respondent is a corporation, incorporated in the State of Indiana in the year 1916, and is engaged as a distributor, pursuant to the Distributor's Regulations, in the business of purchasing and reselling bituminous coal.

3. Respondent entered into a sales agency agreement, with the Lone Star Coal Co., Inc., of Terre Haute, Indiana, as principal. Said agreement was dated October 4, 1940 and filed with the Division on October 9, 1940, and a modification thereof dated July 1, 1941, was filed with the Division on July 15, 1941.

4. The Lone Star Coal Co., Inc., is a code member operating the Lone Star No. 3 Mine, Mine Index No. 118, Vigo County, Indiana, and the Lone Star Mine, Mine Index No. 55, Clay County, Indiana, both located in District No. 11.

5. Respondent acting in behalf of said code member pursuant to said sales agency agreement sold and delivered by rail to the Columbian Enameling and Stamping Co., Inc., at Terre Haute, Indiana, 22 cars of $\frac{3}{8}$ " carbon coal, Size Group No. 15, produced at the Lone Star Mine, Mine Index No. 55, during the period from November 9, 1940, to March 28, 1941, both dates inclusive; and 12 cars of $\frac{3}{8}$ " carbon coal, Size Group No. 15, produced at the Lone Star No. 3 Mine, Mine Index No. 118, during the period from April 7, 1941 to July 15, 1941, both dates inclusive.

6. Respondent prepaid the freight charges of 53 cents per net ton on the coal sold and delivered as indicated in paragraph 5 hereof, with the intent to and having the effect of granting a discriminatory credit allowance, and thereby

violated section 4 II (i) (3) of the Act, Part II (i) (3) of the Code, Rule 3 of section XIII and Rule 1 (J) of section VII of the Marketing Rules and Regulations and paragraphs (c) and (e) of the Agreement.

7. During the period from May 6, 1941 to May 8, 1941, both dates inclusive, respondent purchased from the F. C. Morgan Coal Company, a code member, 2 cars of 2" screenings, Size Group No. 26, produced by said code member at its Butler Mine, Mine Index No. 16, located in Clay County, Indiana, in District No. 11. Respondent during said period resold and shipped said coal by rail to the Columbian Enameling and Stamping Co., Inc., at Terre Haute, Indiana, and prepaid the freight charges of 63 cents per net ton thereon with the intent to, and having the effect of granting a discriminatory credit allowance, thereby violating section 4 II (i) (3) of the Act, Part II (i) (3) of the Code, Rule 3 of Section XIII and Rule 1 (J) of Section VII of the Marketing Rules and Regulations and paragraphs (c) and (e) of the Agreement.

8. On or about May 14, 1941, respondent purchased from Goodman Coal Corporation of Chicago, Illinois, sales agent for Big Bend Collieries, Inc., a code member, 1 car of 2" screenings, Size Group No. 26, produced by said code member at its Big Bend Mine, Mine Index No. 7, located in Clay County, Indiana, in District No. 11. Respondent on or about said date resold and shipped said coal by rail to the Columbian Enameling and Stamping Co., Inc., at Terre Haute, Indiana, and prepaid the freight charges of 63 cents per net ton thereon with the intent to, and having the effect of granting a discriminatory credit allowance, thereby violating section 4 II (i) (3) of the Act, Part II (i) (3) of the Code, Rule 3 of Section XIII and Rule 1 (J) of Section VII of the Marketing Rules and Regulations and paragraphs (c) and (e) of the Agreement.

9. Respondent subsequent to September 30, 1940, failed to file its invoices currently as rendered with the field office for District No. 11 as required by Order No. 295 of the Director dated June 14, 1940, and Order No. 313 of the Director dated February 24, 1941, resulting in the violation of paragraph (e) of the agreement.

It is, therefore, ordered, That a hearing pursuant to § 304.14 of the Rules and Regulations for the Registration of Distributors, to determine whether the registration of said distributor should be revoked or suspended, or other appropriate penalties be imposed, be held on March 5, 1942, at 10 a. m., at a hearing room of the Bituminous Coal Division at the Post Office Building, Terre Haute, Indiana.

It is further ordered, That Edward J. Hayes or any other officer or officers of the Bituminous Coal Division duly designated for that purpose shall preside at the hearing in such matter. The officer so designated to preside at such hearing is hereby authorized to conduct said hearing, to administer oaths and affir-

mations, examine witnesses, subpoena witnesses, compel their attendance, take evidence, require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, to continue said hearing from time to time, and to such places as he may direct by announcement at said hearing or any adjourned hearing or by subsequent notice, and to prepare and submit proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to said respondent and to all other parties herein and to all persons and entities having an interest in such proceeding.

Notice is hereby given that answer to charges contained herein must be filed with the Bituminous Coal Division at its Washington Office or with any one of the field offices of the Division, within twenty (20) days after date of service thereof on the respondent; and that any respondent failing to file an answer within such period, unless otherwise ordered, shall be deemed to have admitted said charges and to have consented to the entry of an appropriate order on the basis of the facts alleged.

All persons are hereby notified that the hearing in the above-entitled matter and orders entered therein may concern, in addition to the matters specifically alleged herein, other matters incidental and related thereto, whether raised by amendment, petition for intervention, or otherwise, and all persons are cautioned to be guided accordingly.

Dated: January 21, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-644; Filed, January 22, 1942;
11:20 a. m.]

[General Docket No. 12]

IN THE MATTER OF PRESCRIBING DUE AND REASONABLE MAXIMUM DISCOUNTS OR PRICE ALLOWANCES BY CODE MEMBERS TO "DISTRIBUTORS" UNDER SECTION 4 PART II (h) OF THE BITUMINOUS COAL ACT OF 1937, AND ESTABLISHING RULES AND REGULATIONS FOR THE MAINTENANCE AND OBSERVANCE BY DISTRIBUTORS IN THE RE-SALE OF COAL, OF THE PRICES AND MARKETING RULES AND REGULATIONS PROVIDED BY SECTION 4 OF THE ACT IN RE PETITION OF AMERICAN COAL DISTRIBUTORS ASSOCIATION FOR AMENDMENT OF § 304.14 (a) OF THE RULES AND REGULATIONS FOR REGISTRATION OF DISTRIBUTORS

NOTICE OF AND ORDER FOR HEARING

The Director of the Bituminous Coal Division, United States Department of the Interior, having on June 19, 1940, established Rules and Regulations for the Registration of Distributors in General Docket No. 12; and

Jurisdiction having been reserved in said order to entertain proceedings to

modify any of the determinations made therein; and

American Coal Distributors Association having filed its petition to reopen said General Docket No. 12, praying:

1. That § 304.14 (a) of said Rules and Regulations for the Registration of Distributors be amended by deleting the second paragraph of said section and inserting in lieu thereof substantially the following:

The registration of such distributor may be revoked or suspended for such period of time as the Division may deem proper, after hearing upon reasonable notice and upon proof that such registered distributor has wilfully violated any provisions of the Act or any orders or regulations made thereunder: *Provided*, That the Division, in its discretion, may issue an order directing such distributor to cease and desist violating the Act and regulations made thereunder, and upon failure of such distributor to comply with such order the Division may reopen the case upon ten (10) days' notice to the distributor affected and proceed in a hearing thereon as above provided.

2. That such other and further relief be granted as may seem just and equitable.

It is, therefore, ordered, That said General Docket No. 12 be reopened for the purpose of receiving evidence with respect to the modification of § 304.14 (a) of the Rules and Regulations for the Registration of Distributors, as requested by the petitioner, and that a hearing on such matter be held on February 16, 1942, at 10 o'clock in the forenoon of that day at a hearing room of the Bituminous Coal Division, 734 Fifteenth Street NW., Washington, D. C. On such day the Chief of the Records Section in Room 502 will advise as to the room where the hearing will be held.

It is further ordered, That Floyd McGown or any other officer or officers of the Bituminous Coal Division duly designated for that purpose shall preside at such hearing in such matter. The officers so designated to preside at such hearing are hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, subpoena witnesses, compel their attendance, take evidence, require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, to continue said hearing from time to time, and to prepare and submit proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to such petitioner and to any other person who may have an interest in such proceeding. Any person desiring to be heard at such hearing shall file a notice to that effect with the Bituminous Coal Division on or before February 10, 1942, setting forth therein the nature of his interest and a concise statement of the matter or matters which he intends to present.

All persons are hereby notified that the hearing in the above-entitled matter and any orders, rules or regulations prescribed pursuant thereto, may concern, in addition to the specific proposal made by petitioner, other matters germane to the subject matter thereof which may be raised by amendment, proposal or otherwise, or which may be necessary corollaries of said subject matter.

Dated: January 21, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-645; Filed, January 22, 1942;
11:21 a. m.]

[Docket No. 1745-FD]

IN THE MATTER OF JOHN ARRONCO, JR.,
DEFENDANT

CEASE AND DESIST ORDER

District Board 20 having filed a complaint with the Bituminous Coal Division on June 16, 1941, pursuant to the provisions of sections 5 II (j) and 5 (b) of the Bituminous Coal Act of 1937, alleging wilful violation by John Arronco, Jr., (Arronco Coal Company Mine), a code member in District 20, of the Bituminous Coal Code and the rules and regulations thereunder as follows:

That the defendant, subsequent to September 30, 1940, sold approximately 1,585.25 tons of 4 $\frac{3}{8}$ " lump coal and 581.50 tons of 1 $\frac{3}{8}$ " x 4 $\frac{3}{8}$ " egg coal, produced by the defendant at his mine (Mine Index No. 104) located in Carbon County, Utah, at prices 34 cents and 35 cents below the effective minimum prices for such coals;

Pursuant to an order of the Director and after due notice to all interested persons, a hearing in this matter having been held on September 2, 1941, before a duly designated Examiner of the Division at a hearing room thereof in Price, Utah, at which all interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses and otherwise be heard;

The undersigned having made Findings of Fact and Conclusions of Law, and having rendered an Opinion in this matter which are filed herewith;

Now, therefore, it is ordered, That the defendant, his representatives, agents, servants, employees, and attorneys, and all persons acting or claiming to act in his behalf, cease and desist and they are hereby permanently enjoined and restrained from selling or offering to sell coal produced by the defendant at less than the applicable effective minimum prices established therefor, contrary to the Bituminous Coal Act of 1937 or any rules and regulations promulgated thereunder, the Bituminous Coal Code, the Schedule of Effective Minimum Prices for District No. 20 for Truck Shipments, and the Marketing Rules and Regulations.

It is further ordered, That if the defendant fails to comply with this Order, the Division may forthwith apply to the Circuit Court of Appeals of the United States in any circuit where the defendant carries on business for the enforce-

ment hereof or take any other appropriate action.

Dated: January 19, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-646; Filed, January 22, 1942;
11:21 a. m.]

[Dockets Nos. 506-FD, 524-FD, 606-FD, 1163-FD, 1188-FD, 1323-FD, 1462-FD]

IN THE MATTER OF THE APPLICATIONS OF
PUBLIC SERVICE COMPANY OF INDIANA FOR
EXEMPTION UNDER SECTION 4-A OF THE
BITUMINOUS COAL ACT OF 1937

ORDER DENYING APPLICATIONS FOR
EXEMPTION

These proceedings were instituted upon applications for exemption filed by the Public Service Company of Indiana, an Indiana corporation, on December 30, 1937, October 28, 1938, and February 8, 1939, with the National Bituminous Coal Commission, and on November 21, 1939, February 5, 1940, June 14, 1940, and October 4, 1940, with the Bituminous Coal Division, pursuant to section 4-A of the Bituminous Coal Act of 1937. The applications sought the entry of orders exempting the coals of certain mining properties in District 11 from the provisions of section 4 of the Act.

Pursuant to Notice of and Order for Hearing, a consolidated hearing in Dockets Nos. 506-FD, 524-FD, 606-FD, 1163-FD, 1188-FD, was held from June 18 to June 20, 1940, before W. A. Cuff, a duly designated Examiner of the Division, at a hearing room thereof in Indianapolis, Indiana.

On September 18, 1940, pursuant to a stipulation entered into on August 30, 1940, by counsel for the applicant and counsel for the Division, the Director ordered the application for exemption in Docket No. 1323-FD consolidated with the applications for exemption in Dockets Nos. 506-FD, 524-FD, 606-FD, 1163-FD, and 1188-FD, and further ordered the application for exemption in Docket No. 1323-FD and the aforesaid stipulation incorporated into the record made on the applications for exemption in Dockets Nos. 506-FD, 524-FD, 606-FD, 1163-FD, and 1188-FD.

On December 7, 1940, pursuant to a stipulation entered into on November 29, 1940, by counsel for the applicant and counsel for the Division, the Director ordered the application for exemption in Docket No. 1462-FD consolidated with the applications for exemption in Dockets Nos. 506-FD, 524-FD, 606-FD, 1163-FD, 1188-FD, and 1323-FD, and further ordered the application for exemption in Docket No. 1462-FD and the stipulation entered into in respect thereto incorporated into the record made on the applications for exemption in Dockets Nos. 506-FD, 524-FD, 606-FD, 1163-FD, 1188-FD, and 1323-FD.

On January 28, 1941, the Director entered an Order permitting briefs to be filed within 20 days from the date thereof. Thereafter, counsel for the applicant requested that the Order of January 28, 1941, be set aside and that

the date for filing briefs be indefinitely postponed, pending the decision of the Supreme Court of the United States in the matter of *H. A. Gray, as Director of the Bituminous Coal Division of the Department of the Interior, et al., vs. Legh R. Powell, Jr., and Henry W. Anderson, as Receivers of Seaboard Air Line Railway Company*, as to which certiorari was granted to the aforementioned *H. A. Gray, et al.*, on January 6, 1941, by the Supreme Court of the United States. Accordingly, on February 18, 1941, the Order of January 28, 1941, was set aside and the date for filing briefs indefinitely postponed.

On February 28, 1941, counsel for the applicant and the General Counsel of the Division entered into a stipulation providing that "(a) In the event that the Supreme Court of the United States affirms the order of the Director entered on June 14, 1940 denying the application for exemption of Legh R. Powell, Jr. and Henry W. Anderson, as receivers of Seaboard Air Line Railway, Docket 49-FD, the applicant agrees to waive further hearing on the above-entitled applications for exemption [Dockets Nos. 506-FD, 524-FD, 606-FD, 1163-FD, 1188-FD, 1323-FD, and 1462-FD] and consents to the entry of an order of the Director denying, on the merits, the above-entitled applications; and (b) in the event that the Supreme Court of the United States, in the aforementioned litigation, affirms the decision of the United States Circuit Court of Appeals, Fourth Circuit, No. 4671, reversing and setting aside the order of the Director denying the application for exemption of Legh R. Powell, Jr. and Henry W. Anderson, receivers of Seaboard Air Line Railway Company, Docket 49-FD, both applicant and the Bituminous Coal Division may wish to resume the proceedings in the above-entitled applications for exemption [Dockets Nos. 506-FD, 524-FD, 606-FD, 1163-FD, 1188-FD, 1323-FD, and 1462-FD] and accordingly reserve to themselves the right to file briefs with the Director and to avail themselves of other and proper relief as may be allowed under the rules of practice before the Bituminous Coal Division and the provisions of the Bituminous Coal Act of 1937."

On December 15, 1941, the Supreme Court of the United States, by its decision in *H. A. Gray, as Director of the Bituminous Coal Division of the Department of the Interior, et al., Petitioners, vs. Legh R. Powell, Jr., and Henry W. Anderson, as Receivers of Seaboard Air Line Railway Company* (No. 18—October Term, 1941), reversed the decree of the United States Circuit Court of Appeals for the Fourth Circuit, entered on September 26, 1940, No. 4671, and upheld the Order of the Director, dated June 14, 1940, denying the application for exemption of the Receivers of the Seaboard Air Line Railway in Docket No. 49-FD.

It appears, therefore, that the applications for exemption heretofore filed in these dockets by Public Service Company of Indiana should be denied. An order

to this effect will be entered, effective so soon as temporary or final minimum prices are established for the mines in question, but in no event later than 60 days from the date hereof. It is expected that District Board 11 will promptly apply for the establishment of minimum prices for the mines in question.

Now, therefore, it is ordered, That, pursuant to the aforesaid stipulation of February 28, 1941, pursuant to the decision of the Supreme Court of the United States of December 15, 1941, in *H. A. Gray, as Director of the Bituminous Coal Division of the Department of the Interior, et al., Petitioners vs. Legh R. Powell, Jr. and Henry W. Anderson, as Receivers of Seaboard Air Line Railway Company* (No. 18—October Term, 1941), and pursuant to Section 4-A of the Bituminous Coal Act of 1937, the applications for exemption heretofore filed by Public Service Company of Indiana in Dockets Nos. 506-FD, 524-FD, 606-FD, 1163-FD, 1188-FD, 1323-FD, and 1462-FD, be and they hereby are, denied, effective so soon as temporary or final minimum prices are established for the mines concerning which such applications for exemption were filed, but in no event later than 60 days from the date hereof.

Dated: January 21, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-647; Filed, January 22, 1942; 11:21 a. m.]

General Land Office.

AIR NAVIGATION SITE WITHDRAWAL NO. 147
REVOKED

IDAHO

Departmental order of November 26, 1940, withdrawing the following-described land in Idaho under the provisions of the act of May 24, 1928, for the use of the Department of Commerce in the maintenance of air navigation facilities is hereby revoked.

BOISE MERIDIAN

T. 6 S., R. 14 E.
Sec. 11, SE¼NE¼.
40 acres.

OSCAR L. CHAPMAN,

Assistant Secretary of the Interior.

JANUARY 13, 1942.

[F. R. Doc. 42-634; Filed, January 21, 1942; 2:53 p. m.]

AIR NAVIGATION SITE WITHDRAWAL NO. 174
CALIFORNIA

It is ordered, under and pursuant to the provisions of Section 4 of the act of May 24, 1928, 45 Stat. 729, 49 U.S.C. 214, that the following-described public lands be, and they are hereby, withdrawn from all forms of appropriation under the public-land laws, subject to valid existing rights, for the use of the Defense Plant Corporation in the construction

and maintenance of air-navigation facilities.

SAN BERNARDINO MERIDIAN

T. 1 N., R. 9 E., sec. 4, NW¼;
T. 2 N., R. 9 E., sec. 33, W½, SE¼;
containing 640 acres.

HAROLD L. ICKES,
Secretary of the Interior.

JANUARY 7, 1942.

[F. R. Doc. 42-635; Filed, January 21, 1942; 2:53 p. m.]

Office of Indian Affairs.

ORDER AMENDING THE ORDER OF RESTORATION DATED DECEMBER 11, 1937

Pursuant to authority contained in Sections 3 and 7 of the Act of June 18, 1934 (48 Stat. 984), Departmental Order of December 11, 1937, published in the FEDERAL REGISTER January 4, 1938, Pages 5-7, inclusive (D. I.), restoring certain undisposed of vacant town site and villa site lots on the Flathead Reservation to tribal ownership, is hereby amended by adding thereto the following villa site lots:

	Block	Lot
Pollard Villa Site.....	4	6
Orchard Villa Site.....	3	8

OSCAR L. CHAPMAN,
Assistant Secretary of the Interior.
DECEMBER 12, 1941.

[F. R. Doc. 42-633; Filed, January 21, 1942; 2:48 p. m.]

DEPARTMENT OF AGRICULTURE.

Rural Electrification Administration.

[Administrative Order No. 658]

ALLOCATION OF FUNDS FOR LOANS

JANUARY 16, 1942.

By virtue of the authority vested in me by the provisions of section 4 of the Rural Electrification Act of 1936, as amended, I hereby allocate, from the sums authorized by said Act, funds for a loan for the project and in the amount as set forth in the following schedule:

Project designation:	Amount
Kansas 2032C3 Reno.....	\$12,000

[SEAL] HARRY SLATTERY,
Administrator.

[F. R. Doc. 42-639; Filed, January 22, 1942; 11:08 a. m.]

DEPARTMENT OF LABOR.

Division of Public Contracts.

IN THE MATTER OF THE DETERMINATION OF THE PREVAILING MINIMUM WAGES FOR THE CLOCK AND WATCH MANUFACTURING INDUSTRY

NOTICE OF HEARING AND OPPORTUNITY TO SHOW CAUSE

All interested parties are hereby notified that they are given until February 3, 1942, to show cause why the Secretary

of Labor should not determine that 45 cents per hour or \$18.00 per week of 40 hours, arrived at either upon a time or piece work basis, is the prevailing minimum wage to be paid by the Clock and Watch Manufacturing Industry, under section 1 (b) of the Public Contracts Act (49 Stat. 2036; 41 U.S.C. Sup. III 35), otherwise known as the Walsh-Healey Public Contracts Act and hereinafter called the Act, in the performance of contracts with agencies of the United States let subject to the provisions of the Act: *Provided*, That apprentices may be employed at lower rates of pay if their employment conforms to the standards of the Federal Committee on Apprenticeship.

The Clock and Watch Manufacturing Industry is that industry engaged in the manufacture, assembly and casing of clocks, chronometers, watches, time recorders, mechanical time fuses, and similar timing mechanisms; and parts thereof.

Excluded from the definition are watch cases, watch crystals, and those timing mechanisms which constitute an integral part of a product primarily manufactured or assembled outside the Clock and Watch Manufacturing Industry, such as traffic control systems, and complete day-night thermostats and other scientific industrial and laboratory instruments.

The minimum wage proposal is predicated upon a tabulation of wage schedules voluntarily submitted by members of the industry through special committees designated by the Administrator, Division of Public Contracts, and collated by the Research Section of the Division of Public Contracts, Department of Labor. Copies of this wage tabulation may be had on application to the Administrator, Division of Public Contracts, Washington, D. C.

Briefs for or against the proposed determination must be filed with the Administrator, Division of Public Contracts, Department of Labor, on or before February 3, 1942. No form for the brief is prescribed but an original and four copies must be submitted.

On February 3, 1942, at 10:00 a. m. a hearing will be held in Room 3135, Department of Labor Building, Fourteenth Street and Constitution Avenue Northwest, Washington, D. C., before the Public Contracts Board at which interested persons will be given opportunity to be heard in opposition to or in favor of the proposed determination.

The entire record will be considered by the Secretary of Labor before the wage determination is made.

Dated: January 19, 1942.

[SEAL] L. METCALFE WALLING,
Administrator.

[F. R. Doc. 42-651; Filed, January 22, 1942; 11:30 a. m.]

FEDERAL SECURITY AGENCY.

Food and Drug Administration.

[Docket No. FDC-35]

IN THE MATTER OF REGULATIONS TO PROVIDE FOR THE CERTIFICATION OF BATCHES OF DRUGS COMPOSED WHOLLY OR PARTLY OF INSULIN

NOTICE OF HEARING ON PROPOSED REGULATIONS

The Federal Security Administrator, pursuant to section 506 of the Federal Food, Drug, and Cosmetic Act, as amended by Public Law 366, 77th Cong., 1st Sess. (1941), will hold an informal hearing on proposed regulations to provide for the certification of batches of insulin-containing drugs, commencing at 10 o'clock in the morning of January 30, 1942, in Room 3106, South Building, United States Department of Agriculture, Independence Avenue between 12th and 14th Street SW., Washington, D. C. The proposed regulations are as follows:

GENERAL REGULATION

§ 2.1065 For the purposes of sections 502 (k) and 506 of the Act, the term "insulin" as used therein means the active principle of pancreas which affects the metabolism of carbohydrate in the animal body and which is of value in the treatment of diabetes mellitus.

INSULIN REGULATIONS

§ 144.00 *Definitions and interpretations of terms.* For the purpose of these regulations—

(a) The term "insulin", except when used in "insulin U. S. P." and in "protamine zinc insulin", means the active principle of pancreas, which affects the metabolism of carbohydrate in the animal body and which is of value in the treatment of diabetes mellitus.

(b) The term "master lot" means a quantity, which is purified and which has been mixed in one container so as to be homogeneous, of (1) a concentrated solution of insulin, or (2) the insulin-containing solids, in amorphous or crystalline form, derived from such a solution.

(c) The term "batch" means a quantity of a drug, of uniform composition and intended for administration without further change, in which the sole insulin-containing ingredient is a single dilution (which has been mixed in one container so as to be homogeneous) of (1) a single master lot or part thereof, or (2) a homogeneous mixture of two or more master lots or parts thereof; except that such term means a portion of such quantity when certification of such portion is requested.

(d) The term "master lot mark" means an identifying mark or other identifying device assigned to a master lot by the manufacturer thereof.

(e) The term "batch mark" means an identifying mark or other identifying device assigned to a batch by the manufacturer thereof.

(f) The definitions and interpretations of terms contained in section 201 of the Act shall be applicable to such terms when used in these regulations.

§ 144.01 *Requests for certification; samples; storage; approvals preliminary to certification.* (a) A request for certification of a batch shall be addressed to the Food and Drug Administration, Federal Security Agency, Washington, D. C. A request from a foreign manufacturer shall be signed by such manufacturer and by an agent of such manufacturer who resides in the United States.

(b) The initial request for certification submitted by any person shall be preceded or accompanied by a full statement of the facilities and controls used to maintain the identity, strength, quality, and purity of each batch, including a description of (1) the equipment, methods, and processes used in diluting master lots and parts thereof, and in maintaining the identity, strength, quality, and purity of master lots and dilutions therefrom; (2) the tests and assays made on master lots and mixtures thereof, on dilutions and batches therefrom, and on ingredients used in such dilutions and batches; and (3) the laboratory facilities used in such controls. Such initial request shall also be preceded or accompanied by the keys to the master lot marks and batch marks used by such person. When any change is made in such facilities or controls, or in such keys, the next request for certification thereafter shall be accompanied by a full statement of such change.

(c) A person who requests certification of a batch shall submit in connection with his request statements showing—

(1) The master lot mark of each master lot used or to be used wholly or partly as an ingredient or component of an ingredient of the batch;

(2) The quantity of each such master lot so used;

(3) The original quantity of each such master lot (unless such information has been submitted with a previous request);

(4) The name, quality, and quantity of each ingredient used, other than master lots, in preparing the batch;

(5) The quantity of the batch; and

(6) The batch mark.

(d) Except as otherwise provided in paragraphs (g) and (h), a person who requests certification of a batch shall submit in connection with his request and in the quantities indicated, accurately representative samples of the following:

(1) The single master lot or the mixture of two or more master lots or parts thereof, to be used as an ingredient of the batch; in a quantity containing approximately 10,000 U. S. P. units of insulin.

(2) A trial dilution from such master lot or mixture, which dilution conforms to the standards of identity, strength, quality, and purity for insulin U. S. P. containing 20 U. S. P. units or 40 U. S. P. units of insulin per cubic centimeter; in a quantity containing approximately 10,000 U. S. P. units of insulin.

(3) In case the batch is to be insulin U. S. P., the bulk dilution from such master lot or mixture, which dilution, without further change, is intended to be filled into the containers of the finished batch; in a quantity containing approximately 2,500 U. S. P. units of insulin.

(4) In case the batch is to be protamine zinc insulin, the bulk dilution from such master lot or mixture, containing protamine, zinc chloride, glycerin, and phenol or cresol, which dilution is the sole insulin-containing ingredient intended to be filled into the containers of the finished batch, and which is intended to be so filled without further change; in a quantity containing approximately 2,500 U. S. P. units of insulin.

(5) In case the batch is to be protamine zinc insulin, the lot of protamine used as an ingredient of the bulk dilution referred to in subparagraph (4) of this paragraph; in a quantity of approximately 2 grams.

(6) In case the batch is to be protamine zinc insulin, the buffer solution which, without further change, is intended to be filled into the containers of the finished batch; in a quantity not less in volume than the volume of the sample submitted pursuant to subparagraph (4).

(7) In case the batch is to be protamine zinc insulin, a trial mixture of the bulk dilution and the buffer solution referred to in subparagraphs (4) and (6) of this paragraph, which mixture is intended to be accurately representative of the mixture which will constitute the finished batch; in a quantity containing approximately 2,500 U. S. P. units of insulin.

(8) The finished batch; in a quantity not less than 5 packages.

(e) Except as otherwise provided by paragraphs (g) and (h), a person who requests certification shall submit in connection with his request results of tests and assays, made by him on a sample of each of the following materials, which are listed below for each sample after the designation of the material from which the sample was taken:

(1) The master lot or mixture, referred to in paragraph (d) (1): nitrogen, reaction, and sterility, if such master lot or mixture is a solution; or ash, moisture, nitrogen, and zinc, if such master lot or mixture is a solid.

(2) A trial dilution from such master lot or mixture (which may be the trial dilution referred to in paragraph (d) (2)): ash, nitrogen, reaction, potency, sterility, and zinc.

(3) In case the batch is to be insulin U. S. P., the bulk dilution referred to in paragraph (d) (3): ash, nitrogen, reaction, sterility.

(4) In case the batch is to be protamine zinc insulin, the bulk dilution referred to in paragraph (d) (4): nitrogen, reaction, and sterility.

(5) In case the batch is to be protamine zinc insulin, the protamine referred to in paragraph (d) (5): moisture, nitrogen, and sulfate.

(6) In case the batch is to be protamine zinc insulin, the buffer solution referred to in paragraph (d) (6): reaction and sterility.

(7) In case the batch is to be protamine zinc insulin, the trial mixture referred to in paragraph (d) (7): nitrogen, reaction, sterility, zinc, and biological reactions (by the tests prescribed in section 144.09 (a) and (b), except that, if the batch is to be of 80 unit strength, the test prescribed in § 144.09 (a) may be made, in lieu of the test prescribed in § 144.09 (b), on a trial mixture of 40 unit strength prepared from the same materials and in the same manner as such 80 unit batch is to be made).

(8) The finished batch: identity, nitrogen, reaction, and sterility.

(f) The results of tests and assays for the following shall be reported in the terms indicated:

Ash—milligrams per 1,000 U. S. P. units of insulin.

Moisture—percent by weight.

Nitrogen (except in protamine)—milligrams per cubic centimeter in the cases of solutions and suspensions, and percent by weight in the case of solids.

Nitrogen in protamine—percent by weight, calculated to a moisture-free basis.

Potency—U. S. P. units of insulin per cubic centimeter.

Reaction—hydrogen ion concentration (pH).

Sulfate—percent by weight, as SO₄.

Zinc—milligrams per cubic centimeter in the cases of solutions and suspensions, and percent by weight in the case of solids.

(g) The samples referred to in paragraph (d) (1) to (7), inclusive, or the results referred to in paragraph (e) (1) to (7), inclusive, are not required if such samples or results have been submitted in connection with a previous request. Each sample submitted pursuant to this section shall be so packaged as to maintain its representative character, and in the case of any solution or suspension, shall be collected and packaged under aseptic conditions. Each package shall be clearly identified as to its contents and shall bear the name and post office address of the person submitting the request. Except when such information has been submitted pursuant to paragraph (c), each sample submitted pursuant to paragraph (d) (2), (3), (4), (6), (7), and (8) shall be accompanied by a statement showing the identity and quantity of each substance used as an ingredient or as a component of an ingredient in the material from which such sample was taken. If the tests and assays, results of which are submitted pursuant to paragraph (e) (2), were not

made on the same material as that from which the sample submitted pursuant to paragraph (d) (2) was taken, such statement shall show such information with respect to the material, results upon which are so submitted. The information submitted pursuant to paragraph (e) (1) shall include a statement of the potency of the master lot or mixture, calculated from an assay of a trial dilution thereof. The packages constituting the sample submitted pursuant to paragraph (d) (8) shall be collected at such intervals that the quantities packaged between collections are approximately equal and that the collections cover the entire period of packaging.

(h) The person who requests certification shall submit such information additional to that submitted pursuant to paragraphs (b), (c), (e), and (g), such additional samples of any substance referred to in paragraph (d), and such samples of any other substance used or to be used as an ingredient or as a component of an ingredient in the batch, as the Food and Drug Administration may require for the purpose of its investigations to determine whether or not such batch complies with the requirements set forth by § 144.02 for the issuance of a certificate.

(i) After a sample required by paragraph (d) is taken from any master lot or mixture of parts of two or more master lots, such master lot or master lots and all parts thereof (except such as are solids), and all dilutions and batches and all parts thereof in which any such master lot is used as an ingredient or as a component of an ingredient, shall be stored at the establishment where manufactured until used up or shipped or otherwise delivered, at a temperature above freezing but not above 10° C. (50° F.), and under such other conditions as prevent, so far as practicable, any change in composition.

(j) As promptly as practicable after the samples submitted pursuant to paragraph (d) (1) and (2), and any other material or information relative thereto that may be required under this section, are received by the Food and Drug Administration, it shall notify the person who submitted such samples of its approval or refusal to approve the use of the master lot or mixture for the making of bulk dilutions. In case of a refusal to approve, the Food and Drug Administration shall state its reasons therefor.

(k) In like manner, the Food and Drug Administration shall notify the person who submits samples pursuant to paragraph (d) (3) to (7), inclusive, of its approval or refusal to approve the use of the materials represented by the samples in completing the manufacture of the batch. In case of a refusal to approve, the Food and Drug Administration shall state its reasons therefor.

(l) If, under the provisions of paragraph (j) or (k), the Food and Drug Administration has refused to approve any material for use in a subsequent operation, it shall examine no other sample required hereunder which includes such material as an ingredient or com-

ponent of an ingredient, unless and until the person requesting certification makes an adequate showing that the cause for such refusal no longer exists.

§ 144.02 *Certifications.* (a) If the Food and Drug Administration determines, after such investigation as it considers necessary, that—

(1) The information submitted pursuant to § 144.01 appears to contain no untrue statement of a material fact;

(2) The batch conforms to the standards of identity, strength, quality, and purity for insulin U. S. P. or for protamine zinc insulin; and

(3) the batch appears to comply otherwise with these regulations;

the Food and Drug Administration shall issue to the person who requested it a certificate showing that such batch, subject to the conditions and restrictions prescribed by § 144.03, is certified as safe and efficacious for use.

(b) If the Food and Drug Administration determines, after such investigation as it considers to be necessary, that the information submitted pursuant to § 144.01, or the batch covered by such request, does not comply with the requirements set forth by paragraph (a) of this section for the issuance of a certificate, the Food and Drug Administration shall refuse to certify such batch and shall give notice thereof to the person who requested certification, stating its reasons for refusal.

(c) For the purposes of its investigations under the authority of this section, the Food and Drug Administration shall accept, when it is satisfied as to the completeness and accuracy thereof, the results of any tests or assays made by a laboratory, not under control of such manufacturer, in carrying out an effective contract entered into before December 22, 1941.

§ 144.03 *Limitations on the effectiveness of certificates.* (a) A certificate shall not become effective if it is obtained through fraud or misrepresentation of a material fact.

(b) A certificate on insulin U. S. P. shall cease to be effective with respect to the batch covered thereby or any part thereof 2 years after such batch or part is removed from the storage required by § 144.01 (i).

(c) A certificate on protamine zinc insulin shall cease to be effective 18 months after the batch covered thereby was filled into retail containers, but in no case shall such certificate remain effective with respect to such batch or any part thereof more than 12 months after such batch or part is removed from the storage required by § 144.01 (i).

(d) A certificate shall not be effective with respect to any batch or part thereof unless the labels and labeling of such batch or part bears all words, statements, and other information, and the packages are distinguished by the color or colors, required by § 144.04.

(e) A certificate shall not become effective with respect to any package from a certified batch until such package has been so sealed that the immediate container cannot be opened without destroying such package or seal; such certificate

shall cease to be effective if such package, seal, or container is broken.

(f) A certificate shall cease to be effective with respect to the batch covered thereby or any part thereof when such batch or part so changes that it fails to meet the standards of identity, strength, quality, and purity upon the basis of which such batch was certified; except that those minor changes in potency (not exceeding 10 percent from the potency stated on the label, in the case of insulin U. S. P.) which occur before the expiration date, and which are normal and unavoidable in good storage and distribution practice, shall be disregarded.

§ 144.04 *Labeling.* (a) Each package of a batch shall bear on its label or labeling, as indicated in the following, and in addition to other words, statements, and information required by or under authority of the Act to appear on such label or labeling—

(1) The batch mark of such batch, on the label;

(2) The strength of the drug, on the label, in terms of U. S. P. units of insulin per cubic centimeter;

(3) The statement "Expiration date _____", on the labeling, the blank being filled in with the date on which the certificate ceases to be effective, as specified by paragraph (b) or (c) of § 144.03;

(4) The statement "Keep in a cold place; avoid freezing", on the labeling; and

(5) If the batch is protamine zinc insulin, the statement "Shake carefully", "Shake before using", or "Shake well", on the label.

[Further labeling requirements relevant to the safety and efficacy of the use of insulin-containing drugs will be considered at the hearing.]

(b) The packages of each strength of insulin U. S. P., and of each strength of protamine zinc insulin, shall be distinguished by a color or colors as follows:

(1) Insulin U. S. P.—

Yellow, if it contains 20 U. S. P. units of insulin per cubic centimeter;

Red, if it contains 40 U. S. P. units of insulin per cubic centimeter;

Green, if it contains 80 U. S. P. units of insulin per cubic centimeter;

Orange, if it contains 100 U. S. P. units of insulin per cubic centimeter.

However, if the master lot used was in crystalline form, the distinguishing color, instead of those prescribed above, may be—

Blue and gray, or blue, gray, and yellow, if it contains 20 U. S. P. units of insulin per cubic centimeter;

Red and gray, if it contains 40 U. S. P. units of insulin per cubic centimeter;

Green and gray, if it contains 80 U. S. P. units of insulin per cubic centimeter.

(2) Protamine zinc insulin—

Red and white, if it contains 40 U. S. P. units of insulin per cubic centimeter;

Green and white, if it contains 80 U. S. P. units of insulin per cubic centimeter.

§ 144.05 *Records of distribution.* (a) The person to whom a certificate is issued shall keep complete records showing each shipment or other delivery of each batch or part thereof, by the person requesting certification or by any person under his control, including records showing the date and quantity of each such shipment or delivery and the name and post office address of the person to whom such shipment or delivery was made.

(b) Upon the request of any officer or employee of the Food and Drug Administration or of any other officer or employee of the United States, acting on behalf of the Administrator, the person to whom a certificate is issued, at all reasonable hours within three years after disposal of all the batch covered by such certificate, shall make such records available to any such officer or employee, and shall accord to such officer or employee full opportunity to make inventory of stocks of such batch on hand and otherwise to check the correctness of such records.

§ 144.06 *Authority to refuse certification service.* When the Administrator finds, after giving notice and opportunity for hearing, that a person has—

(a) Obtained or attempted to obtain a certificate through fraud or misrepresentation of a material fact;

(b) Falsified the records required to be kept by § 144.05; or

(c) Failed to keep such records or to make them available, or to accord full opportunity to make an inventory of stocks on hand or otherwise to check the correctness of such records, as required by such section,

the Administrator may immediately suspend service to such person under these regulations and may continue such suspension unless and until such person shows adequate cause why such suspension should be terminated.

§ 144.07 *Fees.* (a) Fees for the services rendered under these regulations shall be such as are necessary to provide, equip, and maintain an adequate certification service.

(b) Each request for certification submitted, or the initial sample or samples submitted in connection therewith pursuant to § 144.01 (d), whichever is sent first to the Food and Drug Administration, shall be accompanied by an advance deposit of \$100 to cover the fee; except that, if the results of an assay made for potency on a sample of the trial dilution by a laboratory referred to in § 144.02 (c) are not submitted and are not to be submitted, such advance deposit shall be \$1,000.

(c) Each sample of trial mixture submitted pursuant to § 144.01 (d) (7) shall be accompanied by an advance deposit of \$350 to cover the fee, unless the results of the biological tests prescribed in § 144.08 (c), made on a sample from the trial mixture by a laboratory referred to in § 144.02 (c), are submitted or are to be submitted.

(d) Whenever necessary to prevent arrears in payment of the fee, such additional advance deposits covering such fee shall be made as the Food and Drug Administration estimates to be

necessary to prevent arrears in payment thereof.

(e) Advance deposits made pursuant to paragraphs (b), (c), and (d) shall be charged with the fee for the service rendered. If the total of such advance deposits made by any persons exceeds the fee for service to such person, the excess shall be returned to such person upon the completion of such service.

(f) All advance deposits required by these regulations shall be paid by money order, bank draft, or certified check drawn to the order of the Treasurer of the United States, collectible at par, at Washington, D. C.

(g) All earned fees shall be deposited in the Treasury of the United States to the credit of Miscellaneous Receipts, Federal Security Agency.

§ 144.08 *Standards of identity, strength, quality, and purity for protamine zinc insulin.* Protamine zinc insulin is a preparation, in a buffered medium, of insulin modified by the addition of protamine and zinc chloride. The quantity of insulin used is such that each cubic centimeter of the finished modified preparation, when the precipitate therein is brought into uniform suspension, contains either 40 or 80 U. S. P. units of insulin. The quantity of protamine used is such that the concentration of insulin in each cubic centimeter of the supernatant liquid, obtained by centrifuging the preparation, is not more than 1 U. S. P. unit for the 40 unit preparation nor more than 1.5 U. S. P. units for the 80 unit preparation; but in no case is the quantity of protamine used (calculated on a moisture-free basis) less than 1.0 milligram or more than 1.5 milligrams for each 100 U. S. P. units of insulin used. The preparation also contains, for each 100 U. S. P. units of insulin used, not less than 0.20 milligram and not more than 0.25 milligram zinc, and not more than 1.25 milligrams total nitrogen. The quantity of disodium phosphate (dried sodium phosphate U. S. P., Na_2HPO_4) used is not less than 0.15 nor more than 0.25 percent (w/v). If necessary, either hydrochloric acid or sodium hydroxide may be added so that the pH of the finished modified preparation is not less than 7.1 and not more than 7.4. The finished preparation also contains not less than 1.40 and not more than 1.80 percent (w/v) glycerin U. S. P. and either cresol U. S. P. in a quantity not less than 0.18 and not more than 0.22 percent (w/v), or phenol U. S. P. in a quantity not less than 0.22 and not more than 0.28 percent (w/v). The preparation must be sterile. The protamine used is prepared from the sperm or mature testes of fish belonging to the family *Salmonidae*, genus *Oncorhynchus*, *Salmo*, or *Trutta*. When protamine is dried to constant weight at 100° C. its total nitrogen content is 22.5 to 25.5 percent, and its sulfate content, calculated as SO_4 , is 16 to 19 percent.

§ 144.09 *Tests and methods of assay.* The following tests and methods of assay are prescribed for the purposes of these regulations. (All reagents specified herein shall be of U. S. P. quality or better.)

(a) *Biological reaction for protamine zinc insulin containing 40 U. S. P. units of insulin per cubic centimeter.* The rate, amount, and duration of effect in lowering the blood sugar of rabbits by protamine zinc insulin is determined by comparing the average blood sugar concentrations at various intervals during not less than an 11-hour observation period following the administration of protamine zinc insulin into rabbits with those similarly obtained by administration of protamine zinc insulin reference material.

(1) *Protamine zinc insulin reference material.* Prepare the protamine zinc insulin reference material to contain 40 U. S. P. units of insulin per cubic centimeter from the following component solutions (or solutions of the same proportionate composition per cubic centimeter) by adding a suitable volume of Solution 4, accurately measured at room temperature, to an equal volume of Solution 2 with gentle shaking. Test the pH and if it is not within the limits of 7.1 to 7.4 discard and prepare a new mixture using a freshly prepared sample of Solution 2 in which the hydrogen ion concentration has been suitably adjusted by the addition of a solution of either sodium hydroxide or hydrochloric acid. Store in a refrigerator and do not use in less than 2 days nor more than 6 months after preparation.

(i) *Solution 1.* Dissolve 0.307 gram zinc chloride, 16 grams glycerin, and 2.5 grams phenol (or 2 grams cresol) in distilled water. Add 40.0 cubic centimeters of approximately tenth-normal hydrochloric acid and sufficient distilled water to make the final volume 1,000 cubic centimeters.

(ii) *Solution 2.* Dissolve 4 grams sodium phosphate, 16 grams glycerin, and 2.5 grams phenol (or 2 grams cresol) in sufficient distilled water to make the final volume 1,000 cubic centimeters.

(iii) *Solution 3.* Dissolve in Solution 1 not less than 100 milligrams of the reference protamine in the proportion of 1 milligram cubic centimeter. Preserve this solution in a cold place and do not use after 6 months.

(iv) *Solution 4.* Weigh accurately a suitable quantity of U. S. P. Zinc-Insulin Crystals Reference Standard and dissolve in a sufficient quantity of Solution 3 to yield a concentration of 80 U. S. P. units of insulin per cubic centimeter. If necessary add 1 drop of dilute hydrochloric acid to effect complete solution. Store this solution in a refrigerator and do not use after 3 months.

(2) *Test animal.* The test animal shall be the same as that described for the assay of Insulin U. S. P.

(3) *Volume of the protamine zinc insulin reference material to be injected.* The volume of the preparation to be injected shall be determined as described for the assay of Insulin U. S. P.

(4) *Conduct of the test.* Divide the animals into 2 similar groups of approximately equal size. With the rabbits in individual cages withhold all food, except water, approximately 24 hours before the test. Weigh the rabbits on the morning of the day of the test and deprive them of water until after the final sample of blood has been taken. Handle the rabbits with care in order to avoid undue excitement. Obtain for the determination of the initial blood sugar concentration slightly more than 1 cubic centimeter of blood from a small incision in the marginal ear vein. Collect the blood in a suitable vessel containing about 3 milligrams of potassium or sodium oxalate. After obtaining this sample of blood, inject subcutaneously, without dilution, into the rabbits of one group the appropriate dose of protamine zinc insulin reference material and into the rabbits of the other group the same volume of the preparation to be tested. In the same manner as for the determination of the initial blood sugar concentration, obtain at least 5 samples of blood (in addition to the initial sample) from each rabbit at intervals of 2 to 3 hours, over a period of not less than 11 hours after the injection. Determine the blood sugar concentration in each sample of blood. About 1 week later inject the preparation to be tested into each rabbit of the group which received the protamine zinc insulin reference material; in a similar manner inject the protamine zinc insulin reference material into each rabbit of the group which received the preparation to be tested. Obtain samples of blood in the same manner as described above and determine the concentration of sugar in each of them. All rabbits shall be injected with the same volume of either the protamine zinc insulin reference material or of the preparation to be tested. Results on a total of not less than 30 rabbits shall constitute a test.

(5) *Blood sugar determination.* The method shall be that described for the assay of Insulin U. S. P.

(6) *Interpretation of the data.* The index of the relative effect at each bleeding time of the preparation to be tested compared with that of the protamine zinc insulin reference material is calculated from the formula:

$$\text{Index at time } x = \frac{\text{Average blood sugar concentration obtained at time } x \text{ by the preparation to be tested}}{\text{Average blood sugar concentration obtained at time } x \text{ by the protamine zinc insulin reference material}}$$

The preparation to be tested is satisfactory if the index for each bleeding time except the last is between 0.92 and 1.08 and the average of all of the indexes is between 0.95 and 1.05.

(b) *Biological reaction for protamine zinc insulin containing 80 U. S. P. units of insulin per cubic centimeter.* Protamine zinc insulin containing 80 U. S. P. units of insulin per cubic centimeter is

tested according to the method outlined in these regulations for the assay of protamine zinc insulin containing 40 U. S. P. units of insulin per cubic centimeter except, that—

(1) The protamine zinc insulin reference material is so prepared as to contain 80 U. S. P. units of insulin per cubic centimeter with the same relative proportions of zinc and protamine per unit of insulin; and

(2) in the interpretation of the data the index for each bleeding time other than the last is between 0.85 and 1.15 and the average of the indexes is between 0.90 and 1.10.

(c) *Biological reaction for the activity of the supernatant liquid.* Centrifuge the protamine zinc insulin under test and remove a sample of the clear supernatant liquid.

(1) *Standard solution* The standard solution is the same as that described in the U. S. P. for the assay of Insulin U. S. P.

(2) *Dilution of the standard solution.* Dilute the standard solution using a distilled water solution of between 0.1 and 0.25 percent (w/v) of either phenol or cresol, between 1.4 and 1.8 percent (w/v) of glycerin and sufficient hydrochloric acid to produce a pH of 2.5 to 3.5 such that 0.25 cubic centimeter of the dilution will be sufficient to cause convulsions in approximately 50 percent of the animals but in no case less than 30 percent nor more than 75 percent of the mice injected.

(3) *Dilution of the supernatant liquid to be tested.* Dilute the sample of the supernatant liquid, using a distilled water solution of between 0.1 and 0.25 percent (w/v) of either phenol or cresol, between 1.4 and 1.8 percent (w/v) of glycerin and sufficient hydrochloric acid to produce a pH of 2.5 to 3.5. On the assumption that 1 cubic centimeter of the sample of the supernatant liquid contains 1 U. S. P. unit of insulin for the 40 unit preparation and 1.5 U. S. P. units of insulin for the 80 unit preparation, make the dilution such that the final concentration of insulin is the same as that of the dilution of the standard solution.

(4) *Test animal.* Select for test purposes healthy white mice weighing between 17 and 21 grams and otherwise suitable. Withhold all food, except water, for at least 5 hours before the test. Divide the mice into 2 groups and identify by an appropriate mark all the mice of one group.

(5) *Conduct of the test.* Inject subcutaneously 0.25 cubic centimeter of the dilution of standard solution into each mouse of one group and 0.25 cubic centimeter of the dilution of the supernatant liquid to be tested into each mouse of the other group. Inject a total of not less than 100 mice with each dilution. Upon injection place the mice in containers, suitably ventilated and maintained at a uniform temperature of 32° C. to 38° C., so that each container will have an equal number of mice from each group. During the test the temperature should not fluctuate more than plus or minus 1° C. Observe the mice during a uniform pe-

riod of 60 to 90 minutes after injection and record the number which are in collapse or show convulsions.

(6) *Interpretation of results.* When the number of mice in which collapse or convulsions are observed following the injection of the dilution of the supernatant liquid to be tested does not exceed the number of mice in which collapse or convulsions occurred following the injection of the dilution of the standard solution, the preparation is satisfactory from the standpoint of the insulin content of the supernatant liquid.

(d) *Identification.* Acidify protamine zinc insulin to a pH of from 2.5 to 3.5. The precipitate dissolves giving a clear colorless liquid. Using this liquid proceed as directed in the U. S. P. for the identification of Insulin U. S. P.

(e) *Sterility.* Protamine zinc insulin shall be tested for sterility by the following procedure, using one or both of the media described:

Fluid thioglycollate medium (Brewer). Prepare broth base from the following ingredients, in the proportions indicated:

Ground fresh beef (freed of fat)-----	Grams	300
Sodium chloride-----		5
Dipotassium phosphate (K ₂ HPO ₄ , anhydrous)-----		2
Peptone-----		10
	Cubic centimeters	
Distilled water-----		1,000

Mix the ground meat thoroughly in the distilled water and allow to stand at 5° C. for 24 hours. Collect the liquid by straining through cloth and heat it for one hour in flowing steam, then for 30 minutes at 15 pounds pressure (121° C.). Filter while hot through moistened filter paper and make up to the original volume with distilled water. Add the remaining ingredients and stir until solution is completed. So adjust the reaction with sodium hydroxide solution that the pH of the completed broth base is 7.5. Heat in flowing steam for 30 minutes and clear by filtration. If the broth base is to be stored, it is then sterilized at 15 pounds pressure (121° C.) for 20 minutes.

To 1000 cubic centimeters of this broth base add the following ingredients:

Dextrose (anhydrous)-----	Grams	10.0
Sodium thioglycollate-----		1.0
Agar (less than 15 percent moisture by weight)-----		0.5
	Cubic centimeter	
Methylene blue (certified by Commission on Standardization of Biological Stains), 0.2 percent solution-----		1.0

Add the agar to the broth base, mix well and dissolve by heating gradually to the boiling point. Cool to approximately 80° C. and add the remaining ingredients. Stir until solution is completed and ingredients are uniformly distributed. So adjust the reaction with sodium hydroxide solution that the pH of the completed and sterile medium is 7.5±0.1.

Fluid thioglycollate medium (Linden). Prepare this medium from the following ingredients, in the proportions indicated:

Peptone-----	Grams	20.0
Dextrose (anhydrous)-----		5.0
Yeast extract (dehydrated)-----		2.0
Sodium thioglycollate-----		1.0
Sodium chloride-----		5.0
Agar (less than 15 percent moisture by weight)-----		0.5
Dipotassium phosphate (K ₂ HPO ₄ , anhydrous)-----		2.5
	Cubic centimeters	
Distilled water-----		1,000.0
Methylene blue (certified by Commission on Standardization of Biological Stains), 0.2 percent solution-----		1.0

Dissolve the agar in half the volume of distilled water by boiling or heating in flowing steam. Dissolve the remaining ingredients, except the methylene blue, in the remaining water with the aid of heat and mix the two solutions. So adjust the reaction with sodium hydroxide solution that the pH of the completed and sterile medium is 7.5±0.1. Filter clear while hot and add the methylene blue solution.

In the preparation of these media avoid all contamination with calcium. Do not use sodium thioglycollate which is yellow or yellowish-brown or has an abnormal odor.

Conduct of the test. Place 15 cubic centimeters of the medium to be used for the sterility test in straight-walled, slender tubes of appropriate size and sterilize in an autoclave at 15 to 17 pounds pressure (121° C. to 123° C.) for 20 minutes. Test tubes 150 by 20 millimeters are satisfactory for this purpose.

After removal of the tubes from the autoclave, allow to cool to below 25° C. in order to set the agar. Store, protected from excessive light, at 15° C. to 30° C. (storage at low temperatures increases absorption of atmospheric oxygen). If more than 20 percent of the uppermost portion of the medium has changed to a green color, it is not suitable for use. Under such circumstance one reheating in flowing steam to drive off the absorbed oxygen is permissible.

Test each lot of medium for its growth-promoting qualities by a trial run. Discard the medium unless it supports growth when inoculated with 1 cubic centimeter of a 1:100,000 dilution of a 24-hour broth culture of *Clostridium novyi* and also when inoculated with 1 cubic centimeter of a 1:100,000 dilution of a 24-hour broth culture of *Escherichia coli*.

Test sterility of protamine zinc insulin injection by inoculating 1 cubic centimeter thereof into each tube of medium used, under strict aseptic precautions. Incubate all tubes at 37° C. for seven days and examine on the second, fourth, and seventh days after inoculation. Agitate only after 48 hours' incubation to insure initial anaerobiosis. If at the end of the seven days 50 percent or more of the medium in any tube has changed from the color of the fresh medium to a green color, discard the test.

(f) *Sulfate in protamine*—(1) *Conduct of test.* Weigh accurately about 10 milligrams of protamine into a small casserole or beaker, add 0.2 cubic centimeter of

normal sodium hydroxide and evaporate carefully to dryness. Heat over a flame until a grayish-white ash results. Add 10 cubic centimeters of distilled water and neutralize to litmus with approximately tenth-normal hydrochloric acid. To the neutral solution add 2 cubic centimeters of benzidine test solution and 4 cubic centimeters of 95 percent (w/v) solution of acetone in distilled water. Allow to stand for 10 minutes and filter through a 5 or 6-centimeter ash-free filter paper fitted into a small funnel. Wash the beaker and precipitate with 15 cubic centimeters of the 95 percent acetone, using five 1 cubic centimeter portions to wash the beaker, the remainder to wash the precipitate on the filter paper. Loosen the filter paper from the funnel and after some of the acetone has evaporated, transfer it and the precipitate to the vessel in which the benzidine sulfate was precipitated. Treat the precipitate with 10 cubic centimeters of water and heat on a water bath until the odor of acetone disappears. Introduce 1 drop of phenolphthalein test solution U. S. P. and titrate the solution while hot with fiftieth-normal sodium hydroxide to the first faint permanent pink, observing carefully that all particles of the benzidine sulfate precipitate have dissolved and reheating if necessary to bring the last traces into solution. Use a burette graduated into divisions of not more than 0.05 cubic centimeter so that readings can be estimated to 0.01 cubic centimeter.

Each cubic centimeter of fiftieth-normal sodium hydroxide is equivalent to 0.636 milligram of sulfate (SO_4). Calculate the results on a moisture-free basis.

(2) *Reagent.* Benzidine test solution. Dissolve 4 grams of benzidine in 45 cubic centimeters of normal hydrochloric acid and dilute to 250 cubic centimeters with distilled water. Before use, remove by filtration through ash-free filter paper any brown residue that may form.

(g) *Sulfate in protamine zinc insulin.* Transfer 5 to 10 cubic centimeters of well mixed protamine zinc insulin from the container to a small casserole or beaker. Add 0.2 cubic centimeter of normal sodium hydroxide and evaporate carefully to dryness. Proceed from this point with the test as described in these regulations for sulfate in protamine beginning with the sentence "Heat over a flame * * *".

(h) *Total nitrogen.* (1) The total nitrogen content of protamine zinc insulin is determined by the method described in the U. S. P. for Insulin U. S. P.

(2) The total nitrogen content of protamine is determined by the method described in the U. S. P. for Insulin U. S. P., except that the sample taken for analysis is approximately 25 milligrams of protamine.

(i) *Zinc in insulin-containing solutions and in protamine zinc insulin.* The method shall be that described in the U. S. P. under the test for zinc in Insulin U. S. P.

(j) *Zinc in insulin-containing solids.* Dissolve 10 to 20 milligrams, accurately weighed, of insulin-containing solids in 5 to 10 cubic centimeters of distilled

water containing 1 drop of five normal hydrochloric acid, and proceed as directed in the U. S. P. under the test for zinc in Insulin U. S. P.

(k) *Tests and methods of assay for Insulin U. S. P.* The tests and methods of assay for Insulin U. S. P. shall be those set forth therefor in the United States Pharmacopoeia.

All interested persons are invited to attend the hearing in person or by representative, and to offer comments (subject to such restrictions as to scope and length as to the Presiding Officer seem reasonable and proper) upon the whole or any part of the proposed regulations. Written statements may be presented to the Presiding Officer at or prior to the opening of the hearing and may be delivered to him at the hearing room or may be addressed to him at Room 2242, South Building, Independence Avenue between 12th and 14th Streets SW., Washington, D. C.

The proposed regulations are subject to adoption, rejection or amendment, in whole or in part.

Mr. Edward B. Williams is hereby designated as Presiding Officer to conduct the hearing in the place of the Administrator.

[SEAL] PAUL V. McNUTT,
Administrator.

JANUARY 22, 1942.

[F. R. Doc. 42-663; Filed, January 22, 1942;
11:49 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

[File No. 812-252]

IN THE MATTER OF THE LEHMAN CORPORATION

NOTICE OF AND ORDER FOR HEARING AND ORDER GRANTING TEMPORARY EXEMPTION

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 21st day of January, A. D. 1942.

Application having been filed by the above named applicant for an order of the Commission under and pursuant to the provisions of section 10 (e) of the Investment Company Act of 1940 for an order suspending until February 19, 1942, the operation of the provisions of section 10 of said Act so that the applicant might have this additional time in which to fill a vacancy on its board of directors due to the resignation of one of such directors;

It is ordered, That a hearing on the matter of this application be held on Saturday, January 31, 1942, at 10:00 o'clock in the forenoon of that day at the Securities and Exchange Commission Building, 1778 Pennsylvania Avenue NW., Washington, D. C. On such day the hearing room clerk in Room 1102 will advise the interested parties where such hearing will be held.

It is further ordered, That Willis E. Monty, Esquire, or any officer or officers of the Commission designated by it for that purpose shall preside at such hear-

ing on such application. The officer so designated to preside at any such hearing is hereby authorized to exercise all the powers granted to the Commission under sections 41 and 42 (b) of the Investment Company Act of 1940 and to trial examiners under the Commission's Rules of Practice, and

It is further ordered, That the operation of the provisions of section 10 of the Act, insofar as the composition of the applicant's board of directors does not comply with the provisions of such section, shall be and the same hereby is suspended pending the determination of the aforesaid application.

Notice of such hearing is hereby given to the above named applicant and to any other person or persons whose participation in such proceedings may be in the public interest or for the protection of investors.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-653; Filed, January 22, 1942;
11:34 a. m.]

[File Nos. 59-33, 70-263, 70-371, 70-387,
70-430, 70-431]

IN THE MATTER OF COLUMBIA GAS & ELECTRIC CORPORATION, COLUMBIA OIL & GASOLINE CORPORATION, PANHANDLE EASTERN PIPE LINE COMPANY, MICHIGAN GAS TRANSMISSION CORPORATION, INDIANA GAS DISTRIBUTION CORPORATION, AND THE OHIO FUEL GAS COMPANY

ORDER PERMITTING DECLARATIONS TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 21st day of January, A. D. 1942.

The above-named parties having filed applications or declarations pursuant to sections 6, 7, 9, 10, 12 (c) and 12 (f) of the Public Utility Holding Company Act of 1935 and rules and regulations thereunder with respect to the following transactions:

(1) The disposition by Columbia Oil & Gasoline Corporation to Panhandle Eastern Pipe Line Company and the acquisition by the latter of the Class A preferred stock of Panhandle Eastern Pipe Line Company in the par value of \$10,000,000;

(2) The sale by Columbia Gas & Electric Corporation to Panhandle Eastern Pipe Line Company and the acquisition by the latter of the stock and debt of Michigan Gas Transmission Corporation and of Indiana Gas Distribution Corporation at the alleged investment cost of those companies to Columbia Gas & Electric Corporation plus undistributed surpluses at the date of the transaction, such prices being, as of September 30, 1941, \$10,780,840.59 for Michigan Gas Transmission Corporation, and \$153,698.20 for Indiana Gas Distribution Corporation; and the sale by The Ohio Fuel Gas Company, a subsidiary of Columbia Gas & Electric Corporation, to Panhandle Eastern Pipe Line Company and the acquisition by the latter of certain pipe lines

and other properties owned by The Ohio Fuel Gas Company in the states of Indiana and Ohio at a price of \$439,326.08, which is based on the amount received for the sale of similar property to a non-associated purchaser;

(3) The disposition by Columbia Gas & Electric Corporation to Columbia Oil & Gasoline Corporation and the acquisition by the latter, at principal amount, of \$11,000,000 face amount of debentures of Columbia Oil & Gasoline Corporation held by Columbia Gas & Electric Corporation;

(4) The issue and sale by Panhandle Eastern Pipe Line Company of First Mortgage 3% Bonds in the principal amount of \$10,000,000 and of Cumulative Preferred Stock having a par value of \$15,000,000 to obtain the funds necessary to carry out the transactions described in paragraphs (1) and (2) above as well as for certain additional construction. The issuer will publicly invite proposals for the purchase of these securities pursuant to Rule U-50; and

The Commission by its order dated November 14, 1941 having consolidated said applications or declarations with a pending consolidated proceeding and having directed that hearings be held with respect to said applications or declarations prior to the continuance of hearings with respect to the remainder of the said consolidated proceeding; and

The hearing with respect to the said applications or declarations having been held and completed after appropriate notice to all persons interested therein; and arguments and briefs having been waived by all persons interested in the proceedings; and the Commission having considered the record of the proceedings and having entered its findings and opinion herein;

It is hereby ordered, That the aforesaid declarations be and hereby are permitted to become effective forthwith and the aforesaid applications be and hereby are granted forthwith subject, however, to the terms and conditions prescribed in Rule U-24 and to the following further terms and conditions:

(1) That there be excluded from the price to be paid by Panhandle Eastern Pipe Line Company to Columbia Gas & Electric Corporation for the stock and debt of Michigan Gas Transmission Corporation the undepreciated portion of the item of \$139,424 representing the fee paid by the Michigan Gas Transmission Corporation to The Columbia Gas Construction Company;

(2) That Panhandle Eastern Pipe Line Company report to the Commission the results of the competitive bidding as required by Rule U-50 (c) and comply with such supplemental order as the Commission may enter in view of the facts disclosed thereby.

Jurisdiction is hereby reserved to pass upon the facts disclosed by the report of Panhandle Eastern Pipe Line Company to the Commission with respect to the results of the competitive bidding as required by Rule U-50 (c) and for the issuance of a supplemental order with respect thereto.

Jurisdiction is further reserved to pass upon the legal fees to be paid by Columbia Gas & Electric Corporation, Columbia Oil & Gasoline Corporation and Panhandle Eastern Pipe Line Company in connection with the above-mentioned transactions, and for the issuance of appropriate supplemental orders with respect thereto.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-654; Filed, January 22, 1942;
11:34 a. m.]

[File Nos. 59-17, 59-11, and 54-25]

IN THE MATTER OF THE UNITED LIGHT AND POWER COMPANY, THE UNITED LIGHT AND RAILWAYS COMPANY, AMERICAN LIGHT & TRACTION COMPANY, CONTINENTAL GAS & ELECTRIC CORPORATION, UNITED AMERICAN COMPANY, AND IOWA-NEBRASKA LIGHT AND POWER COMPANY, RESPONDENTS; AND THE UNITED LIGHT AND POWER COMPANY AND ITS SUBSIDIARY COMPANIES, RESPONDENTS; AND THE UNITED LIGHT AND POWER COMPANY, APPLICANT

NOTICE OF FILING OF APPLICATION NO. 8 AND ORDER RECONVENING HEARING FOR PURPOSE OF CONSIDERING SAID APPLICATION NO. 8

At a regular meeting of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 22d day of January 1942.

The Commission having previously by order entered in these proceedings on March 20, 1941 ordered, among other things, the liquidation and dissolution of The United Light and Power Company, and said order having provided that respondents should make application to the Commission for the entry of such further orders as were necessary and appropriate for that purpose and the Commission having reserved jurisdiction to enter such further orders as might be necessary or appropriate with respect to the matters in this proceeding;

Notice is hereby given that The United Light and Power Company has filed on January 20, 1942, an application designated as Application No. 8 pursuant to section 11 (b) (2) with respect to a Plan providing for the payment and retirement of the principal amount (\$15,093,800) of its outstanding debentures. The Plan as proposed by the applicant may be summarized as follows:

(a) All of the outstanding debentures of each series will become due and payable at the office of The New York Trust Company, 120 Broadway, Borough of Manhattan, City and State of New York, on May 1, 1942, at their principal amount plus accrued interest thereon to May 1, 1942. Interest on all the debentures shall cease to accrue on and after May 1, 1942;

(b) Within three days after the date of the Commission's order approving this Plan, The United Light and Power Company will deposit with The New York

Trust Company, as Trustee under the debenture agreements, cash in an amount equal to the principal amount of all debentures then outstanding plus accrued interest thereon to May 1, 1942;

(c) At any time after The United Light and Power Company shall have deposited the cash as above provided, the holders of the outstanding debentures will be entitled to receive out of the funds so deposited with The New York Trust Company the principal amount of the debentures plus interest accrued thereon to May 1, 1942, upon the surrender of their debentures together with all coupons apertaining thereto maturing on or after May 1, 1942;

(d) After the Commission has entered an order approving the Plan, The United Light and Power Company will publish a notice in two daily newspapers of general circulation published in the Borough of Manhattan, City and State of New York, and in one daily newspaper of general circulation published in the City of Chicago, Illinois, at least once in each calendar week (in each instance on any day of the week) for four successive weeks and once during the calendar week ending April 25, 1942, the first publication to be not less than sixty days nor more than seventy-five days before May 1, 1942. A similar notice will be mailed by said company not less than sixty days prior to May 1, 1942, to The New York Trust Company and to the registered owners of registered debentures without coupons and coupon debentures registered as to principal at their addresses as shown by the books kept by the registrar;

(e) On May 1, 1942, The United Light and Power Company will be released and fully discharged from all liability with respect to its debentures, whether for principal, interest, or otherwise, and with respect to the debenture agreements, except that (1) all interest coupons maturing prior to May 1, 1942, which have not theretofore been presented for payment, will continue to be payable by said company upon presentation in the usual manner, and (2) said company will perform its covenants with respect to the payment or refund of Federal and state taxes to the extent provided in the debenture agreements;

(f) Within three days after the date of the Commission's order approving the Plan providing for the payment of the principal amount of the debentures plus accrued interest to May 1, 1942, The United Light and Power Company will deposit in escrow, with a bank or trust company to be selected by said company, cash in an amount equal to 9% of the principal amount of all debentures then outstanding. These funds will be deposited under an escrow agreement which in substance provides that the funds so deposited (a) will be repaid to said company or its assigns in case it shall be finally determined that the debenture holders are not entitled to receive the redemption premium, and (b) will be deposited with The New York Trust Company, as trustee under the debenture agreements, for distribution to the de-

benture holders in case it shall be finally determined that the debenture holders are entitled to receive such premium. A final determination that the debenture holders are not entitled to receive such premium shall be deemed to have been made if no review of the Commission's order approving the Plan shall be applied for in the manner and within the time prescribed in Section 24 (a) of the Act. If such a review shall be applied for, a final determination of the question shall be deemed to have been made when a final judgement and decree shall have been entered in such proceedings for review and shall be no longer subject to review;

(g) The United Light and Power Company will cause The New York Trust Company, as trustee under the debenture agreements, to deliver a written receipt to the persons surrendering their debentures for payment. In case it shall be finally determined, as above provided, that the debenture holders are entitled to the redemption premium, payment thereof will be made to the persons entitled thereto upon presentation and surrender of such receipts;

(h) Debenture holders who surrender their debentures as above provided will not waive their right to receive the redemption premium, in case it shall be finally determined as above provided that they are entitled to receive such premium;

Notice is further given that The United Light and Power Company has, in its Application No. 8, requested the Commission to enter an order:

A. Finding that the Plan is necessary to effectuate the provisions of section 11 (b) (2) of the Act and to enable the company to liquidate and dissolve in accordance with the Commission's order of

March 20, 1941, and is fair and equitable to the security holders of the company;

B. Finding that the holders of the debentures are not entitled to any premium on payment of the debentures in accordance with the provisions of the Plan;

C. Providing that the debentures of the company shall become due and payable in accordance with the provisions of the Plan on May 1, 1942, at the principal amount thereof plus accrued interest to that date, and that interest shall cease to accrue on the debentures on and after May 1, 1942; and

D. Approving the Plan and authorizing and directing the company to consummate it.

It appearing to the Commission that it is appropriate in the public interest and in the interest of investors and consumers that the hearing herein be reconvened for the purpose of considering said Application No. 8;

It is ordered, That the hearing in this proceeding shall be reconvened at the office of the Securities and Exchange Commission, 1778 Pennsylvania Avenue N.W., Washington, D. C., in such room as may be designated on said date by the Hearing Room Clerk in Room 1102, at 10:00 A. M. on the 6th day of February 1942. All persons desiring to be heard or otherwise wishing to participate in the proceedings should notify the Commission in the manner provided by our Rules of Practice, Rule XVII, on or before February 3, 1942. At said reconvened hearing on that day the issues will be limited to a consideration of the issues presented by said Application No. 8.

All interested persons are referred to said Application No. 8 which is on file in the office of said Commission for a full statement of the transaction therein proposed.

It is further ordered, That Edward C. Johnson or any other officer or officers of the Commission, designated by it for that purpose, shall preside at the hearing in such matters. The officer so designated to preside at such hearing is hereby authorized to assert all powers granted to the Commission under section 18 (c) of the Act and to the trial examiner under the Commission's Rules of Practice.

It is further ordered, That without limiting the scope of issues presented by said application, particular attention will be directed at said hearing to the following matters and questions:

(1) Whether or not The United Light and Power Company, in discharging its obligation on its debentures, shall be required to pay the premium of 9% of the principal amount, in addition to the principal amount and accrued interest on all outstanding debentures;

(2) Whether the Plan proposed by The United Light and Power Company is necessary to effectuate the provisions of section 11 (b) (2) of the Act and to comply with the Commission's order of March 20, 1941;

(3) Whether the Plan is fair and equitable to the security holders of The United Light and Power Company;

It is further ordered, That the Secretary of this Commission serve notice of the entry of this order by mailing a copy thereof by registered mail to the respondent and that notice shall be given to all other persons by publication thereof in the FEDERAL REGISTER.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-666; Filed, January 22, 1942;
11:58 a. m.]

