

THE NATIONAL ARCHIVES  
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MANET  
1934

# FEDERAL REGISTER

OF THE UNITED STATES

VOLUME 13                      NUMBER 170

Washington, Tuesday, August 31, 1948

## TITLE 3—THE PRESIDENT

### EXECUTIVE ORDER 9992

#### AMENDING THE SELECTIVE SERVICE REGULATIONS

By virtue of the authority vested in me by title I of the Selective Service Act of 1948, approved June 24, 1948 (62 Stat. 604), I hereby prescribe the following amendments of the Selective Service Regulations prescribed in part by Executive Order No. 9979 of July 20, 1948, and in part by Executive Order No. 9988 of August 20, 1948, and constituting portions of Chapter VI of Title 32 of the Code of Federal Regulations:

1. Section 604.1 of Part 604, *Selective Service Officers*, is amended by adding a new paragraph (h) at the end thereof reading as follows:

(h) To purchase such printing, binding, and blankbook work from public, commercial, or private printing establishments or binderies upon orders placed by the Public Printer or upon waivers issued in accordance with section 12 of the Printing Act approved January 12, 1895, as amended, and to obtain by purchase, loan, or gift such equipment and supplies for the Selective Service System, as he may deem necessary to carry out the functions of the Selective Service System, with or without advertising or formal contract.

2. The table of contents of Part 611, *Duty and Responsibility to Register*, is amended by adding at the end thereof the following: "611.11 Aliens who are not required to register."

3. The following new section is added to Part 611 immediately following § 611.6:

§ 611.11 *Aliens who are not required to register.* (a) A male alien who is now in or who hereafter enters the United States and who has not declared his intention to become a citizen of the United States shall not be required to be registered under section 3 of title I of the Selective Service Act of 1948 and shall be relieved from liability for training and service under section 4 (b) of said Act provided:

(1) He is a foreign diplomatic representative, a technical attaché of a foreign embassy or legation, a consul general, a consul, a vice consul, or a consular agent of a foreign country, or a member of the family of any person mentioned in this subparagraph;

(2) He is a full time official or employee of a foreign government who is a national of the country employing him and who has been notified to the Department of State, or a member of the family of such official or employee;

(3) He is a full time official or employee of a public international organization which has been designated by the President under the provisions of the International Organizations Immunities Act, approved December 29, 1945 (59 Stat. 669), or a member of the family of any such person;

(4) He is a person who has entered the United States and remains therein pursuant to the provisions of section 11 of the Agreement between the United Nations and the United States of America Regarding the Headquarters of the United Nations as approved in Public Law 357, 80th Congress, approved August 4, 1947; or

(5) He is a member of a group of persons who have been temporarily admitted to the United States under an arrangement with the government of the country of which they are nationals, or an appropriate agency thereof, for seasonal or temporary employment, and continues to be employed in the work for which he was admitted.

(b) Each alien who is in one of the categories described in subparagraphs (1), (2), (3), (4), or (5) of paragraph (a) must have in his personal possession, at all times, an official document issued pursuant to the authorization of or described by the Director of Selective Service which identifies him as a person not required to present himself for and submit to registration.

4. The table of contents of Part 621, *Preparation for Classification*, is amended by adding at the end thereof the following: "621.16 Permit to leave the United States."

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Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Division of the Federal Register, the National Archives, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1947.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for \$1.50 per month or \$15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER.

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5. The following new section is added to Part 621 immediately following § 621.15:

§ 621.16 *Permit to leave the United States.* Local boards are authorized to issue to a registrant a Permit of the Local Board for Registrant to Depart from the United States (SSS Form No. 300) and should issue the permit unless it is found that the registrant's absence is likely to interfere with the performance of his obligations under the Selective Service Act of 1948. Before determining whether a permit should be issued, the local board may require the registrant to complete and file his Classification Questionnaire (SSS Form No. 100) and such other forms and information as may be necessary to complete his classification. The local board may thereupon classify the registrant if it appears necessary to a determination of the advisability of issuing the permit.

6. Section 622.18 of Part 622, *Classification Rules and Principles*, is amended to read as follows:

§ 622.18 *Class IV-C: Aliens.* (a) In Class IV-C shall be placed any registrant who is an alien and who has not declared his intention to become a citizen of the United States and who—

(1) Has entered the United States for a specific temporary purpose which would normally be concluded within six months, has not been gainfully employed during his stay in the United States, and continues to pursue the purpose for which he entered; or

(2) Has, under requirements mutually agreeable to the Secretary of State, the Commissioner of Immigration and Naturalization, and the Director of Selective Service, entered the United States temporarily for the purpose of study, teaching, practical training, or research in agriculture, industry, commerce, public health, education, or in related fields, and continues to satisfactorily pursue such endeavor.

(b) In Class IV-C shall be placed any registrant who is an alien and who has not declared his intention to become a citizen of the United States and who is a national of a country with which there is in effect a treaty or international agreement exempting nationals of that country from military service while they are within the United States and for whom an application for deferment has been communicated to the Department of State by the government of that country and has been approved by the Department of State.

(c) In Class IV-C shall be placed any registrant who is an alien and who, prior to his induction, has made application to be relieved from liability for training and service in the armed forces of the United States by filing with the local board an Application by Alien for Relief from Military Service (SSS Form No. 130), executed in duplicate. The local board shall forward the original of such form to the Director of Selective Service through the State Director of Selective Service and shall retain the duplicate in the registrant's Cover Sheet (SSS Form No. 101).

(d) In Class IV-C shall be placed any registrant who is an alien and because of

his nationality is within a class of persons not acceptable to the armed forces of the United States for training and service.

(e) In Class IV-C shall be placed any registrant who is an alien and has departed from and is no longer residing in the United States. Such alien shall be placed in Class IV-C even though he is a delinquent but this classification shall in no way relieve him from liability for prosecution for violation of the selective service law. If any registrant so classified under this paragraph returns to the United States to reside therein, his classification shall be reopened and he shall be classified anew.

HARRY S. TRUMAN

THE WHITE HOUSE,  
August 28, 1948.

[F. R. Doc. 48-7856; Filed, Aug. 30, 1948;  
11:12 a. m.]

## TITLE 10—ARMY

### Chapter VIII—Supplies and Equipment

#### PART 804—NEGOTIATED PURCHASES

##### MISCELLANEOUS AMENDMENTS

Sections 804.105-3 (b), 804.105-6, and 804.105-7 are rescinded and the following substituted therefor:

§ 804.105-3 *Specific authorization; statutory authorities.* \* \* \*

(b) *Military Functions Appropriation Act, 1949 (Public Law 766, 80th Congress).* (1) Section 6, relating to the Department of the Army, provides:

Whenever, during the fiscal year ending June 30, 1949, the Secretary of the Army should deem it to be advantageous to the national defense, and if in his opinion the existing facilities of the Department of the Army are inadequate, he is hereby authorized to procure services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), which supersedes the provisions of section 5 of the Act of April 6, 1914 (5 U. S. C. 55), at rates not in excess of \$50 per day for individuals, and to pay in connection therewith travel expenses of individuals, including actual transportation and per diem in lieu of subsistence while traveling from their homes or places of business to official duty station and return as may be authorized in travel orders or letters of appointment.

(2) Section 16, relating to the Department of the Air Force, provides:

Provisions of this Act granting authority to the Department of the Army or the Secretary of the Army, or referring to military or civilian personnel of the Department of the Army, shall be applicable to the Department of the Air Force, the Secretary of the Air Force, and military or civilian personnel of the Department of the Air Force with respect to funds allocated or otherwise made available to or for the Department of the Air Force or personnel thereof: *Provided*, That amounts transferred to the Department of the Air Force under section 306 of the National Security Act of 1947 (Public Law 253, approved July 26, 1947), shall be available for personal services at the seat of government without regard to the availability of such funds for that purpose under applicable provisions and restrictions of this Act.

\* \* \* \* \*  
§ 804.105-6 *Citation of statutory authorities.* Each such contract, supplemental agreement, and change order,

will, in the case of the Department of the Army, cite as authority section 6, Military Functions Appropriation Act, 1949 (Public Law 766—80th Cong., approved 24 June 1948), or, in the case of the Department of the Air Force, sections 6 and 16, of the same act, and, in addition, section 15 of the act approved 2 August 1946 (Public Law 600—79th Cong.).

§ 804.105-7 *Limitation on compensation.* Where each such contract described in § 804.105-4 is with an individual, it will expressly limit the compensation payable to him to not more than \$50 per day, plus additional compensation for overtime pursuant to the provisions of the Federal Employees Pay Act of 1945 (59 Stat. 295; 5 U. S. C. 901 et seq.) as amended by the Federal Employees Pay Act of 1946 (Public Law 390, 79th Cong.), plus travel expenses, including actual transportation and per diem in lieu of subsistence while traveling from his home or place of business to official duty station and return.

[Proc. Cir. 22, 1948] (Sec. 1 (a) and (b), 54 Stat. 712, 55 Stat. 838; 41 U. S. C. proc. sec. 1 note, 50 U. S. C. App. 601-622; E. O. 9001, Dec. 27, 1941, 3 CFR, Cum. Supp.)

[SEAL] EDWARD F. WITSELL,  
Major General,  
The Adjutant General.

[F. R. Doc. 48-7743; Filed, Aug. 30, 1948;  
8:51 a. m.]

## TITLE 14—CIVIL AVIATION

### Chapter II—Civil Aeronautics Administration

[Amdt. 11]

#### PART 601—DESIGNATION OF CONTROL AREAS, CONTROL ZONES, AND REPORTING POINTS

##### DESIGNATION OF REPORTING POINTS

Part 601, § 601.9 was revised in its entirety, effective July 1, 1947. Since that time this section has been amended a number of times, and experience has disclosed the necessity for amending it in its entirety at this time. The purpose of this amendment is to (a) designate as reporting points only those locations which are essential for the control of air traffic, and (b) to effect a compilation of all amendments thereto made effective between the dates of July 1, 1947 and September 1, 1948. It appearing that (1) the substantive changes included in this amendment will not impose additional restrictions upon interested parties; (2) the persons affected by this section will be greatly benefited by this amendment; (3) this amendment should be made effective without delay in order to promote safety of the flying public; and (4) compliance with the notice, procedure, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable, unnecessary, and contrary to the public interest, and therefore is not required;

Now therefore, acting under authority contained in sections 205, 301, 302, 307 and 308 of the Civil Aeronautics Act of 1938, as amended (52 Stat. 973, 984-986;

54 Stat. 1231, 1233-1235; 49 U. S. C. 401, 425, 451, 452, 457, and 458), and pursuant to section 3 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1002), I hereby amend the Code of Federal Regulations, Title 14, Chapter II, Part 601, § 601.9, to read as follows:

§ 601.9 *Designation of reporting points.* The following locations are designated as reporting points:

(a) *Green civil airways*—(1) *Green civil airway No. 1 (United States-Canadian Border to Forest City, Maine).* Millinocket, Maine, radio range station; the intersection of the south course of the Houlton, Maine, radio range and the west course of the Blissville, New Brunswick, Canada, radio range.

(2) *Green civil airway No. 2 (Seattle, Wash., to Boston, Mass.).* Seattle, Wash., radio range station; Ellensburg, Wash., radio range station; Ephrata, Wash., radio range station; Spokane, Wash., radio range station; Coeur D'Alene, Idaho, radio range station; Mullan Pass, Idaho, radio range station; Superior, Mont., radio range station; Missoula, Mont., radio range station; Drummond, Mont., radio range station; Helena, Mont., radio range station; Bozeman, Mont., radio range station; Livingston, Mont., radio range station; Billings, Mont., radio range station; Custer, Mont., radio range station; Miles City, Mont., radio range station; Dickinson, N. Dak., radio range station; Bismarck, N. Dak., radio range station; Jamestown, N. Dak., radio range station; Fargo, N. Dak., radio range station; Alexandria, Minn., radio range station; Minneapolis, Minn., radio range station; LaCrosse, Wis., radio range station; Lone Rock, Wis., radio range station; Milwaukee, Wis., radio range station; Muskegon, Mich., radio range station; Grand Rapids, Mich., radio range station; Lansing, Mich., radio range station; Wixom, Mich., fan type marker station or the intersection of the east course of the Lansing, Mich., radio range and the north course of the Romulus, Mich., radio range; Romulus, Mich., radio range station; Buffalo, N. Y., radio range station; Rochester, N. Y., radio range station; Utica, N. Y., radio range station; Albany, N. Y., radio range station; Westfield, Mass., radio range station; the intersection of the northeast course of the Hartford, Conn., radio range and the southeast course of the Westfield, Mass., radio range; Franklin, Mass., fan type radio marker station or the intersection of the northeast course of the Providence, R. I., radio range and the southwest course of the Boston, Mass., radio range; Boston, Mass., radio range station.

(3) *Green civil airway No. 3 (San Francisco, Calif., to New York, N. Y.).* San Francisco, Calif., radio range station; Oakland, Calif., radio range station; Bay Point, Calif., fan type radio marker station or the intersection of the northeast course of the Oakland, Calif., radio range and the south course of the Williams, Calif., radio range; Sacramento, Calif., radio range station; Donner Summit, Calif., radio range station; Reno, Nev., radio range station; Humboldt, Nev., radio range station; Battle Mountain, Nev., radio range station; Elko, Nev.,

radio range station; Lucin, Utah, radio range station; Ogden, Utah, radio range station; Fort Bridger, Wyo., radio range station; Rock Springs, Wyo., radio range station; Sinclair, Wyo., radio range station; Cheyenne, Wyo., radio range station; the intersection of the west course of the Cheyenne, Wyo., radio range and the southwest course of the Scottsbluff, Nebr., radio range; the intersection of the southeast course of the Scottsbluff, Nebr., radio range and the west course of the North Platte, Nebr., radio range; North Platte, Nebr., radio range station; Grand Island, Nebr., radio range station; Omaha, Nebr., radio range station; Des Moines, Iowa, radio range station; Moline, Ill., radio range station; the intersection of the southeast course of the Rockford, Ill., radio range and the west course of the Chicago, Ill., radio range; Goshen, Ind., radio range station; Toledo, Ohio, radio range station; the intersection of the southeast course of the Romulus, Mich., radio range and the west course of the Cleveland, Ohio, radio range; Cleveland, Ohio, radio range station; Youngstown, Ohio, radio range station; Philipsburg, Pa., radio range station; the intersection of the east course of the Philipsburg, Pa., radio range and the south course of the Williamsport, Pa., radio range; Allentown, Pa., radio range station; the intersection of the southwest course of the New York, N. Y. (LaGuardia), radio range and the northwest course of the Floyd Bennett, N. Y. (Navy), radio range; New York, N. Y. (LaGuardia), radio range station.

(4) *Green civil airway No. 4 (Los Angeles, Calif., to Philadelphia, Pa.).* Los Angeles, Calif., radio range station; the intersection of the north course of the Los Angeles, Calif., radio range and the southwest course of the Palmdale, Calif., radio range or the Newhall, Calif., radio range station; Palmdale, Calif., radio range station; Daggett, Calif., radio range station; Needles, Calif., radio range station; Prescott, Ariz., radio range station; Winslow, Ariz., radio range station; El Morro, N. Mex., radio range station; Acomita, N. Mex., radio range station; Albuquerque, N. Mex., radio range station; the intersection of the east course of the Otto, N. Mex., radio range and the southwest course of the Las Vegas, N. Mex., radio range; Tucumcari, N. Mex., radio range station; Amarillo, Tex., radio range station; Gage, Okla., radio range station; Wichita, Kans., radio range station; Lebo, Kans., radio range station; Kansas City, Mo., radio range station; Columbia, Mo., radio range station; St. Louis, Mo., radio range station; Effingham, Ill., radio range station; Terre Haute, Ind., radio range station; Indianapolis, Ind., radio range station; the intersection of the west course of the Columbus, Ohio, radio range and the north course of the Dayton, Ohio, radio range; Columbus, Ohio, radio range station; the intersection of the west course of the Pittsburgh, Pa., radio range and the southeast course of the Cleveland, Ohio, radio range; Pittsburgh, Pa., radio range station; Altoona, Pa., radio range station; Harrisburg, Pa., radio range station; the intersection of the south west course of the Allentown, Pa., radio range and the east course of

the Harrisburg, Pa., radio range; Philadelphia, Pa., radio range station.

(5) *Green civil airway No. 5 (Los Angeles, Calif., to Boston, Mass.).* Riverside, Calif., radio range station; Blythe, Calif., radio range station; Phoenix, Ariz., radio range station; Tucson, Ariz., radio range station; Rodeo, N. Mex., radio range station; Columbus, N. Mex., radio range station; El Paso, Tex., radio range station; Salt Flat, Tex., radio range station; Wink, Tex., radio range station; Big Spring, Tex., radio range station; Abilene, Tex., radio range station; Fort Worth, Tex., radio range station; Texarkana, Ark., radio range station; Memphis, Tenn., radio range station; Jacks Creek, Tenn., radio range station; Nashville, Tenn., radio range station; Smithville, Tenn., radio range station; Knoxville, Tenn., radio range station; Tri-City, Tenn., radio range station; Roanoke, Va., radio range station; Gordonsville, Va., radio range station; Doncaster, Md., fan type marker station or the intersection of the northeast course of the Gordonsville, Va., radio range and the south course of the Washington, D. C., radio range; Brandywine, Md., radio range station; the intersection of the southeast course of the Baltimore, Md., radio range and the southwest course of the Millville, N. J., radio range; the intersection of the southeast course of the Newark, N. J., radio range and the southwest course of the Mitchel Field, N. Y. (Army) radio range; the intersection of the east course of the New York, N. Y. (LaGuardia) radio range and the northeast course of the Mitchel Field, N. Y. (Army) radio range; the intersection of the southwest course of the Boston, Mass., radio range and the southeast course of the Hartford, Conn., radio range; the intersection of the west course of the Providence, R. I., radio range and the southwest course of the Boston, Mass., radio range.

(6) *Green civil airway No. 6 (Laredo, Tex., to Norfolk, Va.).* Laredo, Tex., radio range station; Alice, Tex., radio range station; Corpus Christi, Tex., radio range station; Palacios, Tex., radio range station; the intersection of the southwest course of the Houston, Tex., radio range and the east course of the Richmond, Tex., radio range; Houston, Tex., radio range station; Beaumont, Tex., radio range station; Lake Charles, La., radio range station; New Orleans, La., radio range station; Mobile, Ala., radio range station; Maxwell AFB, Ala., radio range station; Atlanta, Ga., radio range station; Spartanburg, S. C., radio range station; Greensboro, N. C., radio range station; Blackstone, Va., radio range station; Richmond, Va., radio range station; Norfolk, Va., radio range station.

(7) *Green civil airway No. 7 (Nome, Alaska, to Fairbanks, Alaska).* Nome, Alaska, radio range station; Moses Point, Alaska, radio range station; Galena, Alaska, radio range station; the intersection of the west course of the Fairbanks, Alaska, radio range and the northwest course of the Nenana, Alaska, radio range; Fairbanks, Alaska, radio range station.

(8) *Green civil airway No. 8 (Attu, Alaska, to Northway, Alaska).* Attu,

Alaska, radio range station; Shemya, Alaska, radio range station; Adak, Alaska, radio range station; the intersection of the west course of the Atka, Alaska, radio range and the northeast course of the Adak, Alaska, radio range; Atka, Alaska, radio range station; Umnak (North Shore), Alaska, radio range station; the intersection of the northeast course of the Umnak (North Shore), Alaska, radio range and the west course of the Cold Bay (Randall), Alaska, radio range; Cold Bay (Randall), Alaska, radio range station; Heiden, Alaska, radio range station; Naknek, Alaska, radio range station; the intersection of the northeast course of the Naknek, Alaska, radio range and the southeast course of the Iliamna, Alaska, radio range; the intersection of the west course of the Homer, Alaska, radio range and the southwest course of the Kenai, Alaska, radio range; Homer, Alaska, radio range station; the intersection of the east course of the Kenai, Alaska, radio range and the southwest course of the Anchorage, Alaska, radio range; Anchorage, Alaska, radio range station; the intersection of the northeast course of the Anchorage, Alaska, radio range and the southeast course of the Skwentna, Alaska, radio range; Gulkana, Alaska, radio range station; Northway, Alaska, radio range station.

(b) *Amber civil airways*—(1) *Amber civil airway No. 1 (United States-Mexican Border to Nome, Alaska)*. San Diego, Calif., radio range station; the intersection of the northwest course of the San Diego, Calif., radio range and the southeast course of the Long Beach, Calif., radio range; Bakersfield, Calif., radio range station; Fresno, Calif., radio range station; Los Banos, Calif., fan type radio marker station or the intersection of the northwest course of the Fresno, Calif., radio range and the south course of the Stockton, Calif., radio range; Evergreen, Calif., nondirectional radio beacon; Williams, Calif., radio range station; Red Bluff, Calif., radio range station; Fort Jones, Calif., radio range station; Medford, Oreg., radio range station; Eugene, Oreg., radio range station; Portland, Oreg., radio range station; Toledo, Wash., radio range station; Everett, Wash., radio range station; Bellingham, Wash., radio range station; the intersection of the northwest course of the Massett, B. C., radio range and the southwest course of the Annette Island, Alaska, radio range; the intersection of the northwest course of the Massett, B. C., radio range and the southeast course of the Sitka (Biorka Island), Alaska, radio range; Sitka (Biorka Island), Alaska, radio range station; the intersection of the northwest course of the Sitka (Biorka Island), Alaska, radio range and the southwest course of the Gustavus, Alaska, radio range; Yakutat, Alaska, radio range station; the intersection of the northwest course of the Yakutat, Alaska, and the south course of the Yakataga, Alaska, radio range; Cordova (Hinchinbrook Island), Alaska, radio range station; the intersection of the northwest course of the Cordova (Hinchinbrook Island), Alaska, radio range and the southeast course of the Anchorage,

Alaska, radio range; Skwentna, Alaska, radio range station.

(2) *Amber civil airway No. 2 (Long Beach, Calif., to Point Barrow, Alaska)*. Las Vegas, Nev., radio range station; Enterprise, Utah, radio range station; Delta, Utah, radio range station; Salt Lake City, Utah, radio range station; Malad City, Idaho, radio range station; Pocatello, Idaho, radio range station; DuBois, Idaho, radio range station; Dillon, Mont., radio range station; Whitehall, Mont., radio range station; Great Falls, Mont., radio range station; Cut Bank, Mont., radio range station; the intersection of the northwest course of the Northway, Alaska, radio range and the northeast course of the Tanacross, Alaska, radio range; Big Delta, Alaska, radio range station; the intersection of the northwest course of the Big Delta, Alaska, radio range and the east course of the Fairbanks, Alaska, radio range.

(3) *Amber civil airway No. 3 (El Paso, Tex., to Great Falls, Mont.)*. Engle, N. Mex., radio range station; Las Vegas, N. Mex., radio range station; Trinidad, Colo., radio range station; Pueblo, Colo., radio range station; Denver, Colo., radio range station; the intersection of the north course of the Cheyenne, Wyo., radio range and the northeast course of the Laramie, Wyo., radio range; Casper, Wyo., radio range station; Sheridan, Wyo., radio range station; Lewiston, Mont., radio range station.

(4) *Amber civil airway No. 4 (Brownsville, Tex., to Minot, N. Dak.)*. Brownsville, Tex., radio range station; the intersection of the north course of the Alice, Tex., radio range and the south course of the Alamo (San Antonio), Tex., radio range; Alamo (San Antonio), Tex., radio range station; Cibola, Tex., fan type radio marker station or the intersection of the north course of the Alamo (San Antonio), Tex., radio range and the southwest course of the Austin, Tex., radio range; Austin, Tex., radio range station; Waco, Tex., radio range station; the intersection of the south course of the Fort Worth, Tex., radio range and the west course of the Dallas, Tex., radio range; Oklahoma City, Okla., radio range station; Tulsa, Okla., radio range station; Chanute, Kans., radio range station; St. Joseph, Mo., radio range station; Sioux City, Iowa, radio range station; Sioux Falls, S. Dak., radio range station; Huron, S. Dak., radio range station; Aberdeen, S. Dak., radio range station; Minot, N. Dak., radio range station.

(5) *Amber civil airway No. 5 (New Orleans, La., to Milwaukee, Wis.)*. Jackson, Miss., radio range station; Greenwood, Miss., radio range station; Advance, Mo., radio range station; Springfield, Ill., radio range station; the intersection of the east course of the Peoria, Ill., radio range and the southwest course of the Joliet, Ill., radio range; Joliet, Ill., radio range station.

(6) *Amber civil airway No. 6 (Jacksonville, Fla., to United States-Canadian Border)*. Jacksonville, Fla., radio range station; Alma, Ga., radio range station; Macon, Ga., radio range station; Chattanooga, Tenn., radio range station; Bowling Green, Ky., radio range station;

Louisville, Ky., radio range station; Dayton, Ohio, radio range station.

(7) *Amber civil airway No. 7 (Key West, Fla., to Caribou, Maine)*. Key West, Fla., radio range station; Miami, Fla., radio range station; West Palm Beach, Fla., radio range station; Melbourne, Fla., radio range station; Daytona Beach, Fla., radio range station; Savannah, Ga., radio range station; Charleston, S. C., radio range station; Florence, S. C., radio range station; Raleigh, N. C., radio range station; the intersection of the southwest course of the Richmond, Va., radio range and the southeast course of the Blackstone, Va., radio range; Washington, D. C., radio range station; the intersection of the northeast course of the Washington, D. C., radio range and the west course of the Baltimore, Md., radio range; Newark, N. J., radio range station; Hartford, Conn., radio range station; Portland, Maine, radio range station; Augusta, Maine, radio range station; Bangor, Maine, radio range station; Presque Isle, Maine, radio range station.

(8) *Amber civil airway No. 8 (Los Angeles, Calif., to The Dalles, Oreg.)*. Santa Barbara, Calif., VHF radio range station; Paso Robles, Calif., VHF radio range station; Salinas, Calif., VHF radio range station; the intersection of the southwest course of the San Francisco, Calif., radio range and the northwest course of the Salinas, Calif., VHF radio range; Fairfield-Suisun, Calif., radio range station; Whitmore, Calif., radio range station; Klamath Falls, Oreg., radio range station; Redmond, Oreg., radio range station; The Dalles, Oreg., radio range station.

(9) *Amber civil airway No. 9 (Charleston, S. C., to Norfolk, Va.)*. Myrtle Beach, S. C., VHF radio range station; Wilmington, N. C., VHF radio range station; New Bern, N. C., VHF radio range station; Williamston, N. C., VHF radio range station; the intersection of the northeast course of the Williamston, N. C., VHF radio range and the southwest course of the Norfolk, Va., radio range.

(c) *Red civil airways*—(1) *Red civil airway No. 1 (Portland, Oreg., to Kansas City, Mo.)*. Pendleton, Oreg., radio range station; Baker, Oreg., radio range station; Boise, Idaho, radio range station; Gooding, Idaho, nondirectional radio beacon; Burley, Idaho, radio range station; Laramie, Wyo., radio range station; Goodland, Kans., VHF radio range station; Salina, Kans., radio range station; Topeka, Kans., VHF radio range station.

(2) *Red civil airway No. 2 (Butte, Mont., to Rapid City, S. Dak.)*. Butte, Mont., radio range station; Rapid City, S. Dak., radio range station.

(3) *Red civil airway No. 3 (Philipsburg, Pa., to Hartford, Conn.)*. No reporting point designation.

(4) *Red civil airway No. 4 (Otto, N. Mex., to Las Vegas, N. Mex.)*. No reporting point designation.

(5) *Red civil airway No. 5 (Sioux Falls, S. Dak., to St. Paul, Minn.)*. No reporting point designation.

(6) *Red civil airway No. 6 (Las Vegas, Nev., to Omaha, Nebr.)*. St. George, Utah, VHF radio range station; Bryce

Canyon, Utah, VHF radio range station; Hanksville, Utah, VHF radio range station; Grand Junction, Colo., VHF radio range station; Eagle, Colo., VHF radio range station; Akron, Colo., radio range station; Hayes Center, Nebr., radio range station; Lincoln, Nebr., radio range station.

(7) *Red civil airway No. 7 (Atlanta, Ga., to Greensboro, N. C.)*. Greenville, S. C., radio range station; Charlotte, N. C., radio range station.

(8) *Red civil airway No. 8 (Altoona, Pa., to Wilkes-Barre, Pa.)*. Williamsport, Pa., radio range station.

(9) *Red civil airway No. 9 (San Diego, Calif., to Winslow, Ariz.)*. El Centro, Calif., radio range station; Gila Bend, Ariz., radio range station.

(10) *Red civil airway No. 10 (Pueblo, Colo., to Charleston, S. C.)*. The intersection of the southwest course of the La Junta, Colo., radio range and the northeast course of the Trinidad, Colo., radio range; Dalhart, Tex., VHF radio range station; Wichita Falls, Tex., radio range station; Dallas, Tex., radio range station; the intersection of the northwest course of the Tyler, Tex., radio range and the east course of the Dallas, Tex., radio range; the intersection of the northeast course of the Tyler, Tex., radio range and the west course of the Shreveport, La., radio range; Shreveport, La., radio range station; Monroe, La., radio range station; Meridian, Miss., radio range station; Birmingham, Ala., radio range station; Augusta, Ga., radio range station.

(11) *Red civil airway No. 11 (Tulsa, Okla., to Boston, Mass.)*. The intersection of the south course of the Joplin, Mo., radio range and the northeast course of the Tulsa, Okla., radio range; Springfield, Mo., radio range station; Vichy, Mo., radio range station; the intersection of the northeast course of the Scott Field, Belleville, Ill., radio range and the northwest course of the Evansville, Ind., radio range; Evansville, Ind., radio range station; Huntington, W. Va., radio range station; Elmira, N. Y., radio range station; the intersection of the northeast course of the Westover Field, Chicopee Falls, Mass., radio range and the west course of the Boston, Mass., radio range; the intersection of the east course of the Boston, Mass., radio range and the northeast course of the Squantum, Mass. (Navy), radio range.

(12) *Red civil airway No. 12 (Kansas City, Mo., to Detroit, Mich.)*. Kirksville, Mo., radio range station; Burlington, Iowa, radio range station; South Bend, Ind., radio range station; the intersection of the southeast course of the Lansing, Mich., radio range and the west course of the Romulus, Mich., radio range.

(13) *Red civil airway No. 13 (Sunbury, Pa., to Boston, Mass.)*. Wilkes-Barre, Pa., radio range station; New Hackensack, N. Y., radio range station; Providence, R. I., radio range station.

(14) *Red civil airway No. 14 (Lone Rock, Wis., to Louisville, Ky.)*. Rockford, Ill., radio range station; Chicago, Ill., radio range station; the intersection of the east course of the Harvey, Ill., radio range and the southeast course of the Chicago, Ill., radio range.

(15) *Red civil airway No. 15 (Las Vegas, Nev., to Gila Bend, Ariz.)*. No reporting point designation.

(16) *Red civil airway No. 16 (Augusta, Ga., to Florence, S. C.)*. Columbia, S. C., radio range station.

(17) *Red civil airway No. 17 (Fort Wayne, Ind., to Baltimore, Md.)*. Fort Wayne, Ind., radio range station; Findlay, Ohio, non-directional radio beacon; Mansfield, Ohio, non-directional radio beacon; Martinsburg, W. Va., radio range station; the intersection of the northeast course of the Arcola, Va., radio range and the west course of the Baltimore, Md., radio range; Baltimore, Md., radio range station.

(18) *Red civil airway No. 18 (Indianapolis, Ind., to Washington, D. C.)*. Cincinnati, Ohio, radio range station; Charleston, W. Va., radio range station; Elkins, W. Va., radio range station; Front Royal, Va., radio range station.

(19) *Red civil airway No. 19 (Washington, D. C., to Grand Rapids, Mich.)*. Morgantown, W. Va., radio range station.

(20) *Red civil airway No. 20 (Lansing, Mich., to Chincoteague Island, Va.)*. Akron, Ohio, radio range station; the intersection of the northwest course of the Washington, D. C., radio range and the northeast course of the Martinsburg, W. Va., radio range; the intersection of the southeast course of the Washington, D. C., radio range and the northeast course of the Patuxent River, Md. (Navy), radio range; the intersection of the southeast course of the Washington, D. C., radio range and the east course of the Chincoteague, Va. (Navy), radio range.

(21) *Red civil airway No. 21 (Lansing, Mich., to Boston, Mass.)*. The intersection of the south course of the Youngstown, Ohio, radio range and the northwest course of the Pittsburgh, Pa., radio range; the intersection of the northeast course of the Pittsburgh, Pa., radio range and the north course of the Altoona, Pa., radio range; the intersection of the northeast course of the Allentown, Pa., radio range and the west course of the Newark, N. J., radio range.

(22) *Red civil airway No. 22 (United States-Canadian Border to Rochester, N. Y.)*. The intersection of the northeast course of the Buffalo, N. Y., radio range and the northwest course of the Rochester, N. Y., radio range.

(23) *Red civil airway No. 23 (United States-Canadian Border to New York, N. Y.)*. The intersection of the northeast course of the Allentown, Pa., radio range and the northwest course of the New York (LaGuardia), N. Y., radio range; the intersection of the southwest course of the New Hackensack, N. Y., radio range and the northwest course of the New York (LaGuardia), N. Y., radio range.

(24) *Red civil airway No. 24 (Amarillo, Tex., to Oklahoma City, Okla.)*. No reporting point designation.

(25) *Red civil airway No. 25 (Tallahassee, Fla., to Miami, Fla.)*. Cross City, Fla., radio range station; Tampa, Fla., radio range station; Fort Myers, Fla., radio range station.

(26) *Red civil airway No. 26 (Syracuse, N. Y., to New York, N. Y.)*. The

intersection of the southeast course of the Elmira, N. Y., radio range and the north course of the Wilkes-Barre, Pa., radio range.

(27) *Red civil airway No. 27 (Knoxville, Tenn., to Detroit, Mich.)*. No reporting point designation.

(28) *Red civil airway No. 28 (Rockford, Ill., to Grand Rapids, Mich.)*. The intersection of the east course of the Rockford, Ill., radio range and the northwest course of the Chicago, Ill., radio range; the intersection of the northeast course of the Chicago, Ill., radio range and the north course of the South Bend, Ind., radio range.

(29) *Red civil airway No. 29 (Rochester, N. Y., to Baltimore, Md.)*. No reporting point designation.

(30) *Red civil airway No. 30 (Shreveport, La., to Jacksonville, Fla.)*. Alexandria, La., radio range station; Baton Rouge, La., radio range station; Crestview, Fla., radio range station; Tallahassee, Fla., radio range station.

(31) *Red civil airway No. 31 (Denver, Colo., to Minneapolis, Minn.)*. Scottsbluff, Nebr., radio range station; Pierre, S. Dak., radio range station; Watertown, S. Dak., radio range station; Willmar, Minn., radio range station.

(32) *Red civil airway No. 32 (Laredo, Tex., to Houston, Tex.)*. San Antonio, Tex. (Kelly), radio range station.

(33) *Red civil airway No. 33 (Richmond, Va., to New Hackensack, N. Y.)*. Arcola, Va., radio range station.

(34) *Red civil airway No. 34 (Pulaski, Va., to Elizabeth City, N. C.)*. Rocky Mount, N. C., VHF radio range station; Elizabeth City, N. C., VHF radio range station.

(35) *Red civil airway No. 35 (Pueblo, Colo., to Wichita, Kans.)*. La Junta, Colo., radio range station; Garden City, Kans., radio range station; Hutchinson, Kans., radio range station.

(36) *Red civil airway No. 36 (Rochester, Minn., to La Crosse, Wis.)*. Rochester, Minn., radio range station.

(37) *Red civil airway No. 37 (Dallas, Tex., to Washington, D. C.)*. Tyler, Tex., radio range station; Little Rock, Ark., radio range station; Lynchburg, Va., radio range station.

(38) *Red civil airway No. 38 (Big Spring, Tex., to San Antonio, Tex.)*. San Angelo, Tex., radio range station; the intersection of the northwest course of the San Antonio, Tex. (Kelly), radio range and the west course of the San Antonio (Alamo), Tex., radio range.

(39) *Red civil airway No. 39 (Bethel, Alaska, to Fairbanks, Alaska)*. Bethel, Alaska, radio range station; Aniak, Alaska, radio range station; Minchumina, Alaska, radio range station; Nenana, Alaska, radio range station.

(40) *Red civil airway No. 40 (Shemya, Alaska, to Anchorage, Alaska)*. Amchitka, Alaska, radio range station; the intersection of the southwest course of the Adak, Alaska, radio range and the southeast course of the Tanaga, Alaska, radio range; Kodiak, Alaska, radio range station; the intersection of the northwest course of the Kenai, Alaska, radio range and the west course of the Anchorage (Merrill), Alaska, radio range.

(41) *Red civil airway No. 41 (Yakutat, Alaska, to Gustavus, Alaska)*. Gustavus, Alaska, radio range station.

- (42) Red civil airway No. 42 (Joliet, Ill., to Lafayette, Ind.). No reporting point designation.
- (43) Red civil airway No. 43 (Chicago, Ill., to Lafayette, Ind.). No reporting point designation.
- (44) Red civil airway No. 44 (Bellingham, Wash., to United States-Canadian Border). No reporting point designation.
- (45) Red civil airway No. 45 (Washington, D. C., to Allentown, Pa.). No reporting point designation.
- (46) Red civil airway No. 46 (Aberdeen, S. Dak., to Watertown, S. Dak.). No reporting point designation.
- (47) Red civil airway No. 47 (Tampa, Fla., to Daytona Beach, Fla.). Orlando, Fla., radio range station.
- (48) Red civil airway No. 48 (Missoula, Mont., to Livingston, Mont.). No reporting point designation.
- (49) Red civil airway No. 49 (Elko, Nev., to Fort Bridger, Wyo.). Wendover, Utah, radio range station.
- (50) Red civil airway No. 50 (Galena, Alaska, to Fairbanks, Alaska). Tanana, Alaska, radio range station.
- (51) Red civil airway No. 51 (El Paso, Tex., to United States-Mexican Border). No reporting point designation.
- (52) Red civil airway No. 52 (Memphis, Tenn., to Birmingham, Ala.). Muscle Shoals, Ala., radio range station.
- (53) Red civil airway No. 53 (Joplin, Mo., to Springfield, Mo.). Joplin, Mo., radio range station.
- (54) Red civil airway No. 54 (Burley, Idaho, to Salt Lake City, Utah). No reporting point designation.
- (55) Red civil airway No. 55 (Burlington, Iowa, to Joliet, Ill.). Peoria, Ill., radio range station.
- (56) Red civil airway No. 56 (Red Bluff, Calif., to Whitmore, Calif.). No reporting point designation.
- (57) Red civil airway No. 57 (Moline, Ill., to Toledo, Ohio). Battle Creek, Mich., radio range station.
- (58) Red civil airway No. 58 (Salinas, Calif., to Hollister, Calif.). No reporting point designation.
- (59) Red civil airway No. 59 (Toledo, Ohio, to United States-Canadian Border). No reporting point designation.
- (60) Red civil airway No. 60 (San Jose, Calif., to Stockton, Calif.). Stockton, Calif., radio range station.
- (61) Red civil airway No. 61 (Pittsburgh, Pa., to Washington, D. C.). No reporting point designation.
- (62) Red civil airway No. 62 (Toledo, Ohio, to Akron, Ohio). Wellington, Ohio, VHF radio range station.
- (63) Red civil airway No. 63 (Battle Creek, Mich., to United States-Canadian Border). Salem, Mich., VHF radio range station.
- (64) Red civil airway No. 64 (United States-Canadian Border to Annette Island, Alaska). No reporting point designation.
- (65) Red civil airway No. 65 (Ocean side, Calif., to Blythe, Calif.). No reporting point designation.
- (66) Red civil airway No. 66 (Santa Barbara, Calif., to Los Angeles, Calif.). No reporting point designation.
- (67) Red civil airway No. 67 (Crestview, Fla., to Dothan, Ala.). Dothan, Ala., radio range station.
- (68) Red civil airway No. 68 (El Paso, Tex., to Fort Worth, Tex.). The intersection of the south course of the El Paso, Tex., radio range and the west course of the Hudspeth, Tex., VHF radio range; the intersection of the southwest course of the Midland, Tex., radio range and the southeast course of the Wink, Tex., VHF radio range; Midland, Tex., radio range station.
- (69) Red civil airway No. 69 (El Paso, Tex., to Big Spring, Tex.). No reporting point designation.
- (70) Red civil airway No. 70 (Lubbock, Tex., to Oklahoma City, Okla.). Childress, Tex., VHF radio range station; Hobart, Oklahoma, VHF radio range station.
- (71) Red civil airway No. 71 (Lubbock, Tex., to Wichita Falls, Tex.). Guthrie, Tex., VHF radio range station.
- (72) Red civil airway No. 72 (Millville, N. J., to Newark, N. J.). No reporting point designation.
- (73) Red civil airway No. 73 (Baltimore, Md., to Millville, N. J.). No reporting point designation.
- (74) Red civil airway No. 74 (Louisville, Ky., to Cincinnati, Ohio). No reporting point designation.
- (d) Blue civil airways—(1) Blue civil airway No. 1 (Pendleton, Oreg., to Spokane, Wash.). Walla Walla, Wash., radio range station.
- (2) Blue civil airway No. 2 (Birmingham, Ala., to Erie, Pa.). Erie, Pa., radio range station.
- (3) Blue civil airway No. 3 (Mobile, Ala., to Lafayette, Ind.). Pensacola, Fla., radio range station.
- (4) Blue civil airway No. 4 (Boston, Mass., to United States-Canadian Border). Concord, N. H., radio range station; Burlington, Vt., radio range station.
- (5) Blue civil airway No. 5 (Galveston, Tex., to Wichita, Kans.). Galveston, Tex., radio range station; the intersection of the northwest course of the Houston, Tex., radio range and the northeast course of the Richmond, Tex., radio range; Bryan, Tex., radio range station.
- (6) Blue civil airway No. 6 (Abilene, Tex., to Muskegon, Mich.). No reporting point designation.
- (7) Blue civil airway No. 7 (Paso Robles, Calif., to Hamilton Field, Calif.). No reporting point designation.
- (8) Blue civil airway No. 8 (Fargo, N. Dak., to United States-Canadian Border). Grand Forks, N. Dak., radio range station; Pembina, N. Dak., radio range station.
- (9) Blue civil airway No. 9 (Columbia, Mo., to United States-Canadian Border). Duluth, Minn., radio range station.
- (10) Blue civil airway No. 10 (Fresno, Calif., to Williams, Calif.). No reporting point designation.
- (11) Blue civil airway No. 11 (Cleveland, Ohio, to Niagara Falls, N. Y.). No reporting point designation.
- (12) Blue civil airway No. 12 (The Dalles, Oreg., to Ellensburg, Wash.). Yakima, Wash., radio range station.
- (13) Blue civil airway No. 13 (Houston, Tex., to Kansas City, Mo.). No reporting point designation.
- (14) Blue civil airway No. 14 (El Centro, Calif., to Sacramento, Calif.). No reporting point designation.
- (15) Blue civil airway No. 15 (Columbus, Ohio, to Erie, Pa.). No reporting point designation.
- (16) Blue civil airway No. 16 (Dillon, Mont., to Helena, Mont.). No reporting point designation.
- (17) Blue civil airway No. 17 (Millinocket, Maine, to Presque Isle, Maine). No reporting point designation.
- (18) Blue civil airway No. 18 (Philadelphia, Pa., to Burlington, Vt.). No reporting point designation.
- (19) Blue civil airway No. 19 (Melbourne, Fla., to Orlando, Fla.). No reporting point designation.
- (20) Blue civil airway No. 20 (Millville, N. J., to Allentown, Pa.). No reporting point designation.
- (21) Blue civil airway No. 21 (Pittsburgh, Pa., to Erie, Pa.). No reporting point designation.
- (22) Blue civil airway No. 22 (Memphis, Tenn., to Wichita, Kans.). No reporting point designation.
- (23) Blue civil airway No. 23 (Detroit, Mich., to Flint, Mich.). No reporting point designation.
- (24) Blue civil airway No. 24 (El Centro, Calif., to Riverside, Calif.). Indio, Calif., radio range station.
- (25) Blue civil airway No. 25 (Cordova, Alaska, to Big Delta, Alaska). The intersection of the northeast course of the Cordova, Alaska, radio range and the southeast course of the Gulkana, Alaska, radio range.
- (26) Blue civil airway No. 26 (Anchor age, Alaska, to Nenana, Alaska). Talkeetna, Alaska, non-directional radio marker; Summit, Alaska, radio range station; the intersection of the northeast course of the Summit, Alaska, radio range and the southeast course of the Nenana, Alaska, radio range.
- (27) Blue civil airway No. 27 (Kodiak, Alaska, to Kotzebue, Alaska). The intersection of the west course of the Kodiak, Alaska, radio range and the southeast course of the Naknek, Alaska, radio range.
- (28) Blue civil airway No. 28 (Charleston, S. C., to Spartanburg, S. C.). No reporting point designation.
- (29) Blue civil airway No. 29 (Raleigh, N. C., to Lynchburg, Va.). No reporting point designation.
- (30) Blue civil airway No. 30 (Brownsville, Tex., to Amarillo, Tex.). No reporting point designation.
- (31) Blue civil airway No. 31 (Burlington, Iowa, to Moline, Ill.). No reporting point designation.
- (32) Blue civil airway No. 32 (Seattle, Wash., to Fairbanks, Alaska). The intersection of the northwest course of the Seattle, Wash., radio range and the south course of the Patricia Bay, B. C., radio range.
- (33) Blue civil airway No. 33 (Fort Wayne, Ind., to Toledo, Ohio). No reporting point designation.
- (34) Blue civil airway No. 34 (Little Rock, Ark., to Tulsa, Okla.). No reporting point designation.
- (35) Blue civil airway No. 35 (Topeka, Kans., to Des Moines, Iowa). No reporting point designation.
- (36) Blue civil airway No. 36 (Akron, Colo., to North Platte, Nebr.). No reporting point designation.

## RULES AND REGULATIONS

## TITLE 15—COMMERCE

## Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

## Office of International Trade

[3d Gen. Rev. of Export Reg., Amdt. P. L. 4]

## PART 399—POSITIVE LIST OF COMMODITIES AND RELATED MATTERS

## APPENDIX A—POSITIVE LIST OF COMMODITIES

Section 399.1 Appendix A—positive list of commodities is amended in the following particulars:

There is added a qualifying footnote reference meaning "May be exported under general license to the Philippine Islands and to all destinations in North and South America as listed in Schedule C of the Bureau of the Census," with respect to the following commodities:

Dept. of Comm. Sched. B No.	Commodity
101100	Grains and preparations:
101100	Barley (bu. 48 lbs.) except seed.
104100	Barley for seed.
107100	Oats.
107300	Wheat (bu. 60 lbs.) (include seed), (except in cases or in small packages) (include graham, malt, pastry and macaroni flours).
107400	Wheat flour, wholly of U. S. wheat (except in cases or in small packages) (including graham, malt, pastry and macaroni flours).
109000	Wheat flour, not wholly of U. S. wheat (except in cases or in small packages) (including graham, malt, pastry and macaroni flours).
109900	Wheat semolina.
103500	Wheat flour in cases or small packages and all preparations containing wheat flour classified under Schedule B No. 109900.
	Grain sorghums (bu. 56 lbs.) except seed (report grain sorghum for seed under 241990).

(Sec. 6, 54 Stat. 714, 55 Stat. 206, 56 Stat. 463, 58 Stat. 671, 59 Stat. 270, 60 Stat. 215, 61 Stat. 214, 61 Stat. 321, Pub. Law 395, 80th Cong.; 50 U. S. C. App. and Sup. 701, 702; E. O. 9630, Sept. 27, 1945, 10 F. R. 12245; E. O. 9919, Jan. 3, 1948, 13 F. R. 59)

Dated: August 24, 1948.

FRANCIS MCINTYRE,  
Assistant Director,  
Office of International Trade.

[F. R. Doc. 48-7739; Filed, Aug. 30, 1948; 8:50 a. m.]

## TITLE 24—HOUSING CREDIT

## Chapter V—Federal Housing Administration

## Subchapter D—Multifamily Rental Housing Insurance

## PART 532—ADMINISTRATIVE RULES UNDER SECTION 207 OF THE NATIONAL HOUSING ACT

Sec.	APPLICATION AND COMMITMENT
532.1	Information for preliminary examination.
532.2	Issuance of commitment.

## ELIGIBLE MORTGAGES

Sec.	ELIGIBLE MORTGAGES
532.3	Mortgage forms.
532.4	Eligibility for insurance.
532.5	Maturity.
532.6	Payment requirements.
532.7	Interest rate.
532.8	Release provisions.
532.9	Covenant against liens.
532.10	Covenants for fire insurance.
532.11	Soundness of project.
532.12	Accumulation of next premium.
532.13	Application of payments.
532.14	Prepayment privilege.
532.15	Issuance of bonds.

## CLASSIFICATION OF ELIGIBLE MORTGAGORS

532.16	Private mortgagors.
532.17	Public mortgagors.
SUPERVISION OF MORTGAGORS	
532.18	In general.
532.19	Required supervision of private mortgagors.

## ELIGIBLE MORTGAGEES

532.20	Classifications.
532.21	Required inspections.
ELIGIBLE PROPERTIES	
532.22	Eligibility of property.
532.23	Development of property.

## TITLE

532.24	Eligibility of tile.
532.25	Title evidence.

## EFFECTIVE DATE

532.26	Effective date.
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AUTHORITY: §§ 532.1 to 532.26, inclusive, issued under sec. 211, 48 Stat. 1246, as amended by 52 Stat. 8, 53 Stat. 804, 55 Stat. 55, Pub. Law 901, 80th Cong.

## APPLICATION AND COMMITMENT

§ 532.1 Information for preliminary examination. (a) Information required for the examination of a Rental Housing Project under section 207 shall be submitted in the form of an application for mortgage insurance by an approved mortgagee and by the sponsors of such project through the local Federal Housing Administration office, on approved FHA Application Form (executed in triplicate). No application will be considered unless the exhibits called for by such form are furnished and a fee of one dollar and fifty cents (\$1.50) per thousand of the face amount of the mortgage loan applied for (referred to as "Application Fee") is paid.

(b) A further sum (referred to as "commitment fee") which when added to the "application fee" will aggregate three dollars (\$3.00) per thousand of the face amount of the mortgage loan set forth in the commitment shall be paid within fifteen (15) days from delivery of the commitment, otherwise the commitment will be null and void unless extended in writing by the Commissioner.

(c) Upon application for an increase in the amount of an existing commitment, an additional application fee of one dollar and fifty cents (\$1.50) per thousand dollars shall be paid based upon the amount of the increase requested. Any increase in the amount of a commitment shall be subject to the payment of an additional commitment fee which when added to the additional application fee will aggregate three dollars (\$3.00) per

(37) Blue civil airway No. 37 (Casper, Wyo., to Rapid City, S. Dak.). No reporting point designation.

(38) Blue civil airway No. 38 (Annette Island, Alaska to United States-Canadian Border). Haines, Alaska, radio range station.

(39) Blue civil airway No. 39 (Knoxville, Tenn., to United States-Canadian Border). No reporting point designation.

(40) Blue civil airway No. 40 (Concord, N. H., to Burlington, Vt.). No reporting point designation.

(41) Blue civil airway No. 41 (New York, N. Y., to United States-Canadian Border). No reporting point designation.

(42) Blue civil airway No. 42 (South Bend, Ind., to Battle Creek, Mich.). No reporting point designation.

(43) Blue civil airway No. 43 (Birmingham, Ala., to Nashville, Tenn.). No reporting point designation.

(44) Blue civil airway No. 44 (Memphis, Tenn., to Fort Wayne, Ind.). No reporting point designation.

(45) Blue civil airway No. 45 (Lake Charles, La., to Baton Rouge, La.). No reporting point designation.

(46) Blue civil airway No. 46 (Los Angeles, Calif., to Oakland, Calif.). No reporting point designation.

(47) Blue civil airway No. 47 (Martinsburg, W. Va., to Philipsburg, Pa.). No reporting point designation.

(48) Blue civil airway No. 48 (New York, N. Y., to New Hackensack, N. Y.). No reporting point designation.

(49) Blue civil airway No. 49 (Millville, N. J., to Philadelphia, Pa.). No reporting point designation.

(50) Blue civil airway No. 50 (Bangor, Maine, to United States-Canadian Border). No reporting point designation.

(51) Blue civil airway No. 51 (Wendover, Utah, to Pocatello, Idaho). No reporting point designation.

(52) Blue civil airway No. 52 (Paso Robles, Calif., to Fresno, Calif.). No reporting point designation.

(53) Blue civil airway No. 53 (Providence, R. I., to Hartford, Conn.). No reporting point designation.

(54) Blue civil airway No. 54 (Salinas, Calif., to Oakland, Calif.). No reporting point designation.

(55) Blue civil airway No. 55 (Crestview, Fla., to Montgomery, Ala.). No reporting point designation.

(56) Blue civil airway No. 56 (Elizabeth City, N. C., to Norfolk, Va.). No reporting point designation.

(57) Blue civil airway No. 57 (Elko, Nev., to Burley, Idaho). No reporting point designation.

This amendment shall become effective 0001 e. s. t. September 1, 1948.

(52 Stat. 973, 984-986; 54 Stat. 1231, 1233-1235; 60 Stat. 238; 5 U. S. C. 1002; 49 U. S. C. 401, 425, 451, 452, 457, 458)

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Administrator of Civil Aeronautics.

[F. R. Doc. 48-7656; Filed, Aug. 30, 1948; 8:52 a. m.]



thousand of the amount of the increase. If the amount of the insured mortgage is increased after insurance either by amendment or by the substitution of a new insured mortgage, the fees herein provided for shall be based upon the amount of such increase.

(d) If the application is rejected prior to an estimate of cost by the Commissioner, the application fee will be returned to the applicant. Subsequent to such estimate of cost, the fee paid will not be returned.

§ 532.2 *Issuance of commitment.* (a) Upon approval of an application a commitment will be issued setting forth the terms and conditions upon which the mortgage will be insured, including special requirements applicable to the project and requiring the submission in final form within a time specified of all appropriate documents, drawings, plans, specifications, estimates, and other instruments evidencing full compliance satisfactory to the Commissioner with the regulations in this part and with such terms and conditions.

(b) Such commitment may be on a form providing for advances of mortgage money during construction and the insurance of such advances as made, or it may be on a form providing for the insurance of the mortgage after completion of the improvements.

(c) No commitment shall be valid unless signed by the Commissioner or his agent authorized for that purpose, and shall, with respect to commitments to insure advances, be effective for a stated period, not in excess of 120 days, but may be renewed in such manner as the Commissioner may from time to time specify.

(d) In the case of a Public Housing Project, the fee to be paid under this section shall be fixed by the Commissioner, but shall not exceed three dollars (\$3.00) per thousand of the original face amount of the mortgage.

(e) The mortgagee may collect from the mortgagor the amount of the application and commitment fees provided for in this section and may charge the mortgagor an initial service charge to reimburse itself for the cost of closing the transaction, in an amount not to exceed one and one-half per centum (1½%) of the original principal amount of the mortgage.

#### ELIGIBLE MORTGAGES

§ 532.3 *Mortgage forms.* The mortgage must be executed upon a printed form approved by the Commissioner for use in the jurisdiction in which the property covered by the mortgage is situated, by a mortgagor with the qualifications hereinafter set forth in § 532.16, must be a first lien upon property that conforms with the property standards prescribed by the Commissioner, and the mortgagee must be obligated, as a part of the mortgage transaction, to disburse the entire principal amount of the mortgage to, or for the account of, the mortgagor in conformity with the terms of the commitment. Any changes in the printed form desired by the mortgagor and mortgagee must receive prior written approval of the Commissioner. The mortgage must

secure a principal obligation in multiples of one hundred dollars (\$100).

§ 532.4 *Eligibility for insurance.* (a) A mortgage, other than a mortgage of the character described in paragraphs (b), (c), (d), (e), and (f) of this section, may involve a principal obligation not exceeding five million dollars (\$5,000,000) and not in excess of eighty per centum (80%) of the amount which the Commissioner estimates will be the value of the property or project when the proposed improvements are completed, including the land; the proposed physical improvements; utilities within the boundaries of the property or project; architects' fees; taxes and interest accruing during construction; and other miscellaneous charges incident to construction and approved by the Commissioner: *Provided*, That, such mortgage shall not exceed the amount which the Commissioner estimates will be the cost of the completed physical improvements on the property or project, exclusive of public utilities and streets and organization and legal expenses; and such part of the mortgage as may be attributable to dwelling use shall not exceed \$8,100 per family unit.

(b) A mortgage executed by a mortgagor coming within the provisions of paragraph (b) of § 532.16 may involve a principal obligation not to exceed fifty million dollars (\$50,000,000) and not in excess of eighty per centum (80%) of the amount which the Commissioner estimates will be the value of the property or project when the proposed improvements are completed, including the land; the proposed physical improvements; utilities within the boundaries of the property or project; architects' fees; taxes and interest accruing during construction; and other miscellaneous charges incident to construction and approved by the Commissioner; and such part of the mortgage as may be attributable to dwelling use shall not exceed \$8,100 per family unit.

(c) A mortgage with respect to a project to be constructed in a locality or metropolitan area where, as determined by the Commissioner, there is a need for new dwellings for families of lower income at rentals comparable to the rentals proposed to be charged for the dwellings in such project, may involve a principal obligation in an amount not exceeding five million dollars (\$5,000,000) and not in excess of ninety per centum (90%) of the amount which the Commissioner estimates will be the value of the project when the proposed improvements are completed, and such part of the mortgage as may be attributable to dwelling use shall not exceed \$6,000 per family unit.

(d) A mortgage with respect to a project of a nonprofit cooperative ownership housing corporation the permanent occupancy of the dwellings of which is restricted to members of such corporation, may involve a principal obligation in an amount not exceeding five million dollars (\$5,000,000) and not in excess of ninety per centum (90%) of the amount which the Commissioner estimates will be the value of the property when the proposed

improvements are completed; and such part of the mortgage as may be attributable to dwelling use shall not exceed \$8,100 per family unit, except that if the Commissioner finds that the needs of the members of any such corporation could more adequately be met by per room cost limitations, the mortgage may involve a principal obligation in an amount not to exceed \$1,800 per room for such part of such project as may be attributable to dwelling use.

(e) A mortgage with respect to a project of a nonprofit cooperative ownership housing corporation, whose membership consists primarily of veterans of World War II, may involve a principal obligation in an amount not exceeding five million dollars (\$5,000,000) and not in excess of ninety-five per centum (95%) of the amount which the Commissioner estimates as the replacement cost of the property or project on the basis of the costs prevailing on December 31, 1947, for properties or projects of comparable quality in the locality where such property or project is to be located; and such part of the mortgage as may be attributable to dwelling use shall not exceed eighty-one hundred dollars (\$8,100) per family unit, except that if the Commissioner finds that the needs of the members of such corporation could more adequately be met by per room cost limitations, the mortgage may involve a principal obligation in an amount not to exceed eighteen hundred dollars (\$1,800) per room for such part of such project as may be attributable to dwelling use.

(f) A mortgage with respect to a project constructed by a nonprofit corporation organized for the purpose of construction of homes for members of the corporation at prices, costs, or other charges comparable to the prices, costs, or charges proposed to be charged to such members may involve a principal obligation in an amount not exceeding five million dollars (\$5,000,000) and not in excess of ninety per centum (90%) of the amount which the Commissioner estimates will be the value of the property when the proposed improvements are completed; and such part of the mortgage as may be attributable to dwelling use shall not exceed eighty-one hundred dollars (\$8,100) per family unit, except that if the Commissioner finds that the needs of the members of such corporation could more adequately be met by per room cost limitations, the mortgage may involve a principal obligation in an amount not to exceed eighteen hundred dollars (\$1,800) per room for such part of such project as may be attributable to dwelling use.

§ 532.5 *Maturity.* The mortgage shall have a maturity satisfactory to the Commissioner, depending upon the risk involved and the general character of the project, and shall contain complete amortization or sinking-fund provisions satisfactory to the Commissioner, except that a mortgage of the character described in paragraphs (c), (d), (e), and (f) of § 532.4 may have a maturity of not to exceed forty (40) years from the date of the insurance of the mortgage.

§ 532.6 *Payment requirements.* The mortgage shall provide for monthly payments on the first day of each month by the mortgagor to the mortgagee on account of interest and principal. Such monthly payments may be on a level annuity or declining annuity basis as agreed upon by the mortgagor, the mortgagee, and the Commissioner. Where the insured mortgage does not exceed \$200,000, payments on account of principal shall begin not later than the first day of the twelfth (12) month following execution of the mortgage. Where the mortgage does exceed \$200,000, such principal payments shall begin not later than the first day of the twenty-fourth (24) month following execution of the mortgage. In cases where a commitment to insure upon completion has been issued, the respective dates for commencement of amortization will be figured on the same basis from the date the commitment is issued.

§ 532.7 *Interest rate.* The mortgage shall bear interest, not exceeding four per centum (4%) per annum, as may be agreed upon between the mortgagor and mortgagee. All charges made in connection with the mortgage transaction shall be subject to the approval of the Commissioner.

§ 532.8 *Release provisions.* The mortgage shall cover the entire property included in the housing project. A mortgage of the character described in paragraph (f) of § 532.4 may include provisions for the release from the lien thereof of any of the improvements and the land upon which they are located upon conditions to be determined by the Commissioner. Where the mortgage does not contain such release provisions, no property shall, except with the consent of the mortgagee and the Commissioner, be released from the lien thereof so long as the mortgage insurance is in force.

§ 532.9 *Covenant against liens.* The mortgage shall, except in the case of a Public Housing Project, as described in paragraph (b) of § 532.16, contain a covenant against the creation by the mortgagor of liens against the property inferior to the lien of the mortgage.

§ 532.10 *Covenants for fire insurance.* The mortgage shall contain a covenant binding the mortgagor to keep the property insured by a standard policy or policies against fire and such other hazards as the Commissioner, upon the insurance of the mortgage, may stipulate, in an amount which will comply with the co-insurance clause applicable to the location and character of the property, but not less than eighty per centum (80%) of the actual cash value of the insurable improvements and equipment of the project. The initial coverage shall be in an amount estimated by the Commissioner at the time of completion of the entire project or units thereof. The policies evidencing such insurance shall have attached thereto a standard mortgage clause making loss payable to the mortgagee and the Commissioner, as interests may appear.

§ 532.11 *Soundness of project.* No mortgage shall be accepted for insurance unless the Commissioner finds that the property or project with respect to which

the mortgage is executed is economically sound.

§ 532.12 *Accumulation of next premium.* The mortgage shall provide for payments by the mortgagor to the mortgagee on each interest payment date of an amount sufficient to accumulate in the hands of the mortgagee one payment period prior to its due date, the next annual mortgage insurance premium payable by the mortgagee to the Commissioner. Such payments shall continue only so long as the contract of insurance shall remain in effect. The mortgage shall provide that upon the payment of the mortgage before maturity, the mortgagor shall pay the adjusted premium charge referred to in § 533.3 of this chapter, Administrative Regulations under section 207 of the National Housing Act.

The mortgage shall also provide for such equal monthly payments by the mortgagor to the mortgagee as will amortize the ground rents, if any, and the estimated amount of all taxes, water rates and special assessments, if any, and fire and other hazard insurance premiums, within a period ending one month prior to the dates on which the same become delinquent. The mortgage shall further provide that such payments shall be held by the mortgagee, for the purpose of paying such ground rents, taxes, water rates and assessments, and insurance premiums, before the same become delinquent. The mortgage must also make provision for adjustments in case the estimated amount of such taxes, water rates and assessments, and insurance premiums shall prove to be more, or less, than the actual amount thereof so paid by the mortgagor.

§ 532.13 *Application of payments.* All monthly payments to be made by the mortgagor to the mortgagee shall be added together and the aggregate amount thereof shall be paid by the mortgagor upon each monthly payment date in a single payment. The mortgagee shall apply the same to the following items in the order set forth:

- (a) Premium charges under the contract of insurance;
- (b) Ground rents, taxes, special assessments and fire and other hazard insurance premiums;
- (c) Interest on the mortgage;
- (d) Amortization of the principal of the mortgage.

Any deficiency in the amount of any such aggregate monthly payment shall constitute an event of default under the mortgage unless paid within thirty (30) days from the date due.

§ 532.14 *Prepayment privilege.* The mortgage must contain a provision permitting the mortgagor to prepay the mortgage in whole or in part upon any interest payment date after giving to the mortgagee thirty (30) days' notice in writing in advance of its intention to so prepay. The mortgagee may, however, include in the mortgage a provision for such additional charge in the event of prepayment of principal as may be agreed upon between the mortgagor and mortgagee: *Provided, however,* That the mortgagor must be permitted to prepay up to fifteen per centum (15%) of the

original principal amount of the mortgage in any one calendar year without any such additional charge, and no such additional charge for prepayment may be made where such prepayment results from the release of individual properties in accordance with the provisions of a mortgage upon a release clause project executed by a nonprofit corporation constructing homes for members, as described in the second proviso of section 207 (c) (2) of the act.

§ 532.15 *Issuance of bonds.* In the event that bonds are to be issued as a part of the insured mortgage transaction, all arrangements with respect to the issuance and sale of such bonds shall be subject to approval by the Commissioner.

#### CLASSIFICATION OF ELIGIBLE MORTGAGORS

§ 532.16 *Private mortgagors.* In order to be eligible for insurance as a mortgagor of a Rental Housing Project under section 207 such mortgagor must be a private corporation (including a nonprofit corporation or a nonprofit cooperative ownership housing corporation), association, cooperative society which is a legal agent of the owner-occupants, or trust (referred to in the rules and regulations in this part as "mortgagor," "corporation," or "mortgagor corporation"), formed or created, with the approval of the Commissioner for the purpose of providing housing for rent or sale, and possessing powers necessary therefor and incidental thereto, which corporation, association, cooperative society, or trust, is regulated or restricted by the Commissioner as to rents or sales, charges, capital structure, rate of return, and methods of operation. Such regulation or restriction shall remain in effect until such time as the mortgage insurance contract terminates without obligation upon the Commissioner to issue debentures as a result of such termination. So long as such contract of insurance is in effect, the corporation, association, cooperative society, or trust shall engage in no business other than the construction and operation of a Rental Housing Project; or

§ 532.17 *Public mortgagors.* A Federal or State instrumentality, a municipal corporate instrumentality of one or more States, or a limited dividend or redevelopment or housing corporation formed under and restricted by Federal or State laws or regulations of a State Banking or insurance department as to rents, charges, capital structure, rate of return, or methods of operation (projects of such mortgagors are herein referred to as "Public Housing Projects").

#### SUPERVISION OF MORTGAGORS

§ 532.18 *In general.* (a) In the case of an eligible mortgagor described in § 532.17, the Commissioner is not required under the act to regulate or restrict the mortgagor. Such mortgagor, however, must have initial funds which may be considered in lieu of the equity required of other mortgagors. Such funds (which may be in the form of Government loans, grants, or subsidies, or in other form) if sufficient in amount will be considered satisfactory provided they do not create a lien against the

property prior to that of the insured mortgage. Liens inferior to the lien of the insured mortgage may be allowed against properties of such mortgagors.

(b) In all other cases a mortgagor must establish that after final disbursement of the loan the property covered by the mortgage is free and clear of all liens other than such mortgage, and that there will not be outstanding any other unpaid obligation contracted in connection with the mortgage transaction or the purchase of the mortgaged property, except obligations which are secured by property or collateral owned by the mortgagor independently of the mortgaged property.

(c) Supervision of such other mortgagors is required by the provision of section 207 of the act that such mortgagors shall be regulated or restricted by the Commissioner. Such regulation or restriction will be set forth in the certificate of incorporation or other instrument under which the mortgagor is created (hereinafter referred to as the "charter") and will be made effective through the issuance of certain shares of special stock (or other evidence of a beneficial interest in the mortgagor) which stock or interest will acquire majority voting rights in the event of default under the mortgage or violation of a provision of the charter, but only for a period coexistent with the duration of such default or violation. Such special stock or interest issued to the Commissioner, his nominee or nominees and/or the Federal Housing Administration shall be in sufficient amount to constitute under the laws of the particular State a valid special class of stock or interest and shall be issued in consideration of the payment by the Commissioner of not exceeding in the aggregate \$100. Such stock shall be represented by certificates issued in the name of the Commissioner, and/or in the name of his nominee or nominees, and/or in the name of the Federal Housing Administration, as the Commissioner shall require. If, for any reason satisfactory to the Commissioner such regulation or restriction cannot be effected as to a particular mortgagor through the issuance of shares of special stock or other evidence of beneficial interest, such regulation or restriction will be effected through a regulatory agreement satisfactory to the Commissioner. Upon the termination of all obligations of the Commissioner under his contract of mortgage insurance or any succeeding contract or agreement covering the mortgage obligation, including the obligation upon the Commissioner to issue debentures as a result of such termination, all regulation and restriction of the mortgagor shall cease. When the right of the Commissioner to regulate or restrict the mortgagor shall so terminate, the shares of special stock or other evidence of beneficial interest shall be surrendered by the Commissioner upon reimbursement of his payments therefor plus accrued dividends, if any, thereon.

§ 532.19 *Required supervision of private mortgagors.* The following are the items which will be regulated or restricted, except in the case of mortgagors of Public Housing Projects:

(a) *Capital structure.* (1) The sponsor's equity in a project, for dividend purposes, shall mean, (i) the Commissioner's estimate of the value of the project upon completion less the face amount of the mortgage plus (ii) required cash working capital. Such equity when contributed shall be in the form of unencumbered property, and such cash and services as the Commissioner shall require.

(2) Such number of shares of capital stock, either with or without par value, in the case of a corporation, or such appropriate evidences of interest, in the case of an association, a cooperative society, or a trust, may be issued as sponsors may deem appropriate. Such stock or interest, together with paid in surplus, if any, shall represent such equity. Additional stock or evidences of interest may be authorized but the charter shall provide that it shall not be issued except with the approval of the Commissioner. No stock or interest shall be redeemed, purchased, or paid off by the mortgagor during the period in which the mortgage insurance is in force, except with the approval of the Commissioner.

(3) The shares of stock or interest issued to the Commissioner shall be in sufficient amount to constitute, under the laws of the particular jurisdiction, a valid special class of stock or interest and shall be issued in consideration of the payment by the Commissioner of not exceeding \$100.

(b) *Rate return.* Regular dividends or distribution of income may be declared or paid only as of the end of a semiannual or annual fiscal period. Dividends or distribution of income may be declared and paid only from earned income legally available for dividends or distribution of income in excess of all operating expenses, taxes, assessments, fixed charges, mortgage insurance premiums, required allocations to the Fund for Replacements, and interest and principal on the insured mortgage including principal payments permitted to be passed by reason of prepayments theretofore made. No regular dividends or distribution of income may be declared or paid for any fiscal year in excess of six per centum (6%) per annum of the equity as valued by the Commissioner but may be cumulative from year to year, and the dollar amount of such dividends or distribution of income shall be stated in the charter; *Provided*, That one-half of such earned income in excess of regular dividends or distribution of income may be declared or paid as extra dividends or distribution of income for a fiscal year as of the end of such year. The charter will make provision for dividends or distribution of income as provided herein and will also provide that in any event one-half of earned income in excess of regular dividends or distribution of income shall be applied annually in reduction of principal of the insured mortgage.

(c) *Control of funds during construction.* (1) From its capital funds the mortgagor shall deposit with the mortgagee or, in a depository satisfactory to the mortgagee and under control of the mortgagee an amount equivalent to not less than one and one-half per centum

(1½%) of the original principal amount of the mortgage, for the purpose of meeting the cost of equipping and renting the project subsequent to completion of construction of the entire project or units thereof and, during the course of construction, for allocation by the mortgagee to the accruals for taxes, mortgage insurance premium, hazard insurance premiums and assessments required by the terms of the mortgage as outlined in § 532.13. Any balance of said fund not used or allocated for the above purposes shall be returned to the mortgagor upon completion of construction of the entire project to the satisfaction of the Commissioner.

(2) The mortgagor must establish in a manner satisfactory to the Commissioner that, in addition to the proceeds of the insured mortgage, the mortgagor has funds sufficient to assure completion of construction of the project and to pay all carrying charges, financing and organization expenses incidental to the construction of the project which funds shall be deposited with and held by the mortgagee in a special account or by an acceptable depository designated by the mortgagee under an appropriate agreement approved by the Commissioner which will require all such construction funds to be expended for work and material on the physical improvements prior to the advance of any mortgage money and for other charges and expenses to be paid when due.

(3) The Commissioner may require the deposit with the mortgagee or with an acceptable trustee or escrow agent designated by the mortgagee under an appropriate agreement of such cash as may be required for the completion of onsite public utilities and streets.

(4) The Commissioner, the mortgagor and the mortgagee shall, prior to the insurance of the mortgage, agree with respect to the manner and conditions under which advances (if any) during construction are to be made by the mortgagee and approved for insurance by the Commissioner.

(5) Such agreement shall require the mortgagee to notify the Commissioner, through the insuring office having jurisdiction over the territory in which the property is situated, in writing, on an application form prescribed by the Commissioner, of the proposed date and the amount of the advance to be made, and the Commissioner shall deliver to the mortgagee within a reasonable time from the date of such notice a certificate executed on behalf of the Commissioner on a form prescribed by him setting forth the amount approved for insurance or advising the mortgagee of the Commissioner's nonapproval and setting forth the reasons therefor.

(6) Such agreement shall be set forth on a form prescribed by the Commissioner; shall contain such additional terms, conditions, and provisions as the Commissioner shall in the particular case prescribe or approve, and when properly executed by the Commissioner and the mortgagee, shall constitute a part of the mortgage insurance contract. When all advances of mortgage money approved for insurance by the Commissioner have been made, the original credit instru-

ment will be finally endorsed for insurance for the total of such advances as provided for in the Administrative Regulations.

(7) No advance under any mortgage shall be eligible for insurance unless there is filed with the application for such advance a certificate or certificates in the form required by the Commissioner, certifying that the laborers and mechanics employed in the construction of the dwelling or dwellings or housing project involved have been paid not less than the wages prevailing in the locality in which the work was performed for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor prior to the beginning of construction and after the date of filing of the application for insurance.

(8) Assurance for the completion of a project may be either (i) bond of a surety company satisfactory to the Commissioner on the standard form prescribed by the Commissioner or on the standard A. I. A. form of performance bond with the mortgagor and mortgagee as joint obligees in the penal sum of at least ten per centum (10%) of the cost of construction of the project, or (ii) the personal undertaking or obligation in a form and by an obligor or obligors designated by the mortgagee and satisfactory to the Commissioner in an amount at least equal to ten per centum (10%) of the construction cost of the project, or (iii) an escrow deposit with the mortgagee, or with a depository satisfactory to the mortgagee and the Commissioner, of cash or securities of, or fully guaranteed as to principal and interest by, the United States of America, under a completion assurance agreement prescribed by the Commissioner, of an amount at least equal to ten per centum (10%) of the estimated cost of construction of the project, or (iv) may be in such other form as may be recommended by the mortgagee and approved in writing by the Commissioner.

(d) *Rents and charges.* Except as hereinafter provided:

(1) No charge shall be made by the mortgagor corporation for the accommodations offered by the project in excess of a rental schedule to be filed with the Commissioner and approved by him or his duly constituted representative prior to the opening of the project for rental, which schedule shall not exceed, except with the consent of the Commissioner a maximum average rental fixed prior to the insurance of the mortgage. In establishing such maximum and in passing upon applications for changes, consideration will be given the following and similar factors:

(i) Rental income necessary to maintain the economic soundness of the project.

(ii) Rental income necessary to provide reasonable return on the investment consistent with providing reasonable rentals to tenants.

(2) The established maximum rental shall be the maximum authorized charge against any tenant for the accommodations offered exclusive of telephone, gas, electric, and refrigeration facilities. Charges in addition to such maximum

rental may be made against a tenant for telephone, gas, electric, refrigeration, and other facilities and privileges furnished by the mortgagor, but only with the approval of the Commissioner.

(3) With respect to release clause projects constructed by nonprofit corporations for sale to its members, as described in the second proviso of section 207 (c) (2) of the act, no dwelling covered by the insured mortgage shall be sold in excess of a price fixed by the corporation and approved by the Commissioner.

(e) *Methods of operation.* (1) No compensation shall be paid by the corporation except for necessary services and except at such rate as is fair and reasonable in the locality for similar services, nor, except with the prior written approval of the Commissioner, shall any compensation be paid by the corporation to its officers, directors, or stockholders, or to any person, or corporation for supervisory or managerial services, nor shall any compensation be paid by the corporation to any employee in excess of three thousand dollars (\$3,000) per annum, except with such prior written approval. No officer, director, stockholder, agent, or employee of the corporation shall in any manner become indebted to the corporation.

(2) The corporation shall maintain its project, the grounds, buildings, and equipment appurtenant thereto, in good repair and in such condition as will preserve the health and safety of its tenants.

(3) A Fund for Replacements shall be accumulated and maintained with the mortgagee so long as the mortgage insurance is in force, and the amount and type of such Fund and the conditions under which it shall be accumulated, replenished and used, shall be specified in the charter. Failure to comply with the terms of this requirement may be considered by the Commissioner as a default under the terms of the charter.

(4) The corporation, its property, equipment, buildings, plans, offices, apparatus, devices, books, contracts, records, documents, and papers shall be subject to inspection and examination by the Commissioner or his duly authorized agent at all reasonable times.

(5) The books and accounts of the corporation shall be kept in accordance with the uniform system of accounting prescribed by the Commissioner. The corporation shall file with the Commissioner the following reports verified by the signature of such officers of the corporation as the Commissioner may designate and in such form as prescribed by the Commissioner:

(i) Monthly occupancy reports, when required by the Commissioner;

(ii) A semi-annual financial statement within sixty (60) days after the declaration of any semi-annual dividends;

(iii) Annual reports prepared by a certified public accountant, to be filed within sixty (60) days after the end of each fiscal year;

(iv) Specific answers to questions upon which information is desired from time to time relative to the operation and condition of the property and the status of the insured mortgage;

(v) Copies of minutes of stockholders' meetings certified to by the Secretary of the Corporation.

#### ELIGIBLE MORTGAGEES

§ 532.20 *Classifications.* (a) The following may become the mortgagee of a mortgage insured under section 207 of the National Housing Act:

(1) Any institution or organization which is approved as a mortgagee under the National Housing Act; and

(2) Any other chartered institution or permanent organization having succession, upon its approval by the Commissioner for a particular transaction.

(b) The mortgagee must demonstrate to the satisfaction of the Commissioner its ability to make the mortgage and service the same. The Commissioner reserves the right to refuse to approve any institution or organization as the mortgagee of a particular mortgage or to withhold any such approval pending compliance by such institution or organization, with additional conditions which in the discretion of the Commissioner are required in the particular case.

(c) Approval of a mortgagee may be withdrawn by notice from the Commissioner for cause sufficient to the Commissioner, but no withdrawal will in any way affect the insurance on mortgages theretofore accepted for insurance.

§ 532.21 *Required inspections.* As a condition precedent to insurance, the mortgagee must agree that so long as the mortgage is an insured mortgage, it will ascertain the general physical condition of the mortgaged property in each calendar year commencing with the calendar year following completion of the project and will furnish the Commissioner with a copy of its inspection report. If at any time it be determined by the mortgagee that, in addition to ordinary wear and tear, the mortgaged property is being subjected to permanent or substantial injury, through unreasonable use, abuse or neglect, the mortgagee will, unless adequate provision satisfactory to a prudent lender is made for the prompt restoration of the mortgaged property, forthwith take such action as may be available to it under the mortgage and appropriate to the particular case, for the protection and preservation of the mortgaged property and the income therefrom, and the submission of an application for insurance shall be evidence of such agreement.

#### ELIGIBLE PROPERTIES

§ 532.22 *Eligibility of property.* (a) In order for property to be eligible as the subject of an insured mortgage, such property must be held in fee simple, or consist of the interest held under a leasehold for not less than ninety-nine (99) years which is renewable, or under a lease having not less than fifty (50) years to run from the date the mortgage is executed. Such mortgage may also cover additional property approved by the Commissioner.

(b) The property constituting security for the mortgage must be held by an eligible mortgagor as herein defined and must at the time the mortgage is insured be free and clear of all liens other than that of such mortgage except as pro-

vided in § 532.18 (a) in connection with the Public Housing Projects.

§ 532.23 *Development of property.* At the time the mortgage is insured:

(a) The mortgagor shall be obligated to construct the complete new housing accommodations on the mortgaged property designed principally for residential use, conforming to standards satisfactory to the Commissioner, and consisting of not less than twelve (12) rentable dwelling units on one site and may be detached, semi-detached, or row houses, or multi-family structures, except that in the case of a release clause project such units must be single family dwellings constructed for sale to members of the mortgagor corporation.

(b) There shall be located on the mortgaged property a building or buildings, which, upon completion of proposed improvements, shall provide housing accommodations designed principally for residential use, conforming to standards satisfactory to the Commissioner, and containing at least twelve (12) rentable dwelling units preferably but not necessarily contiguous and so located in relation to one another as to effect a substantial improvement of housing standards and conditions in the neighborhood.

(c) Such dwelling and other improvements, if any, must not violate any zoning or deed restrictions applicable to the project site and must comply with all applicable building and other governmental regulations.

(d) Any project may include such commercial and community facilities as the Commissioner deems adequate to serve the occupants.

**TITLE**

§ 532.24 *Eligibility of title.* In order for the mortgaged property to be eligible for insurance, the Commissioner must determine that marketable title thereto is vested in the mortgagor as of the date the mortgage is filed for record. The title evidence will be examined by the Commissioner and the original endorsement of the credit instrument for insurance will be evidence of its acceptability.

§ 532.25 *Title evidence.* Upon insurance of the mortgage, the mortgagee, without expense to the Commissioner, shall furnish to the Commissioner a survey satisfactory to him and a policy of title insurance as provided in paragraph (a) of this section, or, if the mortgagee is unable to furnish such policy for reasons satisfactory to the Commissioner, the mortgagee, without expense to the Commissioner, shall furnish such evidence of title as provided in paragraphs (b), (c) or (d) of this section, as the Commissioner may require.

(a) A policy of title insurance with respect to such mortgage, issued by a company satisfactory to the Commissioner. Such policy shall comply with the "L. I. C. Standard Mortgagee Form," or the "A. T. A. Standard Mortgagee Form," or such other form as may be approved by the Commissioner; shall be payable to the mortgagee and the Commissioner as their respective interests may appear; and shall become an owner's policy, running to the mortgagee as

owner upon the acquisition of the property by the mortgagee in extinguishment of the debt through foreclosure or by other means as provided in § 533.5 (b), of this chapter, Administrative Regulations under section 207 of the National Housing Act, and to the Commissioner as owner upon the acquisition of the property by him pursuant to the mortgage insurance contract.

(b) An abstract of title satisfactory to the Commissioner, prepared by an abstract company or individual engaged in the business of preparing abstracts of title, accompanied by a legal opinion satisfactory to the Commissioner, as to the quality of such title, signed by an attorney at law experienced in the examination of titles.

(c) A Torrens or similar title certificate.

(d) Evidence of title conforming to the standards of a supervising branch of the Government of the United States of America, or of any State or Territory thereof.

**EFFECTIVE DATE**

§ 532.26 *Effective date.* The administrative rules in this part shall be effective as to all mortgages with respect to which a commitment to insure shall be issued on or after August 26, 1948.

**PART 533—ADMINISTRATIVE REGULATIONS UNDER SECTION 207 OF THE NATIONAL HOUSING ACT**

**Sec.**

- 533.0 Citations.
- 533.1 Definitions.

**PREMIUMS**

- 533.2 First, second and third premiums.
- 533.3 Adjusted premium charge.

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- 533.4 Form of endorsement.

**RIGHTS AND DUTIES OF A MORTGAGEE UNDER THE CONTRACT OF INSURANCE**

- 533.5 Benefits of insurance.
- 533.6 Computation of benefits received by assignment.
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- 533.8 Title in case of conveyance.
- 533.9 Evidence of title.
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- 533.11 Mortgage default and termination.

**ASSIGNMENTS**

- 533.12 In general.
- 533.13 Termination of mortgage insurance by assignment.
- 533.14 No vested right.
- 533.15 Amendments of regulations.
- 533.16 Effective date.

**AUTHORITY:** §§ 533.0 to 533.16, inclusive, issued under sec. 211, 48 Stat. 1246, as amended by 52 Stat. 8, 53 Stat. 804, 55 Stat. 55, Pub. Law 901, 80th Cong.

§ 533.0 *Citations.* The regulations in this part may be cited and referred to as "Regulations of the Federal Housing Commissioner under section 207 of the National Housing Act for Rental Housing Projects, issued August 26, 1948."

§ 533.1 *Definitions.* As used in the regulations in this part:

(a) The term "Commissioner" means the Federal Housing Commissioner.

(b) The term "act" means the National Housing Act, as amended.

(c) The term "mortgage" means such a first lien upon real estate and other property as is commonly given to secure advances (including but not being limited to advances during construction) on, or the unpaid purchase price of, real estate under the laws of the State, district or territory in which the real estate is located, together with the credit instrument or instruments, if any, secured thereby.

(d) The term "insured mortgage" means a mortgage which has been insured by the endorsement of the credit instrument by the Commissioner, or his duly authorized representative.

(e) The term "contract of insurance" means the agreement evidenced by such endorsement and includes the terms, conditions and provisions of the regulations in this part and of the National Housing Act.

(f) The term "mortgagor" means the original borrower under a mortgage and its successors and such of its assigns as are approved by the Commissioner.

(g) The term "mortgagee" means the original lender under a mortgage, its successors and such of its assigns as are approved by the Commissioner, and includes the holders of the credit instruments issued under a trust mortgage or deed of trust pursuant to which such holders act by and through a trustee therein named.

(h) The term "claim under the contract of insurance" means the assignment, transfer and delivery to the Commissioner of the mortgage or the conveyance to him of the property, as provided in § 533.5.

§ 533.2 *First, second and third premiums.* The mortgagee, upon the initial endorsement of the mortgage for insurance, shall pay to the Commissioner a first mortgage insurance premium equal to one-half of one per centum (½ of 1%) of the original face amount of the mortgage.

(a) If the date of the first principal payment is more than one year following the date of such initial insurance endorsement the mortgagee, upon the anniversary of such insurance date, shall pay a second premium equal to one-half of one per centum (½ of 1%) of the original face amount of the mortgage. On the date of the first principal payment the mortgagee shall pay a third premium equal to one-half of one per centum (½ of 1%) of the average outstanding principal obligation of the mortgage for the following year which shall be adjusted so as to accord with such date and so that the aggregate of the said three premiums shall equal the sum of (1) one per centum (1%) of the average outstanding principal obligation of the mortgage for the year following the date of initial insurance endorsement and (2) one-half of one per centum (½ of 1%) per annum of the average outstanding principal obligation of the mortgage for the period from the first anniversary of the date of initial insurance endorsement to one year following the date of the first principal payment.

(b) If the date of the first principal payment is one year or less than one year following the date of such initial

insurance endorsement the mortgagee, upon such first principal payment date, shall pay a second premium equal to one-half of one per centum ( $\frac{1}{2}$  of 1%) of the average outstanding principal obligation of the mortgage for the following year which shall be adjusted so as to accord with such date and so that the aggregate of the said two premiums shall equal the sum of (1) one per centum (1%) per annum of the average outstanding principal obligation of the mortgage for the period from the date of initial insurance endorsement to the date of first principal payment and (2) one-half of one per centum ( $\frac{1}{2}$  of 1%) of the average outstanding principal obligation of the mortgage for the year following the date of the first principal payment.

(c) Where the credit instrument is initially and finally endorsed for insurance pursuant to a Commitment to Insure Upon Completion, the mortgagee on the date of the first principal payment shall pay a second premium equal to one-half of one per centum ( $\frac{1}{2}$  of 1%) of the average outstanding principal obligation of the mortgage for the year following such first principal payment date which shall be adjusted so as to accord with such date and so that the aggregate of the said two premiums shall equal the sum of one-half of one per centum ( $\frac{1}{2}$  of 1%) per annum of the average outstanding principal obligation of the mortgage for the period from the date of the insurance endorsement to one year following the date of the first principal payment.

(d) Until the mortgage is paid in full or until claim under the contract of insurance is made or until the contract of insurance shall terminate the mortgagee, on each anniversary of the date of the first principal payment, shall pay an annual mortgage insurance premium equal to one-half of one per centum ( $\frac{1}{2}$  of 1%) of the average outstanding principal obligation of the mortgage for the year following the date on which such premium becomes payable.

(e) The premiums payable on and after the date of the first principal payment shall be calculated in accordance with the amortization provisions without taking into account delinquent payments or prepayments.

(f) Premiums shall be payable in cash or in debentures issued by the Administrator under Title II of the act at par plus accrued interest. All premiums are payable in advance and no refund can be made of any portion thereof except as hereinafter provided in § 533.3 (f)

§ 533.3 *Adjusted premium charge.* In the event that the principal obligation of any mortgage accepted for insurance is paid in full prior to maturity, the mortgagee shall within thirty (30) days thereafter notify the Commissioner of the date of prepayment and shall, except with respect to a mortgage covering a release clause project and executed by a nonprofit corporation constructing homes for its members, as described in the second proviso of section 207 (c) (2) of the act, collect from the mortgagor and pay to the Commissioner in the case of a mortgage prepaid within five years from the date of the initial en-

dorsement for insurance, an adjusted premium charge, in the nature of a prepayment premium, of two per centum (2%) of the original face amount of the prepaid mortgage, and in the event the mortgage is prepaid after five years from the date of initial endorsement for insurance, an adjusted premium charge of one per centum (1%) of the original face amount of the prepaid mortgage, except that if at the time of any such prepayment there is placed on the mortgaged property a new insured mortgage in an amount less than the original principal amount of the mortgage, the adjusted premium charge provided above shall be based upon the difference between such amounts.

In no event shall the adjusted premium charge exceed the aggregate amount of premium charges which would have been payable if the mortgage had continued to be insured until maturity.

No adjusted premium charge shall be due the Commissioner in the following cases:

(a) Where at the time of such prepayment there is placed on the mortgaged property a new insured mortgage for an amount equal to or greater than the original principal amount of the prepaid mortgage; or

(b) Where the final maturity specified in the mortgage is accelerated solely by reason of partial prepayments made by the mortgagor which do not exceed in any one calendar year fifteen per centum (15%) of the original face amount of the mortgage; or

(c) Where the final maturity specified in the mortgage is accelerated solely by reason of payments to principal to compensate for (1) damage to the mortgaged property, or (2) a release of a part of such property; if approved by the Commissioner; or

(d) Where payment in full is made of a delinquent mortgage on which foreclosure proceedings have been commenced, or for the purpose of avoiding foreclosure, if the Commissioner, in his discretion, agrees in writing to waive the payment thereof; or

(e) Where, at the time of such prepayment, there is placed on the property a new insured mortgage less than the original principal amount of the prepaid mortgage: *Provided*, That the Commissioner finds that the collection of such charge would be inequitable under the particular circumstances of the transaction.

Upon such prepayment the contract of insurance shall terminate.

(f) If at the time of prepayment a new insured mortgage is placed on the same property, or if such prepayment is made on or after August 10, 1948, the Commissioner will refund to the mortgagee for the account of the mortgagor an amount equal to the pro rata portion of the current annual mortgage insurance premium theretofore paid, which is applicable to the portion of the year subsequent to such prepayment.

#### INSURANCE ENDORSEMENT

§ 533.4 *Form of endorsement.* (a) Upon compliance satisfactory to the Commissioner with the terms and conditions of his commitment to insure, the

Commissioner shall endorse the original credit instrument in form as follows:

No. -----  
Insured under Section 207  
of the National Housing Act  
and Regulations thereunder of the  
Federal Housing Commissioner  
In effect on -----  
to the extent of advances  
Approved by the Commissioner  
FEDERAL HOUSING COMMISSIONER.  
By -----  
Authorized agent  
Date -----

(b) The mortgage shall be an insured mortgage from the date of such endorsement. The Commissioner and the mortgagee shall thereafter be bound by the regulations in this part with the same force and to the same extent as if a separate contract had been executed relating to the insured mortgage, including the provisions of the regulations in this part and of the National Housing Act.

(c) After all advances under the mortgage have been made with the approval of the Commissioner, the Commissioner shall, upon presentation of the original credit instrument, make a notation below the insurance endorsement in form as follows:

A total sum of \$----- has been approved for insurance hereunder by the Commissioner.

FEDERAL HOUSING COMMISSIONER.  
By -----  
Authorized agent  
Date -----

#### RIGHTS AND DUTIES OF A MORTGAGEE UNDER THE CONTRACT OF INSURANCE

§ 533.5 *Benefits of insurance.* The mortgagee shall be entitled to receive the benefits of the insurance, at its option, either as provided in paragraph (a) or paragraph (b) of this section.

(a) *By assignment.* If the mortgagor fails to make any payment due under or provided to be paid by the terms of the mortgage and such failure continues for a period of thirty (30) days, the mortgage shall be considered in default, and the mortgagee shall, within thirty (30) days thereafter, give notice in writing to the Commissioner of such default. At any time within thirty (30) days after the date of such notice, or within such further period as may be agreed upon by the Commissioner in writing, the mortgagee shall, in such manner as the Commissioner may require, assign, transfer, and deliver to the Commissioner the original credit instrument and the mortgage securing the same, without recourse or warranty, except that the mortgagee must warrant that no act or omission of the mortgagee has impaired the validity and priority of the mortgage, that the mortgage is prior to all mechanic's and materialmen's liens filed of record subsequent to the recording of such mortgage regardless of whether such liens attached prior to such recording date, and prior to all liens and encumbrances which may have attached or defects which may have arisen subsequent to the recording of such mortgage except such liens or other matters as may be approved by the Administrator, that the amount stated in the instrument of assignment is actually due and owing under the mortgage, that

there are no offsets or counterclaims thereto, and that the mortgagee has a good right to assign the mortgage and other items enumerated as follows:

- (1) All rights and interest arising under the mortgage so in default;
- (2) All claims of the mortgagee against the mortgagor or others, arising out of the mortgage transaction;
- (3) All policies of title or other insurance or surety bonds or other guaranties, and any and all claims thereunder;
- (4) Any balance of the mortgage loan not advanced to the mortgagor;
- (5) Any cash or property held by the mortgagee or its agents or to which it is entitled, including deposits made for the account of the mortgagor and which have not been applied in reduction of the principal of the mortgage indebtedness; and
- (6) All records, documents, books, papers, and accounts relating to the mortgage transaction.

Nothing contained in this paragraph shall be so construed as to prevent the mortgagee from taking action at a later date than herein specified, provided the Commissioner agrees thereto in writing. The mortgagee, prior to the assignment of the mortgage to the Commissioner shall offer evidence satisfactory to him that the original title coverage has been extended to include all advances of mortgage money made up to the date of assignment showing title satisfactory to the Commissioner as defined in § 533.8.

(b) *By conveyance of property.* If the mortgagor fails to make any payment to the mortgagee required by the mortgage, or fails to perform any other covenant or obligation under the mortgage, and such failure continues for the period of grace, if any, set forth in the mortgage, the mortgage shall be considered in default, and the mortgagee, within a period of thirty (30) days after the occurrence of a default arising on account of such failure to make any such payment or within thirty (30) days after the mortgagee shall have knowledge of the occurrence of a default arising on account of such failure to perform any other covenant or obligation under the mortgage, shall give notice in writing to the Commissioner of such default. At any time within a period of thirty (30) days after the date of such notice or within such later time as may be agreed upon by the Commissioner in writing, the mortgagee, at its election, shall either:

(1) With, and subject to, the consent of the Commissioner, acquire by means other than foreclosure of the mortgage, possession of, and title to, the mortgaged property;

(2) Institute proceedings for the foreclosure of the mortgage and either obtain possession of the mortgaged property and the income therefrom through the voluntary surrender thereof by the mortgagor or institute, and prosecute with reasonable diligence, proceedings for the appointment of a receiver of the mortgaged property and the income therefrom or proceed to exercise such other rights and remedies as may be available to it for the protection and preservation of the mortgaged property and to obtain the income

therefrom under the mortgage and the law of the particular jurisdiction: *Provided*, That if the laws of the State in which the mortgaged property is situated do not permit the institution of such proceedings within such period of time, the mortgagee shall institute such proceedings within thirty (30) days after the expiration of the time during which the institution of such proceedings is prohibited by such laws. Nothing contained in this section shall be so construed as to require the mortgagee to take any action when the necessity therefor has been waived in writing by the Commissioner nor to prevent the mortgagee from taking action at a later date than herein specified provided the Commissioner so agrees in writing. The mortgagee shall promptly give notice in writing to the Commissioner of the institution of foreclosure proceedings under this section and shall exercise reasonable diligence in prosecuting such proceedings to completion. If after default and prior to the completion of foreclosure proceedings the mortgagor shall pay to the mortgagee all payments in default and such expenses as the mortgagee shall have incurred in connection with the foreclosure proceedings, notice thereof shall be given to the Commissioner by the mortgagee, and the insurance shall continue as if such default had not occurred.

§ 533.6 *Computation of benefits received by assignment.* If the mortgagee elects to proceed under, and does proceed under and in accordance with, the provisions of § 533.5 (a), and furnishes evidence satisfactory to the Commissioner that there are no past due and unpaid ground rents, general taxes, or special assessments, and furnishes the warranties described in said section, the Commissioner shall deliver to the mortgagee:

(a) Debentures of the Housing Insurance Fund as set forth in section 207 of the act having a total face value equal to the value of the mortgage as defined in section 207 (g) of the act, which value shall be determined by adding to the original principal of the mortgage which was unpaid on the date of default the amount the mortgagee may have paid for (1) taxes, special assessments, and water rates which are liens prior to the mortgage; (2) insurance on the property; and (3) reasonable expenses for the completion and preservation of the property; less the sum of (i) an amount equivalent to one per centum (1%) of the amount of the mortgage advanced to the mortgagor and unpaid; (ii) any amount received on account of the mortgage after such date; and (iii) any net income received by the mortgagee from the property after such date. Such debentures shall be issued as of the date of such assignment, transfer and delivery, bearing interest from such date at the rate of two and three quarters per centum (2¾%) per annum, payable semi-annually on the first day of January and the first day of July of each year, shall be registered as to principal and interest and all or any such debentures may be redeemed at the option of the Commissioner with the approval of the Secretary of the Treasury at par and accrued interest on any interest pay-

ment date on three months' notice of redemption given in such manner as the Commissioner shall prescribe. Such debentures shall be issued in multiples of \$50.00 and any difference not in excess of \$50.00 between the amount of debentures to which the mortgagee is otherwise entitled hereunder and the aggregate face value of the debentures issued shall be paid in cash by the Commissioner to the mortgagee.

(b) A certificate of claim in accordance with section 207 (h) of the act which shall become payable, if at all, upon the sale and final liquidation of the interest of the Commissioner in such mortgage or such property, in accordance with section 207 (h) of the act. This certificate shall be for an amount which the Commissioner determines to be sufficient, when added to the face value of the debentures issued and the cash adjustment paid to the mortgagee, to equal the amount which the mortgagee would have received if, on the date of the assignment, transfer and delivery to the Commissioner provided for in paragraph (a) of this section, the mortgagor had extinguished the mortgage indebtedness by payment in full of all the obligations under the mortgage. Such certificate of claim shall provide that there shall accrue to the holder of such certificate, with respect to the face amount of such certificate, an increment at the rate of three per centum (3%) per annum, which shall not be compounded. If any excess is realized from the mortgage, and all claims in connection therewith so assigned, transferred and delivered, and from the property covered by such mortgage and all claims in connection with such property, after deducting all expenses incurred by the Commissioner in handling, dealing with, acquiring title to, and disposing of such mortgage and property and in collecting such claims, such excess shall be applied in payment of the certificate of claim and any balance thereafter shall be retained by the Commissioner and credited to the Housing Insurance Fund.

§ 533.7 *Computation of benefits received by conveyance.* If the mortgagee elects to proceed under, and does proceed under and in accordance with, the provisions of § 533.5 (b), and at any time within thirty (30) days (or such further time as may be allowed by the Commissioner in writing) after acquiring title to and possession of the mortgaged property in accordance with § 533.5 (b), tenders to the Commissioner possession thereof and a Deed thereto containing a covenant which warrants against acts of the mortgagee and of all parties claiming by, through, or under the mortgagee, together with a bill of sale covering all personal property to which the mortgagee is entitled by reason of the mortgage transaction, conveying title to such property satisfactory to the Commissioner, as provided in § 533.8, and assigns (without recourse or warranty) any and all claims which it has acquired in connection with the mortgage transaction and as a result of the foreclosure proceedings or other means by which it acquired such property, including but not limited to any claims on account of title

insurance and fire or other hazard insurance, except such claims as may have been released with the prior approval of the Commissioner, the Commissioner shall promptly accept conveyance of such property and such assignments, notwithstanding that the buildings or improvements thereon shall be incomplete or may have been destroyed, damaged, or injured in whole or in part, and shall deliver to the mortgagee:

(a) Debentures of the Housing Insurance Fund as set forth in section 204 of the act and dated as of the date foreclosure proceedings were instituted, or the property was otherwise acquired by the mortgagee after default, in a principal amount equal to the principal of the mortgage advanced with the approval of the Commissioner and unpaid on either of such dates, plus the amount of all payments made by the mortgagee for (1) taxes, ground rents and water rates, which are liens prior to the mortgage; (2) special assessments which are noted on the application for insurance or become liens after the insurance of the mortgage; (3) insurance on the mortgaged property; and (4) any mortgage insurance premiums paid after either of such dates; less (i) any amount received on account of the mortgage after such date; and (ii) any amount received as rent or other income from the property, after deducting therefrom reasonable expenses incurred in handling the property, after either of such dates. *Provided, however,* That with respect to mortgages which are accepted for insurance under the second proviso of section 207 (c) (2) of the act, there will be included in the debentures issued by the Commissioner, on account of foreclosure costs (or of acquiring the property by other means) actually paid by the mortgagee and approved by the Commissioner an amount, not in excess of two-thirds of such cost or \$75.00, whichever is the greater.

(b) A certificate of claim as defined in § 533.6 (b), except that it may include a reasonable sum for necessary expenses incurred by the mortgagee in connection with the foreclosure proceedings or the acquisition of the mortgaged property otherwise and the conveyance thereof to the Commissioner.

§ 533.8 *Title in case of conveyance.* Title satisfactory to the Commissioner within the meaning of § 533.7 will be such title as was vested in the mortgagor as of the date the mortgage was filed for record, but must be free and clear of all mechanics' and materialmen's liens filed of record subsequent to the recording of such mortgage, regardless of whether such liens attached prior to such recording date, and free and clear of all liens and encumbrances which may have attached, or defects which may have arisen subsequent to the recording of such mortgage, except such liens or other matters as may be approved by the Commissioner.

§ 533.9 *Evidence of title.* The mortgagee, at the time a deed is tendered in accordance with § 533.7, shall furnish to the Commissioner without expense to him, satisfactory evidence of title. Such title evidence shall be executed as of a date to include the recordation of the

deed to the Commissioner and shall consist of the same type of title evidence accepted by the Commissioner at the time the mortgage was insured.

§ 533.10 *Fire and hazard insurance.*

The mortgaged premises shall at all times be insured against fire and other hazards as provided in the mortgage. The duty shall be upon the mortgagee to provide such coverage in the event the mortgagor fails to do so. If the mortgagee fails to pay any premiums necessary to keep the mortgaged premises so insured, the contract of insurance may be terminated at the election of the Commissioner. If at the time claim is filed for debentures, the property has been damaged by fire or other hazards and loss has been sustained by reason of failure to keep the property insured as provided in the mortgage, the amount of such loss may be deducted from the amount of the debentures. In the event a loss has occurred to the mortgaged property under any policy of fire or other hazard insurance and the amount of any funds received by the mortgagee in payment of such loss shall be sufficient to pay in full the entire mortgage indebtedness, the mortgage shall, upon receipt of such funds by the mortgagee, be deemed paid and the contract of mortgage insurance made with the Commissioner shall thereupon terminate. If, however, any funds so received shall be insufficient to pay such mortgage indebtedness in full, the mortgagee shall not exercise its option under the mortgage to use the proceeds of such insurance for the repairing, replacing or rebuilding of such premises or to apply such proceeds to the mortgage indebtedness without prior written approval of the Commissioner. If the Commissioner shall fail to give his approval to the use or application of such funds for either of said purposes within thirty (30) days after written request by the mortgagee, the mortgagee may use or apply such funds for any of the purposes specified in the mortgage without the approval of the Commissioner.

§ 533.11 *Mortgage default and termination.* If after the mortgage becomes in default, as provided in § 533.5, the mortgagee does not make the assignment provided in § 533.6, or does not foreclose or otherwise acquire the mortgaged property and make the conveyance provided in § 533.7, and written notice thereof is given to the Commissioner, or in the event that the mortgagor pays the obligation under the mortgage in full prior to the maturity thereof and the mortgagee pays the adjusted premium charge required under the provisions of § 533.3 and written notice thereof is given to the Commissioner, the obligation to pay the annual premium charge shall cease, and all rights of the mortgagee and the mortgagor under § 533.6 and § 533.7 shall terminate as of the date of such notice.

ASSIGNMENTS

§ 533.12 *In general.* (a) Bonds or other obligations issued in connection with an insured mortgage executed in the form of an indenture of trust providing for the issue and sale of such bonds or other obligations and appointing a trustee to act on behalf of the holders of

such bonds or other obligations may be transferred as provided in the indenture of trust.

(b) An insured mortgage, other than those described in paragraph (a) of this section, may not be transferred or pledged prior to the full disbursement of the mortgage loan, except with the prior written approval of the Commissioner which approval may be subject to such conditions and qualifications as the Commissioner may prescribe. Subsequent to full disbursement such mortgage may be transferred only to a transferee who is a mortgagee approved by the Commissioner. Upon such transfer and the assumption by the transferee of all obligations under the contract of insurance the transferor shall be released from its obligations under the contract of insurance.

§ 533.13 *Termination of mortgage insurance by assignment.* The contract of insurance shall terminate with respect to mortgages described in § 533.12 (b) upon the happening of either of the following events:

(a) The transfer or pledge of the insured mortgage to any person, firm, or corporation, public or private, other than an approved mortgagee.

(b) The disposal by a mortgagee of any partial interest in the insured mortgage by means of a declaration of trust or by a participation or trust certificate or by any other device, unless with the prior written approval of the Commissioner, which approval may be subject to such conditions and qualifications as the Commissioner in his discretion may prescribe: *Provided,* That this paragraph shall not be applicable to any mortgage so long as it is held in a common trust fund maintained by a bank or trust company (1) exclusively for the collective investment and reinvestment of moneys contributed thereto by the bank or trust company in its capacity as a trustee, executor or administrator; and (2) in conformity with the rules and regulations prevailing from time to time of the Board of Governors of the Federal Reserve System, pertaining to the collective investment of trust funds: *Provided further,* That this paragraph shall not be applicable to any mortgage so long as it is held in a common trust estate administered by a bank or trust company which is subject to the inspection and supervision of a governmental agency, exclusively for the benefit of other banking institutions which are subject to the inspection and supervision of a governmental agency, and which are authorized by law to acquire beneficial interests in such common trust estate, nor to any mortgage transferred to such a bank or trust company as trustee exclusively for the benefit of outstanding owners of undivided interest in the trust estate, under the terms of certificates issued and sold more than three years prior to said transfer, by a corporation which is subject to the inspection and supervision of a governmental agency.

§ 533.14 *No vested right.* Neither the mortgagee nor the mortgagor shall have any vested or other right in the Housing Insurance Fund.



§ 533.15 *Amendments of regulations.* The regulations in this part may be amended by the Commissioner at any time and from time to time, in whole or in part, but such amendments shall not affect the contract of insurance on any mortgage already insured or to be insured on which the Commissioner has made a commitment to insure.

§ 533.16 *Effective date.* The regulations in this part shall be effective as to all mortgages with respect to which a commitment to insure is issued on or after the date hereof. The Commissioner with the consent of the mortgagor and the mortgagee may, subject to such conditions as he may impose, amend to conform to the regulations in this part any contract of insurance or any commitment to insure, issued prior to February 3, 1938. Any mortgagee entitled to receive debentures upon default of a mortgage insured prior to February 3, 1938, may elect to receive, in lieu of such debentures, a cash adjustment and debentures issued as provided in § 533.7 and bearing interest at the rate current at the time of such election.

Issued at Washington, D. C., this 26th day of August 1948.

FRANKLIN D. RICHARDS,  
Federal Housing Commissioner.

[F. R. Doc. 48-7745; Filed, Aug. 30, 1948; 8:55 a. m.]

## TITLE 26—INTERNAL REVENUE

### Chapter I—Bureau of Internal Revenue, Department of the Treasury

#### Subchapter A—Income and Excess Profits Taxes [T. D. 5649]

#### PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

##### INCOME TAX RETURNS OF INDIVIDUALS

On July 29, 1948, notice of proposed rule making, regarding the income tax return forms to be used by individuals, was published in the FEDERAL REGISTER (13 F. R. 4361). After consideration of all such relevant matter as was presented by interested persons regarding the proposal, the following amendments to Regulations 111 [26 CFR, Part 29] are hereby adopted. These amendments are designed to prescribe the income tax return forms to be used by individuals for taxable years beginning after December 31, 1947.

Section 29.51-2 of Regulations 111, as amended by Treasury Decision 5425, approved December 29, 1944 [26 CFR 29.51-2] is further amended as follows:

(A) By changing "December 31, 1943" appearing in the heading of paragraph (b) and elsewhere in such paragraph to read "December 31, 1943, and prior to January 1, 1948".

(B) By adding at the end of such § 29.51-2 the following new paragraph:

§ 29.51-2 *Form of return.* \* \* \*

(c) *Taxable years beginning after December 31, 1947—(1) General.* For taxable years beginning after December 31, 1947, the return shall be on Form 1040,

except in the case of a taxpayer entitled to elect, and who so elects, to use the Form 1040A in accordance with the rules prescribed in paragraph (c) (2) of this section. A taxpayer, even though entitled to use Form 1040A for the taxable year may, nevertheless, use Form 1040 as his return. Such taxpayer otherwise entitled to use Form 1040A as his return for the taxable year but who does not desire to take the standard deduction provided in section 23 (aa) is required to use Form 1040 as his return for such taxable year. The provisions of paragraph (a) of this section insofar as they apply to the time and manner of making a return on Form 1040 are equally applicable to taxable years beginning after December 31, 1947.

(2) *Use of optional return of Form 1040A; in general.* For taxable years beginning after December 31, 1947, an individual entitled to elect to pay the tax imposed by Supplement T (except a taxpayer making his returns on a fiscal year basis) may at his election use as his return Form 1040A provided his gross income is less than \$5,000, consists entirely of remuneration for personal services performed by him as an employee, dividends, or interest, and his gross income from sources other than wages, as defined in section 1621 (a), does not exceed \$100. A taxpayer who makes his return on a basis other than the cash receipts and disbursements basis may not use Form 1040A as his return. A taxpayer who has made payments of estimated tax for a taxable year may not use Form 1040A as his return for such year. In the case of married persons domiciled in a community property State, Form 1040A may not be used as a return by either spouse unless the aggregate gross income of husband and wife meets the tests prescribed above and they make a joint return. If they desire to file separate returns, Form 1040 must be used.

An election to make a return on Form 1040A shall be exercised by properly executing and filing such form, to which shall be attached all Forms W-2 received for the taxable year, with the collector on or before the due date of the taxpayer's return. Such Form 1040A, when filled out and executed and having attached thereto all Forms W-2 received with respect to wages paid in the taxable year, shall, when timely filed, constitute such individual's return for such year if he is eligible under section 51 (f) to use the optional return.

(3) *Joint return of husband and wife on Form 1040A.* If during the taxable year either husband or wife, or both, derive income from wages, as defined in section 1621 (a), and are furnished one or more Forms W-2, and the aggregate gross income of both spouses is less than \$5,000, consists solely of remuneration for services performed as an employee, dividends, or interest, and includes a total of not more than \$100 from dividends, interest, and remuneration for personal services other than such wages, the spouses may file a joint return on Form 1040A signed by both spouses, and all Forms W-2 received by both spouses for the taxable year should be attached thereto.

The tax computed by the collector upon the basis of a joint return on Form 1040A shall be the lesser of the following amounts:

(i) A tax computed as though the return on Form 1040A constituted the separate returns of the spouses, and

(ii) A tax computed as though the return on Form 1040A constituted a joint return.

If a joint return is made by husband and wife on Form 1040A, the liability for the tax shall be joint and several.

(53 Stat. 32; 26 U. S. C. 62)

[SEAL] GEO. J. SCHOENEMAN,  
Commissioner of Internal Revenue.

Approved: August 25, 1948.

JOHN S. GRAHAM,  
Acting Secretary of the Treasury.

[F. R. Doc. 48-7748; Filed, Aug. 30, 1948; 8:46 a. m.]

#### Subchapter D—Employment Taxes [T. D. 5650]

#### PART 405—COLLECTION OF INCOME TAX AT SOURCE ON WAGES ON OR AFTER JANUARY 1, 1945

##### RECEIPTS DURING 1948

Application of § 405.501 of Regulations 116 to Form W-2 (Revised July 1948) during the calendar year 1948.

PARAGRAPH 1. Section 405.501 of Regulations 116 as amended by Treasury Decision 5492, approved January 30, 1946 (26 CFR 405.501), provides that employers and other persons required to deduct and withhold Federal income tax shall furnish to employees a receipt on Form W-2 for tax withheld at the source on wages. Form W-2 has been revised and the revised form is identified as "Form W-2 (Revised July 1948)". In view of the date of such revision of Form W-2, such § 405.501 will not be construed to require the use of Form W-2 (Revised July 1948) prior to the first day of the third month following the month in which this Treasury decision becomes effective. Where an employer, with the approval of the Commissioner of Internal Revenue, has had printed a substantial supply of Form W-2 for use for the calendar year 1948, permission will be granted for him to use such Form W-2 for taxes deducted and withheld during the entire calendar year 1948, provided such Form W-2 is over stamped or otherwise changed to conform substantially to Form W-2 (Revised July 1948). Application for such permission should be addressed to the Commissioner of Internal Revenue, Washington 25, D. C.

PAR. 2. Because the purpose of paragraph 1 is to clarify the requirements of § 405.501 with respect to the use by employers of Form W-2 for the calendar year 1948, it is found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4 (a) and (b) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of said act.

PAR. 3. This Treasury decision shall be effective upon its filing for publication in the FEDERAL REGISTER.

(53 Stat. 467; 26 U. S. C. 3791)

[SEAL] GEORGE J. SCHOENEMAN,  
Commissioner of Internal Revenue.

Approved: August 25, 1948.

JOHN S. GRAHAM,  
Acting Secretary of the Treasury.

[F. R. Doc. 48-7747; Filed, Aug. 30, 1948;  
8:46 a. m.]

## TITLE 31—MONEY AND FINANCE: TREASURY

### Chapter I—Monetary Offices, Department of the Treasury

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

#### MANNER OF FILING FORM TFR-600

Amendment to Public Circular No. 37 under Executive Order No. 8389, as amended, Executive Order No. 9193, as amended, sections 3 (a) and 5 (b) of the Trading With the Enemy Act, as amended by the First War Powers Act, 1941, relating to foreign funds control.

Section 6 of Part 131 Appendix B, Public Circular No. 37 is hereby amended as follows:

SEC. 6. *Manner in which Form TFR-600 should be filed.* As indicated in section 4 (B), reports on Form TFR-600 shall be prepared in quadruplicate. Three copies shall be sent in a set, on or before July 15, 1948, to Unit 600, Foreign Funds Control, Treasury Department, Washington 25, D. C. (Reports covered by the same certification shall be transmitted together.)

If between the date of reporting and October 1, 1948, any property reported shall have been unblocked pursuant to Treasury license, the reporter shall make a brief endorsement to that effect on the bottom of page 2 of the fourth copy of the report or on a separate sheet of paper which he shall attach securely to the fourth copy of the report. His endorsement shall consist of a brief description of the property released, a statement of its value, and a statement of the authority under which it was unblocked, e. g., certification under General License No. 95, special license from the Treasury Department, etc. On or before October 10, 1948, the fourth copy appropriately endorsed shall be sent to Section 601, Office of Alien Property, Department of Justice, Washington 25, D. C. If none of the property reported on Form TFR-600 has been unblocked between the date of reporting and October 1, 1948 the fourth copy of the report may be retained by the reporter or may be destroyed.

(Sec. 3 (a), 40 Stat. 412, sec. 5 (b), 40 Stat. 415, 966, sec. 2, 48 Stat. 1, 54 Stat. 179, sec. 301, 55 Stat. 839; 50 U. S. C. App. 3 (a), 12 U. S. C. 95a, 50 U. S. C. App. Sup., 5 (b); E. O. 8389, Apr. 10, 1940, as amended by E. O. 8785, June 14, 1941, E. O. 8832, July 26, 1941, E. O. 8963,

Dec. 9, 1941, and E. O. 8998, Dec. 26, 1941, E. O. 9193, July 6, 1942, as amended by E. O. 9567, June 8, 1945; 3 CFR, Cum. Supp., 10 F. R. 6917; Regulations, Apr. 10, 1940, as amended June 14, 1941, Feb. 19, 1946, June 28, 1946, and Jan. 1, 1947; 31 CFR, Cum. Supp., 130.1-7, 11 F. R. 1769, 7184, 12 F. R. 6)

[SEAL] THOMAS J. LYNCH,  
Acting Secretary of the Treasury.

[F. R. Doc. 48-7857; Filed, Aug. 30, 1948;  
11:26 a. m.]

## TITLE 32—NATIONAL DEFENSE

### Chapter II—National Guard and State Guard, Department of the Army

#### PART 201—NATIONAL GUARD REGULATIONS

##### PERSONS NOT AUTHORIZED TO BE ENLISTED

Section 201.14 (b) (4) is rescinded and the following substituted therefor:

#### § 201.14 *Qualifications for enlistment.*

\* \* \* \* \*  
(b) *Persons not authorized to be enlisted.* \* \* \* \* \*

(4) A person who does not speak, read and write English, except in a territory where the language used is predominantly other than English.

[NGR 25, as amended by C2, July 1, 1948] (48 Stat. 155; 32 U. S. C. 4)

[SEAL] EDWARD F. WITSELL,  
Major General,  
The Adjutant General.

[F. R. Doc. 48-7741; Filed, Aug. 30, 1948;  
8:51 a. m.]

## Chapter VI—Selective Service System

### PART 604—SELECTIVE SERVICE OFFICERS

#### PART 611—DUTY AND RESPONSIBILITY TO REGISTER

##### AMENDMENT OF REGULATIONS

CROSS REFERENCE: For order amending Parts 604 and 611 of this chapter, see Executive Order 9992, *supra*.

## Chapter XXIII—War Assets Administration

[Reg. 1]

### PART 8301—DESIGNATION OF DISPOSAL AGENCIES FOR SURPLUS PROPERTY LOCATED WITHIN THE CONTINENTAL UNITED STATES, ITS TERRITORIES AND POSSESSIONS; DISPOSITION OF PROCEEDS; AND COMPLIANCE

War Assets Administration Regulation 1, October 1, 1947, as amended through April 16, 1948, entitled "Designation of Disposal Agencies and Procedures for Reporting Surplus Property Located within the Continental United States, Its Territories and Possessions" (12 F. R. 6661, 7810; 13 F. R. 1647, 2203), is hereby revised and amended as herein set forth. The title is amended to read "Designation of Disposal Agencies for Surplus Property Located Within the Continental United States, Its Territories

and Possessions; Disposition of Proceeds; and Compliance". War Assets Administration Regulation 11, December 30, 1946, as amended April 9, 1948, entitled "Proceeds and Expenses" (12 F. R. 24; 13 F. R. 2018), and Regulation 15, November 16, 1945, entitled "Compliance" (10 F. R. 14203) are hereby superseded and rescinded by this part. Order 1, May 1, 1947 (12 F. R. 2996); Order 3, June 13, 1946, as amended (11 F. R. 6774, 9572, 14490); Order 7, July 19, 1946 (11 F. R. 7977); Order 8, August 16, 1946 (11 F. R. 9760); Order 11, November 30, 1946 (11 F. R. 14074); and Order 12, July 2, 1948 (13 F. R. 3814) under this part, as well as the provisions of Orders 1, 2 and 3 (11 F. R. 14288, 9079, 14104) under superseded Regulation 11, shall remain in full force and effect.

Sec.	Definitions.
8301.1	Scope.
8301.2	Designation of disposal agencies; continental United States.
8301.3	Designation of disposal agencies; territories and possessions.
8301.4	Designation of disposal agency for, and disposal of, military property.
8301.5	Use of Standard Commodity Classification for purpose of assignments.
8301.6	Withdrawals.
8301.7	Sales by a disposal agency other than the one to which the property is assigned.
8301.8	Transfer of surplus property between territories and possessions and continental United States.
8301.9	Authority of disposal agencies to dispose of surplus property.
8301.10	Proceeds to be covered into Treasury.
8301.11	Net proceeds.
8301.12	Refunds and claims.
8301.13	Expenses.
8301.14	Estimate of expenses.
8301.15	Statement of expenses.
8301.16	Submission prior to commitment.
8301.17	Allocations and reimbursement.
8301.18	Disposal agency compliance functions.
8301.19	Extent of investigation; referral to other Government agencies.
8301.20	Compliance records.
8301.21	Regulations to be reported to the War Assets Administrator.
8301.22	Records and reports.
8301.23	

AUTHORITY: §§ 8301.1 to 8301.23, inclusive, issued under the Surplus Property Act of 1944, as amended (58 Stat. 765, as amended; 50 U. S. C. App. Sup. 1611); Pub. Law 181, 79th Cong. (59 Stat. 533; 50 U. S. C. App. Sup. 1614a, 1614b); Reorg. Plan 1 of 1947 (12 F. R. 4584); and Pub. Law 862, 80th Cong.

§ 8301.1 *Definitions*—(a) *Terms defined in act.* Terms not defined in paragraph (b) of this section which are defined in the Surplus Property Act of 1944 shall in this part have the meaning given to them in the act.

(b) *Other terms*—(1) "Continental United States" means the 48 States and the District of Columbia.

(2) "Territories and possessions" means Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands.

(3) "Real property" means all classes of real property, together with any fixtures and improvements thereon, and is not limited to the definition thereof as contained in section 23 of the act.

(4) "Section 23 real property" means property consisting of land, together with

any fixtures and improvements thereon (including hotels, apartment houses, hospitals, office buildings, stores, and other commercial structures), located outside the District of Columbia, but does not include (i) commercial structures constructed by, at the direction of, or on behalf of any Government agency, (ii) commercial structures which the Administrator determines have been made an integral part of a functional or economic unit which should be disposed of as a whole, and (iii) war housing, industrial plants, factories, airports, airport facilities, or similar structures and facilities, or the sites thereof, or land which the Administrator determines essential to the use of any of the foregoing.

(5) "Standard Commodity Classification" means the Standard Classified List of Commodities, being Volume 1 of the Standard Commodity Classification, May 1943 (U. S. Government Printing Office).

(6) "Disposition" means disposal to a person other than a Government agency.

(7) "Transfer" means disposal to a Government agency.

§ 8301.2 *Scope.* This part shall apply only to surplus property declared to the Administrator or to the appropriate disposal agency on or before June 30, 1948.

§ 8301.3 *Designation of disposal agencies; continental United States.* The following Government agencies are hereby designated as disposal agencies for surplus property located within the continental United States: *Provided,* That the Administrator may assign any real property to any of the disposal agencies designated in this part regardless of its classification whenever the Administrator shall determine such assignment appropriate to facilitate disposal:

(a) *Patrol vessels; Navy Department.* The Navy Department is hereby designated as a disposal agency for certain patrol vessels assigned to it by § 8301.51<sup>1</sup> under this part.

(b) *Ships and maritime personal property; Maritime Commission and War Assets Administration.* (1) (i) The United States Maritime Commission, pursuant to the provisions of section 10 (b) of the Surplus Property Act of 1944, is the disposal agency for surplus vessels which it determines to be merchant vessels or capable of conversion to merchant use which shall be disposed of under the Merchant Marine Act of 1936<sup>2</sup> as amended, and other laws authorizing the sale of such vessels, and not under the Surplus Property Act of 1944 or regulations thereunder. Such vessels as determined by the United States Maritime Commission consist of: "all non-combatant vessels, except landing craft of all types, landing ship tanks, undocumented vessels under thirty (30) feet in length without propulsion machinery, and life boats with or without propulsion machinery, when located within the continental United States."

(ii) The United States Maritime Commission may from time to time determine that other vessels or types of vessels are not merchant vessels or capable

of conversion to merchant use. In such cases specific notice of such vessels or types of vessels shall be immediately reported to the War Assets Administration upon the making of the determination.

(2) The United States Maritime Commission is hereby designated as disposal agency for the disposal of the following types of surplus vessels located in the continental United States which have been determined by the Commission not to be merchant vessels or capable of conversion to merchant use: "landing craft of all types, including landing ship tanks" together with any additional vessels determined later not to be merchant vessels or capable of conversion to merchant use, as provided in subparagraph (1) (ii) supra.

(3) The War Assets Administration is hereby designated as disposal agency for all marine personal property (except as otherwise provided in this section), including undocumented vessels which are under thirty (30) feet in length and without propulsion machinery, and including life boats with or without propulsion machinery, and other items assigned to War Assets Administration by § 8301.51 under this part.

(c) *Agricultural, forest, grazing and mineral property; Department of Agriculture.* The Department of Agriculture is hereby designated as the disposal agency for surplus section 23 real property located within the continental United States which the Administrator shall classify as agricultural, forest, grazing, or mineral property: *Provided, however,* That the Department of Interior is designated as disposal agency for all such property classified as grazing, or mineral property which was assigned to it for disposal prior to the 23d day of February 1947.

(d) *All other property; War Assets Administration.* (1) The War Assets Administration is hereby designated as disposal agency for all real and personal property of every type and classification located in the continental United States, declared surplus by owning agencies, except those types and classifications specifically assigned to other disposal agencies under this part: *Provided,* That:

(i) The Federal Works Agency is designated as disposal agency for all real property which was assigned to it for disposal prior to the 29th day of January 1947;

(ii) The National Housing Agency is designated as disposal agency for all residential and other property which was assigned to it for disposal prior to the 29th day of January 1947; and

(iii) The Department of Agriculture is designated as disposal agency for agricultural commodities and food processed from agricultural commodities described in declarations filed prior to the 1st day of May 1947.

(2) War Assets Administration is further designated as disposal agency for any type or types of personal property (except "military property") which is by this part assigned to another disposal agency, where such property is available and is to be disposed of to a foreign government pursuant to a credit arrangement made between such government

and War Assets Administration. In such cases any declarations in whole or in part covering such property shall be transferred to War Assets Administration upon notice by it that such disposal is contemplated.

§ 8301.4 *Designation of disposal agencies; territories and possessions.* The following designations of Government agencies as disposal agencies for surplus property located in the territories and possessions of the United States as defined in § 8301.1, are hereby made: *Provided,* That the Administrator may assign any real property located in the territories and possessions to any of the disposal agencies designated in this part regardless of its classification whenever the Administrator shall determine such assignment appropriate to facilitate disposal.

(a) *All personal property not otherwise assigned; War Assets Administration.* War Assets Administration is hereby designated as disposal agency for all personal property, including aircraft and property peculiar to aircraft, located in the territories and possessions, except vessels which the United States Maritime Commission determines to be merchant vessels or capable of conversion to merchant use; and except vessels to be disposed of under Public Law 305, 78th Congress (58 Stat. 223; 50 U. S. C. Sup. V. App. 1301), as amended by section 5 (a) (1) of Public Law 716, 79th Congress (60 Stat. 976).

(b) *Ships; Maritime Commission.* The United States Maritime Commission, pursuant to the provisions of section 10 (b) of the Surplus Property Act of 1944, is the disposal agency for surplus vessels which it determines to be merchant vessels or capable of conversion to merchant use, to be disposed of under the Merchant Marine Act of 1936 as amended, and other laws authorizing the sale of such vessels, and not under the Surplus Property Act of 1944 or regulations thereunder. Such vessels as determined by the United States Maritime Commission consist of: "all non-combatant vessels of 1,500 gross tons or over, except LST's, located in the territories and possessions." The United States Maritime Commission is also statutory disposal agency for certain types of vessels as defined in Public Law 305, 78th Congress.

(c) *Real property—(1) War Assets Administration.* The War Assets Administration is hereby designated as the disposal agency for all real property located in Hawaii and Alaska.

(2) *Department of Agriculture.* The Department of Agriculture is hereby designated as the disposal agency for all real property located in Puerto Rico and the Virgin Islands.

§ 8301.5 *Designation of disposal agency for, and disposal of, military property.* The Department of State is hereby designated as the disposal agency for surplus military property located in the continental United States, its territories and possessions, for disposal to other governments. The term "military property" includes all arms, ammunition, spare parts, accessories, maintenance and service tools and equipment, cleaning and preserving materials, military

<sup>1</sup> WAA Reg. 1, Order 1, (12 F. R. 2996).

<sup>2</sup> 49 Stat. 1985; 46 U. S. C. 1101-1279.

automotive equipment, aircraft and aircraft maintenance and servicing equipment, naval combat type and auxiliary vessels (excluding vessels referred to in section 3 (d) of the act), special military clothing and equipage, and all other items required to train, equip, and maintain military, aviation, and naval units as listed in approved tables of organization and equipment and technical publications pertaining thereto for United States armed forces, and production equipment specially designed to produce munitions. No disposal agency other than the State Department shall dispose of any arms, ammunition, and implements of war as defined by the President's Proclamation No. 2717 of February 14, 1947 (12 F. R. 1127), and facilities intended for the production thereof, to any foreign government without the consent in writing of the State Department; and no such disposals of such property by the State Department or any other disposal agency shall be made without the concurrence of the National Military Establishment.

§ 8301.6 *Use of Standard Commodity Classification for purpose of assignments.* The assignments made in 8301.51 under this part through the use of Standard Commodity Classification code numbers are intended to be in aid of and supplementary to the assignments of the general classes of property made in § 8301.3. If, therefore, items fall within the general class of property assigned by this part but these items are not listed in the Standard Commodity Classification, they shall be disposed of by the general disposal agency to which the general class of property is assigned. Similarly, if the Standard Commodity Classification does not indicate that an item is included within more than one of the general classes of property assigned in § 8301.3, the assignment of the general class shall control.

§ 8301.7 *Withdrawals—(a) Personal property.* With the consent of the disposal agency, an owning agency may withdraw personal property which it has declared surplus and for which a declaration has been transmitted to such disposal agency pursuant to this part: *Provided, however,* That such withdrawals may be made only (1) on the forms prescribed by § 8301.53<sup>a</sup> under this part, and (2) upon the agreement of the owning agency to pay all freight charges in connection with the movement of the property to the point designated by such agency, in cases where the disposal agency has assumed custody and accountability.

(b) *Real property.* A request by an owning agency for the withdrawal of a declaration of surplus real property shall be transmitted to the Administration by the filing of WAA Form 1005 (formerly Form SPB-5) containing justification for the requested withdrawal. The Administration, after consideration of the request and any additional evidence deemed appropriate, shall approve or disapprove the request and notify the owning agency accordingly.

(c) *National Military Establishment.* For the purpose of this section, the Na-

tional Military Establishment, established by the National Security Act of 1947 (Public Law 253, 80th Congress), Departments of the Army, Navy and Air Force or constituent units thereof shall be considered as the owning agency with respect to any property declared surplus in declarations by the Department of the Army, the Department of the Navy, or the Department of the Air Force.

§ 8301.8 *Sales by a disposal agency other than the one to which the property is assigned.* A disposal agency may dispose of personal property which is declared to it as surplus but which it assigned under this part to another disposal agency: *Provided, however,* That disposal of any item of personal property in excess of a reported cost of three hundred dollars (\$300) may be made only with the consent of such other disposal agency.

§ 8301.9 *Transfer of surplus property between territories and possessions and continental United States.* No surplus personal property shall be transferred by a disposal agency from one territory or possession to another, or to the continental United States, without the consent of the disposal agency acting as such at the place of destination. Where such consent is given and the transfer is made, disposal shall be made by the disposal agency acting as such at the place of destination.

§ 8301.10 *Authority of disposal agencies to dispose of surplus property.* The disposal agencies designated in this part are hereby authorized and directed to dispose of property declared or assigned to them as surplus. Disposals shall be made in accordance with regulations, orders, and instructions of the War Assets Administrator and those of the Surplus Property Administrator, the Surplus Property Board and the Surplus War Property Administration (created by Executive Order 9425, February 19, 1944) which have not been rescinded and superseded, and in accordance with the objectives and provisions of the act.

§ 8301.11 *Proceeds to be covered into Treasury.* Except as provided in subsections (b), (c) and (d) of section 30 of the act, all proceeds from transfer or disposition of property under the act (including rents, interest, other proceeds) shall be set aside in the special fund account in the Treasury, authorized in the First Deficiency Appropriations Act, 1946.<sup>4</sup> Sums deducted from gross proceeds under section 30 (b) of the act to determine net proceeds shall be set aside in such special fund account in the Treasury. Under no circumstances may a disposal agency designated by the Administrator retain all or any part of the proceeds from any transfer or disposition under the act as reimbursement for the cost or expense of care, handling, disposition or transfer of surplus property. Deposits or other payments forfeited by the purchaser shall not be considered to be proceeds from transfer or disposition of surplus property; such forfeitures shall not be set aside in a special fund account in the Treasury but shall be cov-

ered into miscellaneous receipts of the Treasury.

§ 8301.12 *Net proceeds.* (a) Where the property transferred or disposed of was acquired by the use of funds either not appropriated from the general fund of the Treasury or appropriated from the general fund of the Treasury but by law reimbursable from assessment, tax, or other revenue or receipts, then upon the request of the interested agency, the net proceeds of the disposition or transfer shall be credited to the reimbursable fund or appropriation or paid to the owning agency. As used herein, the term "net proceeds of the disposition or transfer" means the proceeds of the disposition or transfer minus all expenses incurred for care and handling and disposition or transfer. On and after December 1, 1946, except as otherwise provided herein, net proceeds shall be computed by deducting twenty (20) per cent from the gross proceeds of disposition or transfer when and as net proceeds are paid to the owning agency by the disposal agency and regardless of when the sale was made or collection effected. Unless otherwise provided herein such deduction shall be deemed to represent all expenses incurred by or for the account of the disposal agency for care, handling, and disposition or transfer. This percentage may be revised from time to time by the Administrator to reflect substantial changes in the over-all cost of care, handling, and disposition of surplus property.

(b) Substantial expenditures for capital improvements or demolition made or incurred by a disposal agency in addition to the normal expense of care, handling, and disposition or transfer shall be deducted from the proceeds before computing net proceeds. Percentage deductions to determine net proceeds shall be computed on the balance remaining after deducting such substantial expenditures.

(c) When sales are made on credit, the percentage deductions shall be computed by applying said percentage deductions to such collections when and as paid to the owning agency by the disposal agency. All interest collected on credit sales shall be deposited in the special fund account in the Treasury.

(d) Rents received shall be deemed to be proceeds, and on and after December 1, 1946, the twenty (20) percent deduction shall be made from each collection in the manner specified in paragraph (a) of this section.

(e) No part of the proceeds received by a disposal agency from the sale of surplus property as scrap or salvage, or from charges made on donations, or from the sale of small lots, which for the purpose of this part shall be considered to be any line item of personal property the cost of which (estimated if not known) is less than one hundred dollars (\$100), shall be deemed to be net proceeds, and all such proceeds shall be deposited in the special fund account in the Treasury.

(f) With the approval of the Administrator in cases where the disposal agency demonstrates that it has not incurred any expenses or has incurred only negligible expenses of care, handling, dis-

<sup>a</sup> WAA Reg. 1, Order 3 (11 F. R. 6774, 9572, 14490)

<sup>4</sup> Pub. Law 269, 79th Cong. (59 Stat. 632).

position, or transfer, the disposal agency may make payment to, or credit the appropriate account of, an agency entitled to such proceeds to the extent of the entire proceeds without deduction.

(g) If it is impossible to determine the applicable gross proceeds (by reason of commingling of property or otherwise), disposal agencies shall deposit the gross proceeds into the special fund account in the Treasury, as required in § 8301.11 of this part.

(h) If practicable, before deposit in the special fund account, disposal agencies may, in the case of commingling, make such payment or credit from the proceeds of the transfers or dispositions of similar property transferred or disposed of directly after the receipt of the surplus declaration.

§ 8301.13 *Refunds and claims.* Disposal agencies may make refunds and may make payments in settlement of claims pursuant to and to the extent authorized by section 30 (c) of the act. Disposal agencies shall not withhold, from deposit into the special fund account in the Treasury, any part of the proceeds of dispositions for the purpose of making such refunds and payments to purchasers unless such amount is deposited in a special account with the Treasurer of the United States. The maximum balance to be maintained in such special account shall be determined and authorized by the Administrator; and no deposit shall be made in such account which will bring the net balance of the account to an amount in excess of the determined maximum. In applying to the Administrator for such authorizations, the disposal agency concerned shall recommend the maximum balance which it deems necessary.

§ 8301.14 *Expenses.* (a) Government agencies shall apply to the Administrator as provided herein for allocation, payment, or reimbursement of funds to meet expenses of:

(1) Government agencies designated by the Administrator as disposal agencies pursuant to the act;

(2) Government agencies designated by the Administrator to render special services in connection with the disposal of surplus property in such amounts as shall be approved by the Bureau of the Budget; and

(3) Owing agencies in such amounts and upon such basis as shall be approved by the Bureau of the Budget, (i) for care and handling of surplus property from the date of the filing of a declaration of surplus covering such property filed with the Administrator or the disposal agency in accordance with applicable regulations of the Administrator or (ii) where declarations of surplus are deferred under established procedures approved by the Administrator and are made at approximately the time of disposal or removal, for care and handling of surplus property, from the date of filing of notice by the owning agency to the disposal agency that surplus property is being held for disposal under such procedure.

(b) Expenses for which funds may be allocated, paid or reimbursed hereunder shall not include

(1) Costs incident to filing a declaration of surplus with the disposal agency, including the cost of taking inventories, ascertaining and furnishing proper descriptions, and preparation of the declaration of surplus, except to the extent that such costs may be incurred by disposal agencies acting under procedures referred to in § 8301.14 (a) (3) of this part.

(2) Costs of separating personal property declared surplus from property of the owning agency and of making it available for inspection prior to declaration of surplus and the costs of placing the property in condition to insure its reasonable preservation and safety including decontamination and removal of explosives or other inherently dangerous materials as well as all other such costs.

(3) Costs of removing from real property such property of the owning agency which is not declared surplus to a disposal agency and the costs of placing the real property in a stand-by condition to insure its reasonable preservation and safety including decontamination and removal of explosives or other inherently hazardous objects as well as all other such costs.

(4) Costs incident to disposal of property by owning agencies including preparation of property for sale as scrap.

(5) Costs of removing surplus personal property on clearance of privately owned or operated plants or where the owning agency is otherwise obligated to remove surplus property from private facilities.

§ 8301.15 *Estimate of expenses.* On or before the 15th day of the last month of each quarter, Government agencies shall submit to the Administrator an estimate of their expenses for the succeeding quarter (except that the estimate of December 1, 1948, shall be made for the period ending February 28, 1949) for which funds may be allocated, paid, or reimbursed hereunder, together with appropriate statements explaining the basis upon which the estimate was determined. Such expenses shall be presented in such detail and in such form as may be mutually agreed upon between the disposal agency and the owning agency. The Administrator requires that in the preparation of estimates of expenses all agencies will explore all available means to reduce expenditures to a minimum. Each agency in preparing estimates shall absorb indirect administrative or overhead expenses to the fullest extent possible within the limits of existing appropriations or enabling statutes. Bases for computing expenses may be established by the Administrator with the approval of the Bureau of the Budget. Estimates of fiscal year expenses shall be submitted by Government agencies at such times as necessary to meet regular or special hearings before the Bureau of the Budget and the Congress.

§ 8301.16 *Statement of expenses.* On or before the 15th day of each month, disposal and service agencies financed by this Administration shall submit to the Administrator a statement of their ex-

penditures and obligations for expenses made during the preceding month.

§ 8301.17 *Submission prior to commitment.* Whenever substantial expenses are involved, particularly contracts involving commitments in excess of \$100,000, Government agencies may request the Administrator for determination of the propriety of such expenses prior to committing themselves to such expenses.

§ 8301.18 *Allocations and reimbursement.* Within the terms and limits of its appropriations and subject to the approval of the Bureau of the Budget when such approval is required, the Administrator will, at the beginning of each quarter, allocate funds or authorize expenditures subject to reimbursement, as the case may be, in such amounts determined to be necessary for proper expenses to cover that quarter. Reimbursement will be made on the basis of vouchers submitted with such supporting detail as the Administrator may require. Government agencies shall make such reports as the Administrator may require and will cooperate with the Administrator in such studies as it may conduct to determine effective and economical use of the funds allocated or authorized for reimbursement.

§ 8301.19 *Disposal agency compliance functions.* Subject to the provisions of § 8301.20 hereof requiring referral of criminal matters to the Department of Justice, each disposal agency shall perform such investigatory functions as are necessary to insure compliance with the provisions of the act and with the regulations, orders, directives, and policy statements of the Administrator including:

(a) Periodic surveys of field unit disposal operations, to prevent or correct irregularities in the disposition of surplus property;

(b) Such special investigations as the agency or the Administrator may consider necessary to insure the observance of prescribed disposal procedures;

(c) Investigations upon the receipt of complaints or information from any source indicating irregular or improper disposal of surplus property.

§ 8301.20 *Extent of investigation; referral to other Government agencies.* All information indicating violations by any person of Federal criminal statutes, or violations of section 26 (b) and section 27 of the act, including but not limited to fraud against the Government, mail fraud, bribery, attempted bribery, or criminal collusion, shall be referred immediately to the Department of Justice for further investigation and disposition. Each disposal agency shall make available to the Department of Justice, or to such other Governmental investigating agency to which the matter may be referred by the Department of Justice, all pertinent information and evidence concerning the indicated violations; shall desist from further investigation of the criminal aspects of such matters except upon the request of the Department of Justice; and shall cooperate fully with the agency assuming final jurisdiction in establishing proof of

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criminal violations. After making the necessary referral to the Department of Justice, inquiries conducted by disposal agency compliance organizations shall be limited to obtaining information for administrative purposes. Cases involving unfair trade practices shall be referred promptly by the agency to the Federal Trade Commission. Where irregularities reported or discovered involve wrong-doing on the part of individuals holding positions in Government agencies other than the agency initiating the investigation, the case shall be reported immediately to the Administrator for an examination in the premises.

§ 8301.21 *Records.* Each disposal agency shall prepare and maintain such records as will show full compliance with the provisions of §§ 8301.19 and 8301.20 of this part and with the applicable provisions of the act. A written report shall be made of all compliance investigations conducted by each agency compliance organization. Each disposal agency shall maintain centralized files of all such reports at its respective departmental offices. Until otherwise directed by the Administrator, there shall be transmitted promptly to the Administrator one copy of any such report which contains information indicating criminality on the part of any person or indicating non-compliance with the act or with the regulations, orders, directives, and policy statements of the Administrator. In transmitting such reports to the Administrator the agency shall set forth the action taken or contemplated by the agency to correct the improper conditions established by the investigation. Where any matter is referred to the Department of Justice or to the Federal Trade Commission, a copy of the letter of referral shall be transmitted to the Administrator.

§ 8301.22 *Regulations to be reported to the War Assets Administrator.* Each disposal agency shall file with the War Assets Administrator copies of all regulations, orders, and instructions of general applicability which it may issue in furtherance of the provisions, or any of them, of this part.

§ 8301.23 *Records and reports.* Disposal agencies shall prepare and maintain such records as will show full compliance with the provisions of this part and with the applicable provisions of the act. Reports shall be prepared and filed with the War Assets Administrator in such manner as may be specified by order issued under this part subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

This revision of this part shall become effective September 1, 1948.

PAUL L. MATHER,  
Associate Administrator.

For and on behalf of,

JESS LARSON,  
Administrator.

AUGUST 27, 1948.

[F. R. Doc. 48-7859; Filed, Aug. 30, 1948;  
11:52 a. m.]

## PART 8302—SURPLUS PERSONAL PROPERTY

War Assets Administration Regulation 2, August 18, 1947, as amended through February 25, 1948, entitled "Disposal of Surplus Personal Property to Priority Claimants" (12 F. R. 5586; 13 F. R. 750, 891) is hereby revised and amended as herein set forth. The title is amended to read as follows: "Surplus Personal Property." Orders 2, 3, 5, 6, 7, 8, 9, 10, and 12, under Regulation 2 (11 F. R. 6455; 10 F. R. 15217; 13 F. R. 1263; 11 F. R. 7774; 11 F. R. 9036; 12 F. R. 898; 12 F. R. 6664; 13 F. R. 345; 12 F. R. 2289; 12 F. R. 7360) are hereby revoked. The following War Assets Administration regulations and orders issued thereunder are hereby superseded and rescinded by this part: Regulation 3, September 13, 1946, entitled "Disposition of Surplus Property in Rural Areas and to Farmers" (11 F. R. 11136); Regulation 4, May 21, 1946, entitled "Disposal of Aircraft and Components and Parts of Aircraft" (11 F. R. 5868), and Order 4, as amended issued thereunder, (11 F. R. 1471, 14104); Regulation 14, October 1, 1946, as amended through June 17, 1948, entitled "Disposal of Nonprofit Institutions and Discounts for Educational or Public-Health Institutions or Instrumentalities" (11 F. R. 11505; 12 F. R. 257; 13 F. R. 3358), and Orders 1, 2, 3, 5, 7, as amended, 8, and 9 issued thereunder (11 F. R. 6870, 7426, 7970; 12 F. R. 3244, 3725, 6270; 13 F. R. 2135, 3358; 12 F. R. 795; 13 F. R. 2968); Regulation 19, December 7, 1945, as amended through December 1, 1947, entitled "Donation, Destruction, or Abandonment of Surplus Personal Property" (10 F. R. 14966; 11 F. R. 3691; 12 F. R. 8155), and Orders 1 and 2 issued thereunder (10 F. R. 14968; 11 F. R. 1991); Regulation 21, January 24, 1948, entitled "Pricing and Distribution Policy for Production Materials and Production Equipment" (13 F. R. 498), and Order 1 issued thereunder (13 F. R. 502); *Provided*, That the provisions of Order 2, as amended (13 F. R. 578, 2408) under the superseded Regulation 21 shall remain in full force and effect; Regulation 22, December 30, 1947, entitled "Pricing and Distribution Policy for Consumer Goods" (13 F. R. 82); Regulation 23, December 16, 1946, as amended March 18, 1947, entitled "Disposal of Electronics and Communications Equipment" (11 F. R. 14490; 12 F. R. 1891), and Order 1 issued thereunder (12 F. R. 3065); and Special Order 27, January 24, 1946, entitled "Disposal of 10-in-1 Rations to C. A. R. E." (11 F. R. 1199).

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AUTHORITY: §§ 8302.1 to 8302.21, inclusive, issued under Surplus Property Act of 1944, as amended (58 Stat. 765, as amended; 50 U. S. C. App. Supp. 1611), Pub. Law 181, 79th Cong. (59 Stat. 533; 50 U. S. C. App. Supp. 1614a, 1614b); Reorg. Plan 1 of 1947 (12 F. R. 4534); and Pub. Law 862, 80th Cong.

§ 8302.1 *Definitions.*—(a) *Terms defined in act.* Terms not defined in paragraph (b) of this section which are defined in the Surplus Property Act of 1944 shall in this part have the meaning given to them in the act.

(b) *Other terms.* (1) "Personal property" means any surplus personal property including aircraft, aircraft components, and electronics (and does not include real property consisting of land and interest in land, together with buildings, fixtures, facilities, utilities, equipment, and the property located thereon or adapted for use in connection therewith).

(2) "Production materials" as used in this part means personal property composed of raw or semi-finished materials which are themselves generally employed in the fabrication of end products or incorporated therein. Such materials customarily move from a manufacturer to an industrial user or distributor whose function combines that of a wholesaler and retailer. "Production materials" does not include finished products which may be incorporated in end products but customarily move to the consumer through wholesalers and retailers. These latter products are governed by the pricing and distribution policy for consumer goods provided for in this part.

(3) "Production equipment" means personal property of the following or similar types: machine tools, plant equipment and attachments thereto, used for, or in conjunction with, production facilities, except land and buildings, whether located in Government-owned or privately owned plants or property.

(4) "Small business" means any enterprise or group of enterprises under common ownership or control which by reason of its relative size and position in its industry is determined by the War Assets Administration to be a small business.

(5) "Reviewing authority" means a local, regional or departmental board of review of a disposal agency; it may consist of one or more persons.

(6) "Consumer goods" as used in this part means any personal property other

than production materials, production equipment, and combat matériel.

(7) "Combat matériel" means ammunition and explosives of all kinds, gases, lethal weapons, fire-control equipment, tanks and similar equipment, and accessories and components of the foregoing.

(8) "Nonprofit institution" means any nonprofit scientific, literary, educational, public-health, public-welfare, charitable or eleemosynary institution, organization, or association, or any nonprofit hospital or similar institution, organization, or association, which has been held exempt from taxation under section 101 (6) of the Internal Revenue Code, or any nonprofit volunteer fire company or cooperative hospital or similar institution which has been held exempt from taxation under section 101 (8) of the Internal Revenue Code.

(9) "Instrumentality" means any instrumentality of a State, territory, or possession of the United States, the District of Columbia, or any political subdivision thereof, as well as such States and subdivisions themselves.

(10) "Salvage" means property that is in such a worn, damaged, deteriorated or incomplete condition, or is of such a specialized nature that it has no reasonable prospect of sale as a unit, or is not usable as a unit without major repairs or alteration. Salvage has some value in excess of its basic material content because it may contain serviceable components or may have value to a purchaser who may make major repairs or alterations.

§ 8302.2 *Scope.* This part shall apply to (a) disposals by disposal agencies in the continental United States, its territories and possessions, and (b) donation, destruction or abandonment of surplus personal property, except records, documents, archives and confidential papers.

§ 8302.3 *Policy—(a) Basic policy.* The Congressional policy announced by the Surplus Property Act of 1944 is to discourage monopolistic practices and to foster wide distribution of surplus commodities to consumers at fair prices, utilizing normal channels of trade in such manner as to avoid discrimination against small business.

(b) *Objectives.* In accordance with Public Law 862, 80th Congress, as of August 31, 1948, the priorities and preferences under the Surplus Property Act of 1944, as amended, are not applicable to property declared surplus to disposal agencies hereunder. However, disposal agencies shall establish procedures and methods for disposal which are consistent with the objectives of the act. The objectives stated in section 2 of the act are augmented by other provisions which intend: (1) that until peace is concluded the needs of the established programs of the armed forces shall have paramount consideration; (2) to facilitate the transfer of surplus property from disposal agencies to other Government agencies for their own use and not for transfer or disposition unless otherwise authorized; (3) to afford States, local governments, and nonprofit institutions, and instrumentalities an opportunity to fulfill their legitimate needs; (4) that surplus property be disposed of by

methods calculated to effectuate distribution so that (1) veterans are given an opportunity to establish and maintain a small business concern, professional or agricultural pursuit, (2) farmers and farmers' cooperative associations have an opportunity to obtain surplus property equal to that of their comparable buying levels in other pursuits; and (5) that small business is not discriminated against in the disposal, distribution, and use of surplus property.

§ 8302.4 *Information concerning availability of property—(a) Federal agencies and purchasers which are by law prohibited from competitive bidding.* Disposal agencies shall establish procedures which will give purchasing officers of Government agencies and other purchasers who are by law prohibited from competitive bidding an opportunity to fulfill their legitimate needs.

(b) *Notice of offering.* Disposal agencies shall so far as practicable give uniform wide public notice of surplus property available or offered for sale within the area in which the offering is made. If adequate public advertising or notice is used as the method of offering, no other notice need be given.

(c) *Small business.* The Department of Commerce, having been vested by Executive Order 9665 (11 F. R. 3) with the functions and responsibilities of Smaller War Plants Corporation set forth in sections 18 (c) and (d) of the Surplus Property Act of 1944, should bring to the attention of the War Assets Administrator and the disposal agencies, the needs and requirements of small business, and any cases or situations which have resulted in or would effect discriminations against such business.

§ 8302.5 *Transfers to Government agencies—(a) Without reimbursement.* Disposal agencies shall make such transfers of surplus property to a Government agency without reimbursement or transfer of funds whenever a transfer on such terms by the owning agency (by which such property was declared surplus) would be authorized by any law approved subsequent to June 21, 1944, to be made to the agency desiring such property. The agency desiring such property without reimbursement or transfer of funds shall cite its authority for such transfer and shall pay all transportation charges but not the cost of packing, and shall furnish when necessary a Government bill of lading bearing identification of the appropriation against which such transportation charges are to be charged.

(b) *Fair value.* Except for transfer to Government agencies under paragraph (a) of this section, the price to Federal agencies shall be at the fair value thereof. (1) Except in the case of competitive bid sales, the fair value shall be the price fixed by the disposal agency. (2) Disposal agencies shall endeavor to fulfill the needs of Government agencies at fixed prices. However, when the competitive bid method is used, the fair value shall be the highest acceptable bid received for the particular property at such offering.

§ 8302.6 *Transfers of surplus standard administrative and maintenance property to the Treasury Department and*

*acquisition of such property by Government agencies.* (a) In order to facilitate the transfer of surplus property from one Government agency to other Government agencies for their own use and not for transfer or disposition to others outside the Government, the Treasury Department as the central procurement agency of the Government may acquire from the disposal agencies such quantities of surplus standard administrative and maintenance property as it needs to satisfy the requirements for such property of all Government agencies within the continental United States, other than the National Military Establishment and the Veterans' Administration, and other than each disposal agency for the types of property for which it is designated as such under Part 8301.<sup>1</sup> Government agencies shall cooperate with the Treasury Department in compiling estimates and shall provide the Treasury Department with such information concerning their requirements as it may need in order to promote the fullest utilization of surplus property.

(b) Disposal agencies shall transfer surplus standard administrative and maintenance property to the Treasury Department at a fair value which reflects the estimated expenses to be incurred by the Treasury Department in making distribution to Government agencies, and the Treasury Department shall promptly upon such transfer take possession and assume responsibility for the care, handling, and disposition of such property.

(c) It shall be the responsibility of all such Government agencies, in order to avoid making purchases of such property through commercial channels when such property is available from surplus, continuously to consult the stock catalogues issued by the Bureau of Federal Supply of the Treasury Department and the inventory records of War Assets Administration.

(d) Except in cases where transfers may be made without reimbursement or transfer of funds, no Government agency, other than the National Military Establishment and the Veterans' Administration, and other than each disposal agency for the types of property for which it is designated as such under Part 8301, shall within the continental United States acquire by direct transfer from a disposal agency any type of surplus standard administrative or maintenance property which is offered for disposal by the Treasury Department and immediately available for acquisition by such Government agency: *Provided*, That if none of a desired type of property is immediately available for acquisition by a Government agency, such agency may purchase such desired property directly from the disposal agency.

§ 8302.7 *Methods of sale—(a) Fixed prices.* The fixed price method of sale may be used only in cases where property meets all of the following conditions: (1) It is a standard commercial item; (2) It is readily marketable; (3) It is in O-4 condition or better; and (4) It is available in inventory in sufficient

<sup>1</sup> WAA Reg. 1 (12 F. R. 6661, 7810; 13 F. R. 1647, 2203).

quantity to justify sales programming at a fixed price or in cases where the Administrator determines it to be in the best interests of the Government: *Provided*, That transfers authorized by law to be made to Government agencies or others without reimbursement or transfer of funds may be made without the necessity of determining the fixed price. When all of the conditions mentioned above do not exist, other methods of sale should be used in the discretion of the disposal agency, subject to the conditions applicable thereto as specified in paragraph (b) or (c) following.

(b) *Competitive bids*. The competitive bid method of sale should be preferred and may be used (1) where any of the conditions referred to in paragraph (a) of this section do not exist, or (2) where the property is available in mixed lots or small quantities, or (3) when rapid clearance of a site is necessary, or (4) when the property remains in inventory after full and adequate offering has been made at fixed prices to all classes of purchasers in the areas in which such property is normally purchased. The competitive bid method includes the use of sealed bids, open bids, public auctions, or a combination of these methods.

(c) *Negotiated sale*. Negotiated sales may be used by the disposal agency for any one or more reasons set forth in subparagraphs hereunder: *Provided, however*, That whenever negotiated sales are used, the disposal agency shall prepare and file in writing a full justification of the desirability or necessity for using this method of sale and such sales shall not be consummated except with the approval of a reviewing authority:

(1) When the proposed purchasers can perform certain functions necessary to make the property salable, such as repairing, rehabilitating, sorting, grading, or testing, more economically and effectively than the disposal agency or others;

(2) When the property is such a hazard to health and property as to require immediate disposition;

(3) When the property will spoil or deteriorate so rapidly as to jeopardize any disposal unless immediately sold;

(4) When the property is to be sold to a foreign government by or at the request of the State Department;

(5) When the property remains in inventory after full and adequate offering at competitive bid to all classes of purchasers or claimants;

(6) When the disposal agency makes a written finding that the property is (i) of so special a nature or manufacture or limited use that only one or a few purchasers would be interested in the acquisition and (ii) that an offering of such property by competitive bidding would prejudice the monetary return to the Government if all such bids were subsequently rejected;

(7) In individual cases, where upon application by the disposal agency the Administrator finds that the objectives of the Act will be more fully complied with by using such type of sale.

#### § 8302.8 *Prices and pricing methods—*

(a) *General*. In fixed price sales, prices shall be established as close to the cur-

rent market price as practicable, recognizing that they must be attractive enough to move the property and compensate for any unusual features of the property or in its physical location which may add to the difficulty of removal or reselling.

(b) *Discounts*. In fixed price sales discounts may be granted on the disposal of surplus property only (1) when different price levels are established in order to compensate for the services rendered in the distribution of property to the various levels of trade; or (2) when a discount is granted pursuant to the provisions of this part to compensate the Treasury Department for performing distributive services for a disposal agency. Discounts may not be granted for volume purchases in any case for any item.

(c) *Production materials*. In fixed price sales production materials will be disposed of at one price for one minimum quantity and only one level of trade shall be applicable. However, where customary in the trade a discount may be allowed the distributor.

(d) *Production equipment*. In fixed price sales, production equipment shall be disposed of at a single price for one minimum quantity without discount except where the particular equipment normally moves through an intermediate channel in which case a discount may be allowed for the distributive function of the purchaser performed as to each particular type.

(e) *Consumer goods*. Generally, in fixed price sales, prices for consumer goods shall be set for two levels of trade—wholesale and retail. The differential between these prices should correspond to the differences in the cost of distributive functions performed. In those instances where it is not feasible or customary to offer a commodity to two levels of trade, a uniform price may be set for all purchasers.

#### § 8302.9 *Maximum and minimum quantities—*(a) *Maximum quantities*.

(1) The maximum quantity which should be offered by the disposal agency to any one purchaser should to the extent feasible be a quantity which will assure wide distribution of the available property. Such maximum quantities shall be established in all cases where it reasonably may be expected that the total demand will exceed the supply offered for sale within the area in which the offering is made.

(2) In fixed price sales, whenever the available quantity of surplus property is insufficient to satisfy the requirements of eligible purchasers, all purchase orders submitted by affiliated persons, firms, or corporations, or by groups thereof under common ownership or control for the same type of property in a single sales offering shall be treated as a single purchase order.

(b) *Minimum quantities*. (1) The minimum quantities, i. e., the minimum lot size, which should be offered for sale by the disposal agency should to the extent feasible be a quantity which will enable small independent purchasers and institutional buyers (not retail consumers) to participate. Such minimum quantities may be larger when (i) large

quantities of merchandise are packaged in military cartons or in bulk containers and it would be uneconomical to repack the property to provide for sales in smaller quantities, or (ii) it is necessary to consolidate several packages in order to assure an equitable or appropriate distribution of the property to each purchaser.

(2) In fixed price sales of consumer goods to two trade levels, a larger minimum quantity applicable to the wholesale trade should be offered to wholesalers of the commodity offered who agree to use their best efforts to sell to small independent retail establishments.

§ 8302.10 *Precedence for small purchasers*. In fixed price sales when the total supply of a commodity is less than the amount ordered, consideration shall be given to the needs of other purchasers before large quantities are sold to one or a few purchasers. Precedence shall be given to orders received from small purchasers and from wholesalers and distributors who serve small independent purchasers.

§ 8302.11 *Classes of purchasers*. In the case of fixed price sales the following conditions shall be observed for the classes of purchasers specified: (a) Institutional buyers, commercial exporters, foreign governments acting through duly accredited agents or representatives in the United States, and foreign commercial firms acting through their duly accredited agents in this country shall be permitted to participate on the same level as wholesalers or distributors.

(b) Purchasing agents, (including resident buyers, commission men, brokers, and other agents) who perform the purchasing function for the principals they represent, shall be permitted to participate in disposals of surplus property. Sales made through agents shall be made only in the name of the principal they represent and in fixed price sales at the level of distribution of the principal. Such agents shall be required to present a written authorization from the principal for each purchase.

(c) All purchasers who may participate in fixed price sales shall also be eligible to acquire property offered by any other method.

(d) Ultimate consumers (persons who buy for their own personal use) are not ordinarily expected to purchase surplus property directly from the disposal agency except when such property is offered in suitable lots or units under circumstances which will not complicate the work of disposal, or where sales to ultimate consumers, for example through rural farm auctions, would be more effective than offerings by other methods. Sales to ultimate consumers or to any other purchasers who are not normal trade channels may be made in any quantity and by any method of sale after it has been found by the disposal agency that the property will not or does not normally move through normal channels of trade.

(e) Manufacturers who perform the distributive functions of serving small independent retailers may buy consumer goods as wholesalers in fixed price sales,



subject to the rules applicable to purchases made by wholesalers.

(f) Wholesalers and manufacturers who own, operate, or control retail stores are required to buy consumer goods as retailers in fixed price sales for their company-owned or controlled retail stores.

(g) Buying offices of associated groups of retail stores operated on the voluntary chain system of buying will buy consumer goods as retailers in fixed price sales.

(h) Cooperative organizations shall be permitted to participate in fixed price sales at the same time and under the same conditions as other commercial enterprises. In determining the level of trade at which a particular cooperative organization will buy, consideration should be given solely to its distributive functions and not the features of cooperative ownership.

(i) Industrial users, i. e., manufacturers or commercial enterprise of a class which normally purchases property for its own use and not for resale shall be permitted to participate in fixed price sales of consumer goods at the retail level, or at the wholesale level (at the minimum quantity specified in § 8302.9) if such class customarily buys from manufacturers at the same price as wholesalers, *Provided*, That in either case the property so purchased is not resold in its present form except after incorporation into an end product. Orders of commercial and industrial purchasers shall be filled in accordance with § 8302.10 after retailers and wholesalers who serve small retailers.

§ 8302.12 *Exclusive sales to one purchaser.* It is contrary to general policy to sell all lots of surplus property contained in one offering, exclusively to one purchaser in a fixed price sale as distinguished from a negotiated sale or a competitive bid offering. Exceptions may be taken to this rule only when:

(a) It is necessary to protect public health or public safety, or

(b) The exclusive purchaser can perform certain functions necessary to make the property salable, such as repairing, rehabilitating, sorting, grading, or testing more economically and effectively than the disposal agency or others, or

(c) The disposal agency makes a written finding that the property is (1) of so special nature or manufacture or limited use that only one or a few purchasers would be interested in the acquisition and (2) that an offering of such property by competitive bidding would materially prejudice the monetary return to the Government if all such bids were subsequently rejected.

§ 8302.13 *Competitive bidding.* (a) Whenever the competitive bid method of sale is employed, an upset price shall be established representing the tentative estimate of the lowest price acceptable to the disposal agency. The amount of the upset price shall not be disclosed in the offering nor in any other way to any person not in the employ of the disposal agency. If all or some bids received are lower than such upset price, the disposal agency may reject the bids below the

upset price, or, with the approval of the reviewing authority may accept them.

(b) Federal agencies, State and local governments and nonprofit institutions and instrumentalities shall be permitted to participate in competitive bid sales on the same terms and conditions as commercial bidders: *Provided*, That provision may be made in the case of an original offering for recognition of offers from such agencies as are by law prohibited from competitive bidding.

(c) No certificate or other finding shall be required that the property offered for sale by competitive bidding is scrap or salvage. A scrap warranty may be required of the purchaser in cases where the disposal agency finds that the property is dangerous to public health or safety, or in other appropriate cases.

§ 8302.14 *Importation of military property into the United States.* Surplus military property consisting of arms, ammunition and munitions of all types located in the continental United States, or in its territories and possessions, which is disposed of to foreign governments or to persons for export to foreign areas shall not, after delivery to a foreign area, be imported into the United States in the same or substantially the same form in which it was exported from the United States if it is readily identifiable as such, except to the extent that may be authorized by order issued hereunder: *Provided*, That such property may be so imported on consignment to a person or firm in the United States for the purpose of reconditioning for re-export. Nothing in this section shall prevent surplus property transferred to a Government agency for use in foreign areas from being brought into the continental United States, its territories and possessions, by such Government agency.

§ 8302.15 *Findings justifying donation, destruction, or abandonment.* Except as to property disposed of under §§ 8302.16 (b) and 8302.18, no property shall be donated, destroyed, or abandoned by a disposal agency unless it shall have been affirmatively found either by the disposal agency that: (a) such property has no commercial value (property shall be deemed to have no commercial value for the purposes of this part if it can reasonably be expected to have no market value for the purposes for which it was originally intended); or (b) the estimated cost of its care, handling, and disposition would exceed the estimated proceeds of its sale for any purpose. Such findings shall be reduced to writing by the finding agency. Whenever property proposed to be disposed of hereunder by any agency at any one location at any one time had an original cost (estimated if not known) of more than \$1,000, the findings shall be approved by a reviewing authority before any such disposal.

§ 8302.16 *Donations under Surplus Property Act of 1944—(a) Authority to donate.* Subject to the provisions of paragraph (b) of this section, a disposal agency may donate property in its pos-

session or control, as to which findings have been made in compliance with the provisions of § 8302.15 to any donees within the following classes: (1) agencies or institutions supported by the Federal Government; (2) agencies or institutions supported by any State or local government; and (3) nonprofit educational or charitable institutions.

(b) *American Red Cross property.* Any property which was processed, produced, or donated by the American National Red Cross for any Government agency may be donated by a disposal agency to the American National Red Cross upon its request, solely for charitable purposes. No such property shall be disposed of either under the Surplus Property Act of 1944 or under any other law except after notice to and consultation with the American National Red Cross.

(c) *Disposal costs.* The donating agency shall require any donee to pay all costs of packing and shipping to the donee.

§ 8302.17 *Abandonment or destruction—(a) Notice of Proposed abandonment or destruction.* Except as provided in § 8302.18, property shall not be destroyed or abandoned by a disposal agency until thirty (30) days after publication of notice of such proposed destruction or abandonment. Such notice shall contain a general description of the property to be destroyed or abandoned and shall be published once in a newspaper having a general circulation in the area in which the property is located. Such notice shall contain an offering to sell the property or to donate it to eligible donees under § 8302.16. A copy of such notice shall be given to the Administrator at the beginning of such thirty (30) day period. The Administrator finds that such notice will constitute the reasonable efforts required by section 13 (b) of the Surplus Property Act to dispose of such property otherwise than by destruction.

(b) *Authority to abandon or destroy.* Property, as to which findings have been made in compliance with the provisions of § 8302.15 and notice has been given as provided in paragraph (a) of this section, may be abandoned or destroyed by a disposal agency when such agency shall find that donation pursuant to the provisions of § 8302.16 is not feasible. Such finding shall be reduced to writing by such agency before any such abandonment or destruction is made. Whenever property proposed to be abandoned or destroyed hereunder by any agency at any one location at any one time had an original cost (estimated if not known) of more than \$1,000, the finding shall be approved by a reviewing authority before any such abandonment or destruction. No abandonment or destruction shall be made in a manner which is detrimental or dangerous to public health or safety or which will cause an infringement of the rights of other persons.

§ 8302.18 *Abandonment or destruction without notice.* Property may be abandoned or destroyed by a disposal agency without public notice upon a

## RULES AND REGULATIONS

finding by a responsible officer, approved by a reviewing authority, that the immediate destruction or abandonment of the property is necessary or desirable because of its nature or because of the expense or difficulty of its care and handling. Such abandonment or destruction shall be deemed to be authorized under this section, (a) whenever the value of the property is so little or the cost of its care and handling is so great that its retention for thirty (30) days to advertise for donees is clearly not justified, or (b) whenever abandonment or destruction is required by military necessity or by considerations of health, safety, or security. Such findings shall be reduced to writing by such agency. Whenever property proposed to be destroyed at any one location at any one time had an original cost (estimated if not known) of less than \$100, it shall be presumed for the purposes of this section that its immediate destruction or abandonment without notice is justified by reason of the expense or difficulty of its care and handling. The right to abandon or destroy under this section shall not be deemed to preclude the donation of any property as to which appropriate findings have been made.

§ 8302.19 *Demilitarization of surplus combat matériel.* The War Assets Administrator recognizes that combat matériel often must be mutilated, disarmed, or otherwise demilitarized before disposal. In the interest of public health and safety and of national defense, a considerable amount of such property must be rendered innocuous, made unfit for further military use, or stripped of any confidential or secret characteristics. Such demilitarization shall be accomplished in such manner as to preserve so far as possible any civilian utility or commercial value of the property. Any such property which is found by the disposal agency to have no commercial value after demilitarization, or of which the estimated cost of care, handling, and disposition does or will exceed the estimated proceeds, shall be disposed of in accordance with the provisions of this part.

§ 8302.20 *Regulations by disposal agencies to be reported to the War Assets Administrator.* Each disposal agency shall file with the War Assets Administrator copies of all regulations, orders, and instructions of general applicability which it may issue in furtherance of the provisions, or any of them, of this part.

§ 8302.21 *Records and reports.* Disposal agencies shall prepare and maintain such records as will show full compliance with the provisions of this part and the applicable provisions of the act. Disposal agencies shall report donations under the authority of this part to the War Assets Administrator on the appropriate form designated by Order 8 of Part 8301.<sup>2</sup> Reports shall be prepared and filed with the War Assets Administrator in such manner as may be specified by order issued under this part subject to the approval of the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This revision of this part shall become effective September 1, 1948.

PAUL L. MATHER,  
*Associate Administrator.*

For and on behalf of,

JESS LARSON,  
*Administrator.*

AUGUST 27, 1948.

[F. R. Doc. 48-7858; Filed, Aug. 30, 1948; 11:52 a. m.]

## TITLE 33—NAVIGATION AND NAVIGABLE WATERS

### Chapter II—Corps of Engineers, Department of the Army

#### PART 203—BRIDGE REGULATIONS

#### PART 207—NAVIGATION REGULATIONS

#### KEWEENAW WATERWAY, MICHIGAN

1. Pursuant to the provisions of section 5 of the River and Harbor Act of August 18, 1894 (28 Stat. 362; 33 U. S. C. 499), § 203.642 is hereby prescribed to govern the operation of the Michigan State Highway Department bridge across Keweenaw Waterway, between Houghton and Hancock, Michigan, as follows:

§ 203.642 *Keweenaw Waterway, Mich., Michigan State Highway Department bridge between Houghton and Hancock.*

(a) The owner of or agency controlling this bridge shall provide the appliances and personnel necessary for the safe, prompt, and efficient operation of the draw. The bridge shall be provided with a whistle or siren capable of being heard distinctly three-fourths mile away in any condition of weather, and an electric light signal, on the top of and near the center of the swing span, which will give flashes of the same duration and at the same time as the audible signals.

(b) Vessels approaching the bridge shall reduce their speed sufficiently to enable them to come to a stop before arrival at the bridge should the draw fail to open.

(c) The call signal for opening of the draw shall be one long and two short blasts. If the draw can be opened promptly the bridge tender shall reply by repeating the call signal. If the draw cannot be opened promptly, or if it is open and must be closed immediately, the bridge tender shall reply by sounding five short and rapid blasts, to be repeated at regular intervals until acknowledged by the vessel. The vessel shall acknowledge by sounding five short and rapid blasts. Thereafter, as soon as the draw can be opened, the draw tender shall repeat the call signal.

NOTE: For the purpose of the regulations in this section a long blast shall be a blast of three seconds' duration and a short blast shall be a blast of one second's duration.

(d) The draw shall be opened promptly on signal for the passage of all vessels of 30 net registered tons and upward. The draw shall be opened as soon as convenient for the passage of vessels of less than 30 tons, but no such vessel shall be delayed for more than 10 minutes.

2. Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U. S. C.

1), § 207.410 governing the use, administration, and navigation of Keweenaw Waterway, Michigan, is hereby superseded by the following:

§ 207.410 *Keweenaw Waterway, Mich.; use, administration, and navigation—(a) Authority.* The movement of all vessels, rafts, and floating craft of every description which make use of this waterway, the approaches thereto, and connecting waters, shall be under the general direction of the District Engineer, Corps of Engineers, Duluth, Minnesota, and the immediate local direction of the Waterway Superintendent, Federal Building, Houghton, Michigan.

(b) *Speed of vessels.* The speed of vessels of more than 200 tons shall not exceed eight statute miles per hour between Lily Pond and Pilgrim Point.

(c) *Rafts.* Passage into or through the waterway of "bag" or "sack" rafts or of loose logs is prohibited. Rafts shall not exceed 100 feet in width or 800 feet in length and shall, in all cases, be handled by sufficient tug power to guide the raft so as to give one-half of the channel to passing vessels.

(d) *Towing.* Boats engaged in towing shall use towlines of such number, type, and length as will insure full control over their tows at all times and the safe passing of other craft or canal structures and markers.

(e) *Channel markers.* Masters of vessels shall keep careful watch when passing aids to navigation, and should any be accidentally displaced they shall report this fact to the local United States Coast Guard Station or the Waterway Superintendent.

(f) *Harbors of refuge.* Two mooring basins of limited area are located in the waterway, Portage River Harbor of Refuge near the Portage entry, and Lily Pond Harbor of Refuge between Portage Lake and the Upper Entrance. Craft using these harbors are required to make fast to the mooring piers, and except in case of storms or breakdowns shall not use the harbors longer than 24 hours without special permission from the Waterway Superintendent. The position and arrangement of vessels moored in the harbors will be subject to the direction of the Waterway Superintendent.

(g) *Mooring to Government structures.* No vessels or craft of any kind shall moor or tie up to any Government structures other than the mooring piers which are provided for the use of vessels at the harbors of refuge.

(h) *Damage to Government structures.* The regulations in this section shall not affect the liability of the owners and operators of vessels for any damage caused by their operations to breakwaters, piers, and revetments. Vessels shall use great care not to strike or injure these structures.

(i) *Use or injury of Government property.* The occupancy or use of Government structures and of Government lands adjoining the waterway for private business of any kind, storage of property, or residence purposes is prohibited. The injury or defacement of Government buildings, structures, trees, or property of any kind is prohibited.

(j) *Obstructing navigation.* No person shall wilfully or carelessly obstruct

<sup>2</sup> WAA Reg. 1, Order 8 (11 F. R. 9760)

or hinder the free navigation of the waterway.

[Regs. Aug. 10, 1948, CE 800.211 (Keweenaw Waterway, Mich.)—ENGWR] (28 Stat. 362, 40 Stat. 266; 33 U. S. C. 499, 1)

[SEAL] EDWARD F. WITSELL,  
Major General,  
The Adjutant General.

[F. R. Doc. 48-7742; Filed, Aug. 30, 1948; 8:51 a. m.]

**TITLE 50—WILDLIFE**

**Chapter I—Fish and Wildlife Service;  
Department of the Interior**

**Subchapter C—National Wildlife Refuges;  
Individual Regulations**

**PART 21—PACIFIC REGION NATIONAL  
WILDLIFE REFUGES**

**TULE LAKE NATIONAL WILDLIFE REFUGE,  
CALIFORNIA; HUNTING REGULATIONS**

**AUTHORITY:** Sec. 10, 45 Stat. 1222, 16 U. S. C. 715i; Reorg. Plan No. II, sec. 4 (f); Regulations Fish and Wildlife Service dated December 19, 1940, 5 F. R. 5284; 50 CFR, Cum. Supp. Part 12, as amended April 14, 1945, 10 F. R. 4267.

*Basis and purposes.* On the basis of observations and reports of field representatives of the Fish and Wildlife Service it has been determined that a revision of the area opened to hunting should be made to give hunters better access to the hunting area and to designate a boundary that is more readily definable on the ground.

Section 21.913 is revised to read as follows:

§ 21.913 *Tule Lake National Wildlife Refuge, California; hunting.* Migratory waterfowl and coots may be taken within the hereinafter described area of Tule Lake National Wildlife Refuge, California, in accordance with Migratory Bird Treaty Act Regulations (50 CFR 1.1-1.12), when, in manner, and to the extent not prohibited by State law or regulation: *Provided,* That the privileges herein granted shall be exercised in accordance with the provisions of the regulations dated December 19, 1940, for the administration of National Wildlife Refuges under the jurisdiction of the Fish and Wildlife Service and under the following special provisions, conditions, restrictions, and requirements:

(a) *Shooting area.* That part of the Tule Lake National Wildlife Refuge, designated by suitable posting by the officer in charge of the refuge, lying and being north of the following described line:

Beginning on the east boundary of the refuge at the E<sup>1</sup>/<sub>4</sub> corner of section 20, T. 47 N., R. 5 E., M. D. M., thence west along the center line of sections 20 and 19, T. 47 N., R. 5 E., and the center line of sections 24, 23, 22, 21, 20, and 19, T. 47 N., R. 4 E., to the point of intersection with the west boundary of the refuge.

(b) *Entry.* Entry on and use of the refuge for any purpose is governed by the regulations of the Secretary dated December 19, 1940 (5 F. R. 5284), as amended, and strict compliance therewith is required. Persons entering the

refuge for the purpose of hunting shall use such routes of travel within the refuge as are designated by posting. The carrying or being in possession of firearms within the areas of the refuge not open to public hunting is prohibited, except that such firearms may be possessed or transported across such closed areas provided they are unloaded, and broken or properly encased. The carrying or being in possession of rifled firearms or the use of single-ball or slug-load shotgun shell on the refuge is prohibited.

(c) *Permits.* Any person who hunts within the refuge must have on their person and exhibit at the request of any authorized Federal or State officer whatever license is required by the State of California, and, if hunting migratory waterfowl and being over sixteen years of age, a properly validated migratory bird hunting stamp. The said license and stamp shall serve as a Federal permit for hunting on the refuge.

(d) *Dogs.* Each person hunting on the public shooting ground will be permitted to take his hunting dogs, not to exceed two in number, upon such areas for the purpose of retrieving dead or wounded birds, but such dogs shall not be permitted to run at large on the public shooting grounds or elsewhere on the refuge.

Dated: August 25, 1948.

CLARENCE COTTAM,  
Acting Director.

[F. R. Doc. 48-7746; Filed, Aug. 30, 1948; 8:51 a. m.]

**PROPOSED RULE MAKING**

**DEPARTMENT OF AGRICULTURE**

**Production and Marketing  
Administration**

[7 CFR, Part 985]

**PROPOSED MARKETING AGREEMENT AND ORDER REGULATING HANDLING OF EMPEROR GRAPES GROWN IN CALIFORNIA**

**NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS; EXTENSION OF TIME FOR FILING EXCEPTIONS**

The time within which interested parties may file exceptions to the recommended decision (13 F. R. 4821) of the Assistant Administrator, Production and Marketing Administration, with respect to the proposed marketing agreement and order regulating the handling of Emperor grapes grown in the State of California is hereby extended to not later than the close of business on September 19, 1948.

(48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 7 CFR Supps. 900.1 et seq.)

Done at Washington, D. C., this 26th day of August 1948.

[SEAL] JOHN I. THOMPSON,  
Assistant Administrator, Production and Marketing Administration.

[F. R. Doc. 48-7767; Filed, Aug. 30, 1948; 8:49 a. m.]

**FEDERAL COMMUNICATIONS  
COMMISSION**

[47 CFR, Part 1]

[Docket No. 9120]

**HANDLING OF MOTIONS AND INITIAL AND PROPOSED DECISIONS**

**NOTICE OF PROPOSED RULE MAKING**

In the matter of revision of Commission's rules and regulations relating to the handling of motions and initial and proposed decisions.

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. The changes proposed in this notice have been the subject of extensive study by the Commission and consideration has been given to suggestions which have been submitted by representatives of the Federal Communications Bar Association. The Commission proposes to amend its procedural rules and regulations relating to the handling of motions and initial and proposed decisions in the manner set forth in the attached appendix.

3. The rules and regulations proposed are procedural in nature and hence the provisions of section 4 (a) of the Administrative Procedure Act are not applicable. However, since the changes proposed are substantial in nature, the Commission desires to afford interested persons an opportunity to comment

thereon before adopting any change in the rules.

4. Authority to issue the proposed rules and regulations is contained in sections 4 (k), 4 (j), 303 (r) and section 409 of the Communications Act of 1934, as amended, and in sections 7 and 8 of the Administrative Procedure Act.

5. Any interested person who is of the opinion that the proposed changes should not be adopted or should not be adopted in the form set forth in the appendix hereto may file with the Commission on or before September 27, 1948, a statement or brief setting forth specific suggestions for particular changes that he desires the Commission to make. At the same time persons favoring the rules as proposed may file statements in support thereof. The Commission will consider all such comments that are presented before taking final action in the matter, and if any comments are submitted which appear to warrant the holding of oral argument, notice of the time and place of oral argument will be given.

6. In accordance with the provisions of § 1.764 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs, or comments filed shall be furnished the Commission.

Adopted: August 13, 1948

Released: August 19, 1948

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

## PROPOSED RULE MAKING

I. *Motions.* A. Before a hearing examiner or a Commissioner is designated to preside at a hearing, motions will be acted upon by the Motions Commissioner in accordance with present rules.

B. After a hearing examiner is designated, all motions presently handled by the Motions Commissioner (except petitions to intervene, petitions to enlarge, delete or change issues, petitions to dismiss an application, or any motion or petition filed after an initial decision is issued) will be acted upon by the hearing examiner. Motions of the excepted type will continue to be acted upon by the Motions Commissioner in accordance with present rules. If the hearing examiner is not available to act upon a motion, the Motions Commissioner will act upon the motion.

C. If a Commissioner is designated to preside at a hearing, he will act upon motions.

D. Action on the Commission's own motion will be taken by the Commission.

E. Unless a motion is for consideration by the entire Commission or a board or a committee of Commissioners, only an original and six copies need be filed. Motions must be served on all parties.

F. Oppositions to motions may be filed by any party or the General Counsel within five days.

G. Oral argument may be had either before the Motions Commissioner, Commissioner designated to preside at a hearing or hearing examiner, as the case may be, on any contested motion, unless oral argument is waived. When a motion has been duly served on all parties and no opposition thereto has been filed within five days, the motion may be granted ex parte. If it is not desired to grant such motion ex parte and oral argument has not been waived, an oral argument will be held thereon.

II. *Decisions*—A. *Proposed findings by parties.* All parties and the General Counsel of the Commission may, if they so desire, file proposed findings, briefs or memoranda of law. The Commission, Commissioners designated to preside at hearings, or hearing examiners may direct the parties to file proposed findings, briefs or memoranda of law. Such proposed findings, briefs or memoranda of law shall be filed within 20 days from the date when the record is closed, unless an extension of time is granted.

B. *Initial decision.* Unless otherwise directed by the Commission, the hearing examiner or Commissioner designated to preside at the hearing shall prepare an initial decision.

C. *Certification of case to commission.* In specific cases the Commission by order may direct that the case be certified to the Commission for initial decision. In such cases (unless the case involves rule making or an application for initial license) the hearing examiner or Commissioner shall first prepare a recommended decision which will be made public at the time of issuance of the Commission's Initial Decision unless the Commission finds upon the record that due and timely execution of its functions imperatively and unavoidably requires that a recommended decision be dispensed with. In cases certified to the Commission for initial decision which in-

volve rule making or applications for initial license the hearing examiner or Commissioner will not prepare a recommended decision unless otherwise ordered by the Commission.

D. *Exceptions.* An initial decision will become final and the Commission will issue an appropriate order without further proceedings, unless within twenty days from the date on which public notice is first given of the issuance of the initial decision (or within such further extension of time as the Commission may authorize) any of the parties or the General Counsel of the Commission files exceptions to the initial decision. Such exceptions may be accompanied by a brief and oral argument may be requested. A reply brief may be filed by any of the parties within ten days from the date upon which the time for filing exceptions expires.

If no exceptions are filed by any of the parties or the General Counsel of the Commission, the Commission may by order adopted within fifteen days from the date when the time for filing exceptions expires provide that such initial decision shall not become final and that it is the subject of further review by the Commission.

Failure by a party (other than the prevailing party) to file exceptions will constitute a waiver by the party of the right to participate further in the proceedings.

III. *Oral argument on petitions.* The Commission has received comments in general terms concerning the lack of uniformity with respect to oral arguments on motions and petitions. It is pointed out that oral argument is presently accorded on relatively unimportant petitions whereas no oral argument is held on relatively important petitions. The Commission invites specific suggestions as to a uniform procedure to be followed in this regard.

IV. *Pre-hearing conferences.* In order to encourage the maximum utilization of pre-hearing conferences as a vehicle for simplifying issues and expediting hearings, it is proposed to amend the rules so as specifically to authorize the hearing examiners and the Commissioner designated to preside at a hearing as well as the Commission to call pre-hearing conferences whether or not a request for such pre-hearing conference is made by any of the parties.

[F. R. Doc. 48-7749; Filed, Aug. 30, 1948; 8:46 a. m.]

## [47 CFR, Part 3]

[Docket No. 8967]

## MULTIPLE OWNERSHIP OF AM, FM AND TELEVISION BROADCAST STATIONS

## NOTICE OF PROPOSED RULE MAKING

In the matter of the amendment of §§ 3.35, 3.240, and 3.640 of the rules and regulations relating to multiple ownership of AM, FM and Television broadcast stations.

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. The Commission proposes to amend §§ 3.35, 3.240 and 3.640 of its rules and

regulations in the manner set forth in the attached Appendix.

3. The proposed rules are issued under the authority of sections 303 (r), 311, 313 and 314 of the Communications Act of 1934.

4. Any interested person who is of the opinion that the proposed amendments should not be adopted, or should not be adopted in the form set forth, may file with the Commission on or before September 27, 1948, a written statement or brief setting forth his comments. Persons desiring to support the rule may also file comments by the same date. The Commission will consider all comments, briefs and arguments presented before taking final action with respect to the proposed rules.

5. Fifteen copies of each brief or written statement should be filed as required by § 1.764 of the Commission's rules and regulations.

Adopted: August 18, 1948.

Released: August 19, 1948.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

NOTE: The proposed provisions of §§ 3.240 and 3.640 relating to multiple ownership of FM and television broadcast stations are not set forth in the Appendix. They are the same as § 3.35 except as noted.

§ 3.35 *Multiple ownership.* (a) No license for a standard broadcast station shall be granted to any person (including all persons under common control<sup>1</sup>) if:

(1) Such person directly or indirectly owns, operates, or controls another standard broadcast station located in the same community or in another community in the same metropolitan district or if such person directly or indirectly owns, operates, or controls another standard broadcast station with a substantial overlap in the service area of such stations. In determining what constitutes substantial overlap consideration will be given to the facts of each case with particular reference to such factors as the classes of stations involved, geographic extent of overlap, location of centers of population, distribution of population, other competitive service to the overlap area, location of trade areas, metropolitan districts, and political boundaries, areas and populations to which the service of the station is directed (as indicated by commercial business of the station, news broadcasts, sources of programs and talent, nature of programs, coverage claims, and listening audience), and location of main and secondary studios; or

(2) Such person or any stockholder, officer or director of such person directly or indirectly owns any interest in, or is an officer or director of, another standard broadcast station located in the same community or in another community in the same metropolitan district; or

(3) Such person, or any stockholder, officer or director of such person, directly or indirectly owns, operates, controls, or

<sup>1</sup>The word "control" as used in this section is not limited to majority stock ownership but includes actual working control in whatever manner exercised.

has any interest in, or is an officer or director of any other standard broadcast station if the grant of such license would result in a concentration of control of standard broadcasting in a manner inconsistent with public interest, convenience, or necessity. In determining whether there is such a concentration of control, consideration will be given to the facts of each case with particular reference to such factors as the size, extent and location of areas served, the number of people served, classes of stations involved, and the extent of other competitive service to the areas in question. The Commission, however, will in any event consider that there would be such a concentration of control contrary to the public interest, convenience or necessity for a person directly or indirectly to own, operate or control more than seven standard broadcast stations,<sup>2</sup> or for any person or any of its stockholders, officers or directors to have a direct or indirect interest in, or be stockholders, officers, or directors of, more than fourteen standard broadcast stations.<sup>3</sup>

<sup>2</sup> Six in the case of FM and five in the case of Television.

<sup>3</sup> Twelve in the case of FM and ten in the case of Television.

If such person controls directly or indirectly fewer than seven standard broadcast stations (referred to in the table below as "Number of Stations Controlled") or if such person or any of its stockholders, officers or directors have a direct or indirect interest in or are stockholders, officers or directors of fewer than fourteen standard broadcast stations (referred to in the table below as "Number of Stations with Interest Less than Control") the maximum limitation shall be as follows:

If the number of stations controlled is:	Then the maximum number of stations with interest less than control may be
7-----	0
6-----	1 or 2
5-----	3 or 4
4-----	5 or 6
3-----	7 or 8
2-----	9 or 10
1-----	11 or 12
0-----	13 or 14

For FM the table is as follows:

6-----	0
5-----	1 or 2
4-----	3 or 4
3-----	5 or 6
2-----	7 or 8
1-----	9 or 10
0-----	11 or 12

For TV the table is as follows:

If the number of stations controlled is:	Then the maximum number of stations with interest less than control may be
5-----	0
4-----	1 or 2
3-----	3 or 4
2-----	5 or 6
1-----	7 or 8
0-----	9 or 10

(b) In applying the provisions of paragraph (a) of this section to the stockholders of a corporation which has more than 50 voting stockholders, only those stockholders need be considered who are officers or directors or who directly or indirectly own 1% or more of the outstanding voting stock.

(c) The effective date of this section shall be postponed until January 1, 1953 for existing situations which are in conflict with the rule in order to permit the orderly disposition of interests. This extension will not be applicable to any case where complete disclosure of all facts was not made to the Commission on or before August 19, 1948.

[F. R. Doc. 48-7758; Filed, Aug. 30, 1948; 8:48 a. m.]

## NOTICES

### FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 9125]

ROBERT L. WEEKS AND DR. RUSSELL G. FREY

CORRECTED ORDER DESIGNATING APPLICATION FOR HEARING

In the matter of Robert L. Weeks (assignor), Dr. Russell G. Frey (assignee), Docket No. 9125, BAL-706; for assignment of license of Standard Broadcast Station KBLF, Red Bluff, California.

At a session of the Federal Communications Commission held in its offices in Washington, D. C. on the 18th day of August 1948:

The Commission having under consideration the above entitled application for assignment of the license of station KBLF, Red Bluff, California from Robert L. Weeks to Dr. Russell G. Frey and not being satisfied that it was in possession of full information as required by the Communications Act of 1934, as amended, and acting pursuant to section 310 (b) of the act and § 1.321 of the rules of practice and procedure:

*It is ordered,* That the above entitled application be, and it is hereby designated for hearing at a time and place to be designated by subsequent order of the Commission, upon the following issues:

1. To determine whether the proposed assignee is legally, financially and otherwise qualified to own or control and to operate station KBLF, Red Bluff, California:

2. To determine the full contract arrangements or agreement of sale either

presently made or to be made by the proposed assignee with the present permittee including the price and the manner of payment and the properties to be received therefor.

3. To secure full information as to the plans of the proposed assignee for staffing the station, its plans with respect to the station's programming and all other plans or arrangements for the operating of the station.

4. To determine the extent and character of control over station KBLF which is or has been exercised by persons other than the present approved licensee.

5. To determine whether the license granted to Robert L. Weeks for station KBLF, or the rights and responsibilities incident thereto, have been transferred, assigned, or disposed of, directly or indirectly, without the consent of the Commission, and in contravention of the provisions of the Communications Act of 1934, as amended, and more particularly section 310 (b) thereof.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 48-7757; Filed, Aug. 30, 1948; 8:48 a. m.]

[Docket No. 9135]

PASADENA PRESBYTERIAN CHURCH (KPPC)

ORDER DESIGNATING APPLICATION FOR HEARING ON STATED ISSUES

In re application of Pasadena Presbyterian Church (KPPC), Pasadena, Cali-

fornia, Docket No. 9135, File No. BP-6566; for construction permit.

At a session of the Federal Communications Commission, held at its offices in Washington, D. C., on the 19th day of August 1948;

The Commission having under consideration the above-entitled application of Pasadena Presbyterian Church requesting authorization to increase power of station KPPC, operating on 1240 kc, specified hours at Pasadena, California, from 100 w to 250 w;

*It is ordered,* That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the said application be, and it is hereby, designated for hearing at a time and place to be designated by subsequent order of the Commission, upon the following issues:

1. To determine the areas and populations which may be expected to gain or lose primary service from the operation of station KPPC as proposed and the character of other broadcast service available to those areas and populations.

2. To determine whether the operation of station KPPC as proposed would involve objectionable interference with stations KGFJ, Los Angeles, California and KRNO, San Bernardino, California, with any other existing broadcast stations or with the services proposed in any other pending applications for broadcast facilities, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

To determine whether the installation and operation of station KPPC as proposed would be in compliance with the

Commission's rules and Standards of Good Engineering Practice Concerning Standard Broadcast Station, with particular reference as to whether the 2 and 25 mv/m contours of the proposed operation would overlap respectively the 25 and 2 mv/m contours of Station KGFJ.

*It is further ordered*, That, Ben S. McGlashan, licensee of Station KGFJ, Los Angeles, California, and Western Empire Broadcasters, Inc., licensee of Station KRNO, San Bernardino, California, be, and they are hereby, made parties to the proceeding.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 48-7756; Filed, Aug. 30, 1948;  
8:47 a. m.]

[Docket Nos. 9136-9140]

OREGONIAN PUBLISHING CO. ET AL.

ORDER DESIGNATING APPLICATIONS FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of Oregonian Publishing Company, Portland, Oregon, File No. BPCT-431, Docket No. 9136; KOIN, Inc., Portland, Oregon, File No. BPCT-493, Docket No. 9137; Westinghouse Radio Stations, Inc., Portland, Oregon, File No. BPCT-494, Docket No. 9138; KPOJ, Inc., Portland, Oregon, File No. BPCT-509, Docket No. 9139; Edward Lasker, Portland, Oregon, File No. BPCT-538, Docket No. 9140; for TV construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 18th day of August 1948;

The Commission having under consideration the above-entitled applications each requesting a construction permit for a television broadcast station to operate unlimited time on a television channel allocated to the Portland, Oregon metropolitan district under § 3.606 of the Commission's rules and regulations and

It appearing, that the above-entitled applications for construction permits for television broadcast stations exceed in number the unassigned channels allocated to the Portland, Oregon metropolitan district under § 3.606 of the Commission's Rules and Regulations;

*It is ordered*, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the above-entitled applications are designated for hearing in a consolidated proceeding, at a time and place to be designated by a subsequent Order, upon the following issues:

1. To determine the legal, technical, financial and other qualifications of the

applicant to construct and operate the proposed station.

2. To obtain full information with respect to the nature and character of the proposed program service.

3. To determine the areas and populations which may be expected to receive service from the proposed station.

4. To determine whether the operation of the proposed station would involve objectionable interference with any other existing television broadcast stations or with the services proposed in any other pending applications for television broadcast facilities and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other television broadcast service to such areas and populations.

5. To determine whether the installation and operation of the proposed station would be in compliance with the Commission's rules governing television broadcast stations, and its Standards of Good Engineering Practice Concerning Television Broadcast Stations.

6. To determine on a comparative basis which, if any, of the applications in this consolidated proceeding should be granted.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 48-7552; Filed, Aug. 30, 1948;  
8:47 a. m.]

[Docket Nos. 9141-9144]

MID-SOUTH TELEVISION BROADCASTING CO.  
ET AL.

ORDER DESIGNATING APPLICATIONS FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of W. Harry Johnson d/b as Mid-South Television Broadcasting Co., Oklahoma City, Oklahoma, File No. BPCT-454, Docket No. 9141; Homer W. Snowden d/b as Oklahoma City Television Company, Oklahoma City, Oklahoma, File No. BPCT-491, Docket No. 9142; Southwestern Publishing Company, Oklahoma City, Oklahoma, File No. BPCT-497, Docket No. 9143; KOMA, Inc., Oklahoma City, Oklahoma, File No. BPCT-539, Docket No. 9144; for TV construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 18th day of August 1948;

The Commission having under consideration the above-entitled applications each requesting a construction permit for a television broadcast station to operate unlimited time on a television channel allocated to the Oklahoma City metropolitan area under § 3.606 of the Commission's rules and regulations; and

It appearing, that the above-entitled applications for construction permits for television broadcast stations exceed in number the unassigned channels allocated to the Oklahoma City, Oklahoma metropolitan area under § 3.606 of the Commission's rules and regulations;

*It is ordered*, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the above-entitled applications are designated for hearing in a consolidated proceeding, at a time and place to be designated by a subsequent Order, upon the following issues:

1. To determine the legal, technical, financial and other qualifications of the applicant to construct and operate the proposed station.

2. To obtain full information with respect to the nature and character of the proposed program service.

3. To determine the areas and populations which may be expected to receive service from the proposed station.

4. To determine whether the operation of the proposed station would involve objectionable interference with any other existing television broadcast stations or with the services proposed in any other pending applications for television broadcast facilities and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other television broadcast service to such areas and populations.

5. To determine whether the installation and operation of the proposed station would be in compliance with the Commission's rules governing television broadcast stations, and its Standards of Good Engineering Practice Concerning Television Broadcast Stations.

6. To determine on a comparative basis which, if any, of the applicants in this consolidated proceeding should be granted.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] T. J. SLOWIE,  
Secretary.

[F. R. Doc. 48-7753; Filed, Aug. 30, 1948;  
8:47 a. m.]

MEXICAN BROADCAST STATIONS

LIST OF CHANGES, PROPOSED CHANGES, AND CORRECTIONS IN ASSIGNMENTS

Notification under the provisions of Part III, Section 2, of the North American Regional Broadcasting Agreement. List of changes, proposed changes, and corrections in assignments of Mexican broadcast stations modifying appendix containing assignments of Mexican broadcast stations (Mimeograph #47214-6) attached to the recommendations of the North American Regional Broadcasting Agreement Engineering Meeting, January 30, 1941.

MEXICO

[Mexican change list No. 100 July 20, 1948]

Call letters	Location	Power	Time designation	Class	Probable date to commence operation
XEX.....	Mexico, D. F.....	730 kilocycles 500 kw-DA (increase in power).....	U	I-A	
New.....	Zitacuaro, Michoacan.....	760 kilocycles:			
New.....	Mariano Escobedo, Jalisco.....	250 w.....	D	II	Dec. 10, 1948.
XEOK.....	Monterrey, Nuevo Leon.....	500 w (change of class).....	D	II	
New.....	Agua Prieta, Sonora.....	950 kilocycles (assignment of call letters).....			
		1310 kilocycles 1 kw.....	D	III	Jan. 10, 1949.

[SEAL]

FEDERAL COMMUNICATIONS COMMISSION,  
T. J. SLOWIE, Secretary.

[F. R. Doc. 48-7755; Filed, Aug. 30, 1948; 8:47 a. m.]

CUBAN BROADCAST STATIONS

LIST OF CHANGES, PROPOSED CHANGES, AND CORRECTION IN ASSIGNMENTS

Notification under the provisions of Part III, Section 2, of the North American Regional Broadcasting Agreement. List of changes, proposed changes, and correction in assignments of Cuban broadcast stations modifying appendix containing assignments of Cuban broadcast stations (Mimeograph 47983) attached to the recommendations of the North American Regional Broadcasting Agreement Engineering Meeting, January 31, 1941.

CUBA

[Cuban change list No. 42, July 30, 1948]

Call letters	Location	Power	Time designation	Class	Probable date to commence operation
CMAD.....	Artemisa, Pinar del Rio.....	680 kilocycles, 250 w.....	U	II	January 1949.

[SEAL]

FEDERAL COMMUNICATIONS COMMISSION,  
T. J. SLOWIE, Secretary.

[F. R. Doc. 48-7754; Filed, Aug. 30, 1948; 8:47 a. m.]

SUSPENSION OF CONSIDERATION OF APPLICATIONS FOR CERTAIN TYPES OF OPERATION FORMERLY AUTHORIZED ON AN EXPERIMENTAL BASIS

AUGUST 19, 1948.

The Commission announced today that it has been found necessary to suspend further consideration of applications for certain types of operations formerly granted on an experimental basis until after a final determination is made in respect to the proposed rules governing the Industrial Radio Services (Part 11), Land Transportation Radio Services (Part 16) and Domestic Public Mobile Radiotelephone Services (Part 6). The proposed experimental radio systems to which the policy applies are those general mobile and industrial radio operations of the type that are provided for only in general terms under Sub-Part H of the Industrial Radio Service Rules.

The Commission is now engaged in a study of the extensive comments which were filed by the many individuals, groups and organizations interested in various aspects of the proposed rules. A portion of each of the three sets of rules is concerned with mobile operations of a type which have been authorized under the experimental general mobile program for which frequencies were provided in the Commission's Allocation Report of May, 1945. The same report made provision for experimentation with industrial communications, and the proposed Industrial Radio Service Rules reflect the experience gained from experimental operations in that field.

By Subpart H of the proposed Industrial Rules, entitled "Special Industrial

Radio Service", the Commission sought to extend, as far as possible, the privilege of using private radio communication systems in connection with miscellaneous business or industrial enterprises. For this purpose, an effort was made to establish by general definition a service that would cover a number of unrelated general mobile and industrial radio operations. It has become apparent, however, that the subpart may be considerably revised before it is finally adopted. Under these circumstances, the Commission is unable to determine affirmatively that public convenience, interest and necessity would be served by granting additional experimental authorizations of this nature. Nor does it appear that anything would be gained by designating individual applications for hearing, at this time, in view of the general proceedings that are pending.

In adopting the policy of suspending consideration of this type of application, the Commission feels that it will protect the public from making useless expenditures for experimental radio installations and, at the same time, expedite the adoption of rules under which these applicants who qualify may obtain regular licenses for periods of time that will assure a reasonable amortization of investment. However, all such applicants are advised of their right to request that the application be designated for hearing.

FEDERAL COMMUNICATIONS COMMISSION,  
T. J. SLOWIE,  
Secretary.

[SEAL]

[F. R. Doc. 48-7750; Filed, Aug. 30, 1948; 8:46 a. m.]

AGREEMENT BETWEEN CANADA AND THE UNITED STATES CONCERNING FM BROADCAST ASSIGNMENTS

Meetings have been held between representatives of the Department of Transport of Canada and of the Federal Communications Commission at which an agreement was prepared concerning FM broadcast station assignments in the two countries in the 88 to 108 megacycle band. This agreement has since been officially confirmed by an exchange of diplomatic notes between Canada and the United States.

The purpose of the agreement is to coordinate FM broadcast station assignments on both sides of the United States-Canadian border in order that no objectionable interference will occur between stations in the two countries. This agreement involves correlation of assignments within 250 miles of the border, and includes an allocation plan for United States and Canadian assignments.

In the agreement, given below, it will be noted that three appendices are mentioned. Appendices I and III are not attached inasmuch as the substance of Appendix I is contained in the Commission's tentative allocation plan for Class B FM broadcast stations dated June 13, 1947, and Appendix III concerns the numbering system specified by § 3.201 of the Commission's rules. Appendix II, which is the Canadian tentative allocation plan, is attached in full. This appendix contains all tentative Canadian allocations within the band 92-108 megacycles inasmuch as that country does not classify FM broadcast stations in the manner used in the United States.

While no allocation plan has been adopted for Class A stations in this country or for educational FM stations in either country, proposed assignments for such pending applications along the border are being notified in accordance with the procedure described.

The text of the agreement follows:

Allocation plans for United States Frequency Modulation Broadcasting Stations and for Canadian Frequency Modulation Broadcasting Stations are described in Appendices I and II. The channel number system used in these appendices is in accordance with Appendix III.

Assignments will normally be made on the basis of omni-directional antennae but it is recognized that directional antennae may advantageously be used in certain instances to reduce interference between stations.

Assignments made at points which are more than 250 miles from the nearest point on the border of Canada and the United States will normally have no international significance and need not be notified except in cases of unusual powers and unusual antenna heights.

Where distances less than 250 miles are involved, all assignments shall be notified in the following manner:

(1) Notification shall be made by an exchange of documents between the Federal Communications Commission and the Department of Transport.

(2) Notifications shall include full information on transmitting antenna locations by geographical coordinates, antenna height above average terrain, antenna height above mean sea level, and effective radiated power. In the event an antenna, directional in the horizontal plane, is proposed, the directional pattern and other pertinent information shall be submitted.

(3) Each country shall have 15 days from the date of notification in which to protest the proposed assignment.

(4) If, within the 15 day period prescribed in (3) above, no objection is raised, a notified assignment shall be considered final.

Wherever possible assignments made within 250 miles of the border should be in accordance with Appendices I and II.

No allocation plans have been adopted as yet for assignment of stations in the 88 to 92 megacycle portion of the band, which has been designated for use by non-commercial, educational broadcasting in both countries. When such a plan has been formulated, the procedure specified above shall apply.

Copies of the complete agreement (TIAS-1726) may be obtained from the Government Printing Office, Washington 25, D. C.

Adopted: August 18, 1948.

FEDERAL COMMUNICATIONS COMMISSION,  
[SEAL] T. J. SLOWIE,  
Secretary.

APPENDIX II

General areas	Channel No. (see appendix III)	General areas	Channel No. (see appendix III)
<i>Nova Scotia</i>		<i>Nova Scotia—Con.</i>	
Sydney.....	235	Windsor.....	243
	236	Kentville.....	260
Halifax.....	222	Truro.....	283
	260	Antigonish.....	223
	291	Stellarton.....	227
	295	New Glasgow.....	237
Dartmouth.....	251	Pictou.....	245
Yarmouth.....	221	Springhill.....	255
Bridgewater.....	226	Amherst.....	235
Liverpool.....	231	Sydney Mines.....	221

APPENDIX II—Continued

General areas	Channel No. (see appendix III)	General areas	Channel No. (see appendix III)
<i>Nova Scotia—Con.</i>		<i>Ontario—Con.</i>	
North Sydney.....	225	Toronto.....	256
New Waterford.....	230		260
Glace Bay.....	239		264
Domfion.....	247		271
Westville.....	223		283
			287
<i>Prince Edward Island</i>		Kitchener.....	244
Charlottetown.....	288		291
	297	Sarnia.....	248
Summerside.....	271		268
		Ottawa-Hull.....	221
<i>New Brunswick</i>			226
St. John.....	257		230
	263		269
	269		273
	273	Sudbury.....	277
Fredericton.....	249		223
	253		249
Edmundston.....	223		288
	227	Chatham.....	236
Dalhousie.....	300	Stratford.....	264
Chatham.....	225		252
Sussex.....	285	Wellan.....	272
Campbellton.....	232	Kingston.....	269
Woodstock.....	237		242
St. Stephen.....	298		258
Newcastle.....	221	Windsor.....	221
Bathurst.....	247		230
Moncton.....	240		286
	280	North Bay.....	294
Sackville.....	229		285
		Belleville.....	252
<i>Quebec</i>			257
Montreal.....	223	Brockville.....	246
	228		266
	232	Cornwall.....	271
	236		283
	240	Pembroke.....	299
	245		224
	249	Kirkland Lake.....	297
	253		229
	257	Woodstock.....	268
	264	Owen Sound.....	295
	263		222
	259	Fort William-Port Arthur.....	227
	269		232
	274		274
Sherbrooke.....	278		278
	231	Kenora.....	282
	247		228
	251	New Liskeard.....	269
	256	Brantford.....	225
	300		226
Granby.....	296	Niagara Falls.....	234
St. Hyacinthe.....	285		237
St. Jean.....	221	London-St. Thomas.....	224
Megantic.....	234		228
Kenogami.....	239		232
Jonquiere.....	244		240
Bagotville.....	248	Orillia.....	240
St. Joseph d'Alma.....	258	Oshawa.....	228
Port Alfred.....	243		298
Rouyn.....	236		268
Thetford.....	234	Peterborough.....	294
Drummondville.....	238		249
Sorel.....	242	St. Catharines.....	285
	282		289
Three Rivers.....	290	Hamilton.....	231
	260		266
Baie St. Paul.....	262		275
Matane.....	268	Galt.....	300
Rimouski.....	276		247
New Carlisle.....	272	Guelp.....	278
Shawinigan Falls.....	276	Wingham.....	238
	261	Barrie.....	236
Joliette.....	270	Kapuskasing.....	245
St. Jerome.....	280	Timmins.....	223
Lachute.....	251		272
St. Agathe des Monts.....	279	Sault Ste. Marie.....	263
Donnacona.....	251		283
Val d'Or.....	284	Fort Frances.....	224
La Tuque.....	286	Sturgeon Falls.....	239
Montmagny.....	292		
St. Anne de la Pocatiere.....	296	<i>Manitoba</i>	
Riviere du Loup.....	221	Winnipeg.....	221
Chicoutimi.....	225		232
	229		248
Arvida.....	252		248
Roberval.....	272		232
Mont Joli.....	247		272
Amos.....	225		276
			280
<i>Ontario</i>			222
Toronto.....	221		256
	251		262
			268
			225
			241
			280
			285

APPENDIX II—Continued

General areas	Channel No. (see appendix III)	General areas	Channel No. (see appendix III)
<i>Saskatchewan</i>		<i>British Columbia—Continued</i>	
Regina.....	231	Vancouver.....	249
	235		257
	245		278
	259		289
Swift Current.....	232		293
Yorkton.....	232	Victoria.....	253
North Battleford.....	300		273
Weyburn.....	221		285
Saskatoon.....	226	Vernon.....	222
	256	Rossland.....	294
	264	Kamloops.....	252
Prince Albert.....	252	Penticton.....	298
Moose Jaw.....	239	New Westminster.....	260
	249		228
Melville.....	296	North Vancouver.....	237
		Nanaimo.....	240
<i>Alberta</i>		Powell River.....	260
Medicine Hat.....	228	Prince Rupert.....	244
Lethbridge.....	232	Port Alberni.....	284
	265	Prince George.....	269
Calgary.....	234	Dawson Creek.....	270
	240	Chilliwack.....	283
	271	Princeton.....	289
	276	Trail.....	285
	280	Nelson.....	285
Edmonton.....	224	Kelowna.....	246
	251		
	258	<i>Yukon</i>	
	262	Dawson City.....	221
	290	Whitehorse.....	223
Red Deer.....	244		
Grand Prairie.....	255	<i>Northwest Territories</i>	
		Yellowknife.....	221

[F. R. Doc. 48-7751; Filed, Aug. 30, 1948; 8:47 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-1088]

UNITED GAS PIPE LINE CO.

ORDER FIXING DATE OF HEARING

AUGUST 25, 1948.

Upon consideration of the application filed on July 20, 1948, by United Gas Pipe Line Company (Applicant), a Delaware corporation having its principal place of business at Shreveport, Louisiana, for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural-gas facilities subject to the jurisdiction of the Commission, as more fully described in such application on file with the Commission and open to public inspection;

It appears to the Commission that: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) of the Commission's rules of practice and procedure, Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on August 6, 1948 (13 F. R. 4556).

The Commission, therefore, orders that:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natu-



ral Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on September 15, 1948, at 9:30 a. m. (e. d. s. t.), in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue, N. W., Washington, D. C., concerning the matters involved and the issues presented by such application; *Provided, however,* That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the said rules of practice and procedure.

Date of issuance: August 25, 1948.

By the Commission.

J. H. GUTRIDE,  
*Acting Secretary.*

[F. R. Doc. 48-7738; Filed, Aug. 30, 1948; 8:50 a. m.]

**FEDERAL SECURITY AGENCY**

**Public Health Service**

**PROMULGATION OF STATE ALLOTMENT PERCENTAGES UNDER TITLE VI OF THE PUBLIC HEALTH SERVICE ACT**

Pursuant to sections 631 (a) and (b) of Title VI of the Public Health Service Act as amended by the Hospital Survey and Construction Act (Public Law 725, 79th Congress), as amended, and having found that the three most recent consecutive years for which satisfactory data are available from the Department of Commerce on the per capita incomes of States and of the continental United States are the years 1945, 1946, and 1947, the following allotment percentages for the several States, Alaska, Hawaii, Puerto Rico, the District of Columbia, and the Virgin Islands, determined pursuant to said act and on the basis of said data, are hereby promulgated for two fiscal years in the period beginning July 1, 1949:

Alabama	68.66	Nebraska	53.26
Alaska	50.00	Nevada	33.33
Arizona	56.76	New Hamp-	
Arkansas	72.02	shire	56.88
California	36.37	New Jersey	40.39
Colorado	47.64	New Mexico	61.53
Connecticut	36.87	New York	33.33
Delaware	37.60	North Carolina	67.03
District of Co-		North Dakota	46.50
lumbia	38.89	Ohio	45.04
Florida	56.30	Oklahoma	65.35
Georgia	66.40	Oregon	50.07
Hawaii	50.00	Pennsylvania	48.44
Idaho	53.37	Puerto Rico	75.00
Illinois	38.80	Rhode Island	43.20
Indiana	51.06	South Carolina	70.41
Iowa	55.75	South Dakota	50.51
Kansas	53.57	Tennessee	64.54
Kentucky	67.79	Texas	58.54
Louisiana	65.98	Utah	54.73
Maine	56.28	Vermont	55.59
Maryland	44.24	Virginia	59.52
Massachusetts	43.59	Virgin Islands	75.00
Michigan	46.88	Washington	44.52
Minnesota	55.64	West Virginia	62.29
Mississippi	75.00	Wisconsin	50.04
Missouri	54.47	Wyoming	47.89
Montana	42.41		

Dated: August 26, 1948.

[SEAL] LEONARD A. SCHEELE,  
*Surgeon General.*

Approved: August 26, 1948.

J. DONALD KINGSLEY,  
*Acting Federal Security Administrator.*

[F. R. Doc. 48-7770; Filed, Aug. 30, 1948; 8:49 a. m.]

**INTERSTATE COMMERCE COMMISSION**

[No. 30031]

**SLEEPING, PARLOR CAR AND RESERVED COACH TICKETS**

At a general session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 6th day of July, A. D. 1948.

The Commission having under consideration the matter of rules, regulations and practices governing the reservation, sale and redemption of sleeping, parlor car and reserved coach tickets applicable in connection with the transportation of passengers in interstate or foreign commerce, as maintained or practiced by various railroads and as maintained or published in tariff ICC No. A-34 of The Pullman Company; and good cause appearing therefor:

*It is ordered,* That an investigation be, and it is hereby, instituted by the said Commission, upon its own motion, into and concerning the reasonableness and lawfulness otherwise of the rules, regulations and practices described in the next preceding paragraph hereof, with a view to making such findings in the premises and prescribing such just, reasonable and otherwise lawful rules, regulations and practices with respect to the reservation, sale and redemption of sleeping, parlor car and reserved coach tickets, as the facts and circumstances shall appear to warrant.

*It is further ordered,* That The Pullman Company, and all Class I railroads be, and they are hereby, made respondents to this proceeding; that a copy of this order be served upon the respondents; and that notice to the public be given by posting a copy of this order in the office of the Secretary of the Commission at Washington, D. C., and filed with the Director, Division of Federal Register, Washington, D. C.

*And it is further ordered,* That this matter be assigned for hearing at a time and place to be hereafter fixed.

By the Commission.

[SEAL] W. P. BARTEL,  
*Secretary.*

[F. R. Doc. 48-7740; Filed, Aug. 30, 1948; 8:51 a. m.]

**DEPARTMENT OF JUSTICE**

**Office of Alien Property**

**AUTHORITY:** 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 11489]

HERMAN A. HART

In re: Estate of Herman A. Hart, deceased. File No. D-28-7372; E. T. sec. 7544.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Margaret Kasper, Frieda Hey, Herman Hey, and Else Knaubel, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the domiciliary personal representatives, heirs at law, next of kin, legatees and distributees, names unknown, of Friedchen Krohn, deceased; the domiciliary personal representatives, heirs at law, next of kin, legatees and distributees, names unknown, of Kurt Hey, deceased; and the domiciliary personal representatives, heirs at law, next of kin, legatees and distributees, names unknown, of Elise Hart, deceased, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof, and each of them, in and to the estate of Herman A. Hart, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by Helen Hart Lyman, as Administratrix d. b. n. c. t. a., acting under the judicial supervision of the Probate Court, Cuyahoga County, Ohio; and it is hereby determined:

5. That to the extent that the persons named in subparagraph 1 hereof and the domiciliary personal representatives, heirs at law, next of kin, legatees and distributees, names unknown, of Friedchen Krohn, deceased; the domiciliary personal representatives, heirs at law, next of kin, legatees and distributees, names unknown, of Elise Hart, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 48-7759; Filed, Aug. 30, 1948;  
8:48 a. m.]

[Vesting Order 11633]

NAOICHI ISHIDA ET AL.

In re: Mortgage participation notes owned by Naoichi Ishida and others.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Naoichi Ishida and Taketo Iwahara, whose last known addresses are Japan, are residents of Japan and nationals of a designated enemy country (Japan);

2. That Matsuzo Higuchi, Junzo Nakayama, Mitsugu Matsuno, Iwaju Nemoto, M. Yoshinaga, Taishun Hattori, Waichi Fujimoto, Seikichi Yamamoto, Yusho Motoyoshi, Kichitaro Kimoto, Naminosuke Oka, Kuhyoe Fujimoto, Kyugo Tanaka and Hikozaemon Ishimura, who there is reasonable cause to believe are residents of Japan, are nationals of a designated enemy country (Japan);

3. That the property described as follows: Those certain obligations matured or unmaturing aggregating \$645.00, owing to Naoichi Ishida and others identified in Exhibit A, attached hereto and by reference made a part hereof, arising out of mortgage participation notes dated July 1, 1927, payable July 1, 1937 by Fred K. Makino, 917 Kokea Street, Honolulu, T. H., to the persons listed on Exhibit A, attached hereto in the amounts appearing opposite their respective names pursuant to Indenture of Trust entered into July 1, 1927, by and between Fred K. Makino and his wife Michiye Makino, Trustees, and Dr. Eihiro Nishiyama and Tomokuni Iwanaga, Trustees, recorded in the Office of the Registrar of Conveyances, Honolulu, T. H., in Liber 892 on pages numbered 310 to 326, inclusive, together with any and all accruals to such obligations and all rights in, to and under the aforesaid mortgage participation notes,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Japan);

and it is hereby determined:

4. That to the extent that the persons named in subparagraphs 1 and 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate con-

sultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 14, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,  
Deputy Director,  
Office of Alien Property.

EXHIBIT A

MORTGAGE PARTICIPATION NOTES

Owner of note	Number of note	Amount of note	Alien property file No.
Naoichi Ishida.....	382	\$10.00	F-39-3439-C-1.
	383	10.00	
	384	10.00	
Matsuzo Higuchi.....	265	10.00	F-39-6153-C-1.
	215	10.00	
Junzo Nakayama.....	216	10.00	F-39-6158-C-1.
	217	10.00	
Mitsugu Matsuno.....	310	10.00	F-39-6159-C-1.
	313	10.00	
Iwaju Nemoto.....	314	10.00	F-39-6159-C-1.
	315	10.00	
M. Yoshinaga.....	316	10.00	F-39-6162-C-1.
	317	10.00	
Taishun Hattori.....	333	10.00	Examiner's report dated 2-20-48.
	534	10.00	
Taketo Iwahara.....	1454	10.00	Do.
	1455	10.00	
Waichi Fujimoto.....	4325	25.00	F-39-6152-C-1.
Seikichi Yamamoto.....	4345	25.00	F-39-6161-C-1.
Yusho Motoyoshi.....	4398	25.00	F-39-6157-C-1.
Kichitaro Kimoto.....	4798	25.00	F-39-6155-C-1.
Naminosuke Oka.....	4799	25.00	F-39-6160-C-1.
	4800	25.00	
Kuhyoe Fujimoto.....	4801	25.00	F-39-6151-C-1.
Kyugo Tanaka.....	5039	50.00	Examiner's report dated 2-20-48.
Hikozaemon Ishimura.....	5042	50.00	F-39-6154-C-1.
	6331	100.00	

[F. R. Doc. 48-7760; Filed, Aug. 30, 1948;  
8:48 a. m.]

[Vesting Order 11847]

BUICHIRO AYUKAWA ET AL.

In re: Debts owing to Buichiro Ayukawa and others. F-39-6347-E-1, F-39-2223-E-1, F-39-2313-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Buichiro Ayukawa, whose last known address is Tokyo, Japan, and Fumiko Yokoi, also known as F. Yokoi, whose last known address is Gifu, Japan, are residents of Japan and nationals of a designated enemy country (Japan);

2. That Nippon Chunanbei Yushutsu-Nyu Kumiai Rengokai, also known as Nippon Chunanbei Y. K. R., the last known address of which is 3 Shichichome Ginza, Tokyo, Japan, is a corporation, partnership, association or other business organization organized under the laws of Japan, and which has or, since the effec-

tive date of Executive Order 8389, as amended, has had its principal place of business in Japan and is a national of a designated enemy country (Japan);

3. That the property described as follows: Those certain debts or other obligations owing to Buichiro Ayukawa, Fumiko Yokoi, also known as F. Yokoi, and Nippon Chunanbei Yushutsu-Nyu Kumiai Rengokai, also known as Nippon Chunanbei Y. K. R., by The Yokohama Specie Bank, Ltd., San Francisco Office, and/or Superintendent of Banks of the State of California and Liquidator of The Yokohama Specie Bank, Ltd., San Francisco Office, c/o State Banking Department, 111 Sutter Street, San Francisco, California, arising respectively out of fixed deposit account number 89442, fixed deposit account number 89875 and a checking account entitled Nippon Chunanbei Y. K. R., T. Wakabayashi, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

4. That to the extent that the persons named in subparagraphs 1 and 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 48-7761; Filed, Aug. 30, 1948;  
8:48 a. m.]

[Vesting Order 11848]

LOUISE DIERSCHKE

In re: Checks owned by Louise Dierschke. F-28-23069-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Louise Dierschke, whose last known address is Hindenburg Platz 30, Breisach A Rhein, Germany, is a resi-

dent of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: Those certain debts or other obligations owing to Louise Dierschke, by Interstate Home Equipment Company, Inc., 111 Westminster Street, Providence, Rhode Island, evidenced by checks in the aggregate amount of \$99.00, as of July 25, 1948, representing liquidating and participating dividends in the said corporation, and presently in the custody of Robinson, Robinson & Adelson, Esqs., 10 Weybosset Street, Providence, Rhode Island, and any and all rights to demand, enforce and collect the aforesaid debt or other obligation and any and all accruals thereto, together with any and all rights in, to and under, including particularly the right to possession of, the aforesaid checks and the right to present the same for payment,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 48-7762; Filed, Aug. 30, 1948; 8:48 a. m.]

[Vesting Order 11859]

DEUTSCHES NACHRICHTENBUERO

In re: Debt owing to Deutsches Nachrichtenbuero, also known as DNB and as German News Agency.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Deutsches Nachrichtenbuero, also known as DNB and as German News Agency, is an agency or instrumentality of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of the Federal Reserve Bank of New York, evidenced by an Officer's Check, Foreign Department, No. FD 11461, dated October 15, 1941, payable to the order of Deutsches Nachrichtenbuero, New York, in the face amount of \$3000 and presently in the custody of Mr. K. M. Castle, Supervisor, Division of Protective Services, Department of State, and any and all rights to demand, enforce and collect the aforesaid debt or other obligation, and any and all rights in, to and under, including the right to possession and presentation for payment of the aforesaid check,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid designated enemy country (Germany);

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The term "designated enemy country" as used herein shall have the meaning prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 48-7763; Filed, Aug. 30, 1948; 8:48 a. m.]

[Vesting Order 8567, Amdt.]

EXPORTKREDITBANK A. G.

In re: Stocks, bonds, other property owned by and debts or other obligations owing to Exportkreditbank A. G.

Vesting Order 8567, dated March 27, 1947, is hereby amended as follows and not otherwise:

1. By deleting subparagraph 2-a and substituting therefore the following:

a. Those German Reich coupons detached from German External Loan 7% Gold Bonds, dated October 15, 1924, due October 15, 1949, of \$2,534.00 total face value, in bearer form, having become due 10/15/39, 4/15/40, 10/15/40 and 4/15/41, which coupons are presently in the custody of the Guaranty Trust Company of New York, 140 Broadway, New York, New York, in account number XC17269 entitled Exportkreditbank A. G., "Special Customers Account for Custody," together with any and all rights thereunder and thereto.

2. By deleting from Exhibit A, attached to the aforesaid Vesting Order 8567, and by reference made a part thereof, the name "Van Swearingen Corporation"

and substituting therefor the name "Van Swearingen Corporation";

3. By deleting from Exhibit B, attached to the aforesaid Vesting Order 8567, and by reference made a part thereof, the certificate number "M350", as set forth with respect to the \$1000 Income 3% Bond of the Atlantic City Ambassador Hotel Corp., and substituting therefor the number "M850";

4. By deleting from Exhibit B, attached to the aforesaid Vesting Order 8567, and by reference made a part thereof, the name "German Government External Loan of 1924 7% Gold Bonds," and substituting therefor the name "German External Loan 7% Gold Bonds dated October 15, 1924, due October 15, 1949"; and

5. By adding to the aforesaid Vesting Order 8567, immediately following subparagraph 2-p, the following subparagraphs:

q. One (1) St. Louis San Francisco Railway Company Fractional Scrip Prior Lien Mortgage Gold Bond, Series "A" due July 1, 1950, of \$50 face value, in bearer form, said bond numbered 1405, and presently in the custody of the Guaranty Trust Company of New York, 140 Broadway, New York, New York, in an account entitled Exportkreditbank A. G. "Special Customers Account for Custody," together with any and all rights thereunder and thereto; and

r. Those certain coupons with an aggregate face value of \$4,450.00 due January 1, 1946, through and including January 1, 1990, detached from St. Louis Southwestern Railway Company 2nd Mortgage Income 4% Gold Bonds due November 1, 1989 of \$2,500.00 face value, in bearer form, which coupons are presently in the custody of the Guaranty Trust Company of New York, 140 Broadway, New York, New York, in an account entitled Exportkreditbank A. G. "Special Customers Account for Custody," together with any and all rights thereunder and thereto.

All other provisions of said Vesting Order 8567 and all actions taken by or on behalf of the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof are hereby ratified and confirmed.

Executed at Washington, D. C., on August 10, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 48-7766; Filed, Aug. 30, 1948; 8:49 a. m.]

[Vesting Order 11870]

EVAN AND KATHARINE TINTA

In re: Interest in real property, property insurance policies and a claim owned by Evan Tinta and Katharine Tinta.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Evan Tinta and Katharine Tinta, whose last known addresses are Uber Post Riesa Land, Freunheim, Sachsen, Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the property described as follows:

a. An undivided two-fifths interest in real property situated in the City of Burlingame, County of San Mateo, State of California, particularly described in Exhibit A, attached hereto and by reference made a part hereof, together with all hereditaments, fixtures, improvements and appurtenances thereto, and any and all claims for rents, refunds, benefits or other payments arising from the ownership of such property,

b. All right, title and interest of the persons named in subparagraph 1 hereof in and to the following insurance policies which insure the property described in subparagraph 2-a hereof:

(a) Fire Insurance Policy No. 93211, issued by Merchants Fire Assurance Corporation of New York, 45 John Street, New York, New York, in the amount of \$1,000, which policy expires May 13, 1950;

(b) Fire Insurance Policy No. 158679, issued by Bankers & Shippers Insurance Company of New York, Platt and Gold Streets, New York, New York, in the amount of \$5,000, which policy expires December 18, 1948;

(c) Fire Insurance Policy No. 35144-B31 issued by Merchants Fire Assurance Corporation of New York, 45 John Street, New York, New York, in the amount of \$6,000, which policy expires February 1, 1950.

c. That certain debt or other obligation owing to the persons named in subparagraph 1 hereof by Joseph A. Garry, 605 Market Street, San Francisco 5, California arising out of their share of the rentals collected on the property described in subparagraph 2-a hereof, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described in subparagraph 2-a hereof, subject to recorded liens, encumbrances and other rights of record held by or for persons who are not nationals of designated enemy countries, and

There is hereby vested in the Attorney General of the United States the property described in subparagraphs 2-b and 2-c hereof,

All such property so vested to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 20, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director, Office of Alien Property.

EXHIBIT A

All that certain piece or parcel of land, situate in the City of Burlingame, County of San Mateo, State of California, described as follows, to wit:

Lot numbered four (4) in Block numbered two (2) as shown on that certain map entitled "Map No. 2 of the property of the Burlingame Land Co., San Mateo County, Calif.", which map was filed in the office of the County Recorder of San Mateo County on February 20, 1905 in Book "D" of Original Maps at page 38 and copied into Book 3 of Maps at page 55.

[F. R. Doc. 48-7734; Filed, Aug. 27, 1948; 8:47 a. m.]

[Vesting Order 11889]

THORER & HOLLENDER, INC. ET AL.

In re: Shares of the capital stock of Thorer & Hollender, Inc. owned by Paul Hollender, et al.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation:

1. It having been found and determined by Vesting Order 2875 dated January 4, 1944, as amended, as affirmed by section 500.41, as amended, of the Rules of the Office of Alien Property, Department of Justice, that Paul Hollender, Gerhardt Hollender, and the Estate of Arndt Thorer, deceased, his heirs, legatees, executors and administrators, whose last known addresses are Germany, are nationals of a designated enemy country (Germany);

2. It having been found and determined by said Vesting Order 2875, as amended and affirmed, that Thorer & Hollender, Inc., a corporation organized and doing business under the laws of the State of New York and a business enterprise within the United States, is a national of a designated enemy country (Germany), that of the outstanding capital stock of said Thorer & Hollender, Inc., consisting of 6,500 shares of capital stock having a par value of \$100.00 a share, 5,639 shares registered in the name of Aktiebolaget Gronwall & Soderstrom, a Swedish corporation, were beneficially owned by the persons named in subparagraph 1 hereof, the aforesaid nationals of designated enemy country, (Germany) and represented an interest in said busi-

ness enterprise, and said 5,639 shares of stock having been vested by said Vesting Order 2875, as amended and affirmed;

3. It is hereby found that 22 shares of \$100.00 par value common stock of said Thorer & Hollender, Inc., encompassed by certificate number C14 for 30 shares registered in the name of Irmgard Mahler, together with all declared and unpaid dividends thereon, and 98 shares of \$100.00 par value common stock of said Thorer & Hollender, Inc., registered in the names of the persons listed below in the number appearing opposite each name, together with all declared and unpaid dividends thereon, are beneficially owned by said Paul Hollender, Gerhardt Hollender, the Estate of Arndt Thorer, deceased, his heirs, legatees, executors and administrators, the aforesaid nationals of a designated enemy country, (Germany):

Certificate No.	Names	Number of shares
52	George S. Ward.....	10
53	Theodore W. Koch.....	10
C7	Curt Mahler.....	50
C9	George S. Ward.....	25
C15	Florence H. Koch.....	3

and together with the 5,639 shares of capital stock described in subparagraph 2 hereof and vested as aforesaid, comprise 88.6% of the issued and outstanding capital stock of said Thorer & Hollender, Inc., are evidence of control of said business enterprise;

and it is hereby determined:

4. That to the extent that Paul Hollender, Gerhardt Hollender, the Estate of Arndt Thorer, deceased, his heirs, legatees, executors and administrators and Thorer & Hollender, Inc., are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the 120 shares of \$100.00 par value common stock of Thorer & Hollender, Inc., more fully described in subparagraph 3 hereof, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country", and "business enterprise within the United States" as used herein shall have the meanings prescribed in Section 10 of Executive Order 9095, as amended by Executive Order 9193.

Executed at Washington, D. C., on August 20, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director, Office of Alien Property.

[F. R. Doc. 48-7735; Filed, Aug. 27, 1948; 8:48 a. m.]