THE NATIONAL ARCHIVES

FEDERAL REGISTER

OF THE UNITED STATES 1934

VOLUME 16 NUMBER 214

Washington, Friday, November 2, 1951

TITLE 3—THE PRESIDENT

EXECUTIVE ORDER 10298

EXTENDING THE PROVISIONS OF PART I OF EXECUTIVE ORDER NO. 10210 [1] OF FEBRUARY 2, 1951, TO THE DEPARTMENT OF THE INTERIOR

By virtue of the authority vested in me by the First War Powers Act, 1941, as amended by the act of January 12, 1951, entitled "An Act to amend and extend title II of the First War Powers Act, 1941" (Public Law 921, 81st Congress), and as President of the United States and Commander-in-Chief of the armed forces of the United States, and deeming such action will facilitate the national defense, it is hereby ordered as follows:

The provisions of Part I of Executive Order No. 10210 of February 2, 1951, entitled "Authorizing the Department of Defense and the Department of Commerce to Exercise the Functions and Powers Set Forth in Title II of the First War Powers Act, 1941, as Amended by the Act of January 12, 1951, and Prescribing Regulations for the Exercise of Such Functions and Powers", are hereby extended to the Department of the Interior; and, subject to the limitations and regulations contained in such part, and under such regulations as he may prescribe, the Secretary of the Interior is authorized to perform and exercise, as to the Department of the Interior, all the functions and authority vested in and granted by the said Part I to the Secretaries named therein: *Provided*, that regulations so prescribed by the Secretary of the Interior need not be approved by the Secretary of Defense; *And provided further*, that nothing contained herein shall prejudice any other authority which the Secretary of the Interior or the Department of the Interior may have with respect to procurement.

HARRY S. TRUMAN

THE WHITE HOUSE,
October 31, 1951.

[F. R. Doc. 51-13296; Filed, Nov. 1, 1951; 10:38 a. m.]

[1] 16 F. R. 1049.

EXECUTIVE ORDER 10299

DESIGNATING AN ADDITIONAL AGENCY PURSUANT TO SECTION 103 (a) OF THE RENEGOTIATION ACT OF 1951

By virtue of the authority vested in me by the Renegotiation Act of 1951 (Public Law 9, 82d Congress), hereinafter referred to as the Act, and as President of the United States, it is ordered as follows:

1. The Bonneville Power Administration, which exercises functions having a direct and immediate connection with the national defense, is hereby designated, pursuant to subsection (a) of section 103 of the Act, as an agency coming within the definition of the term "Department" for the purposes of Title I of the Act.

2. In accordance with section 102 of the Act, the provisions of Title I of the Act shall be applicable to all contracts with the Bonneville Power Administration, and related subcontracts, to the extent of the amounts received or accrued on or after the first day of November, 1951, whether such contracts or subcontracts were made on, before, or after that date.

HARRY S. TRUMAN

THE WHITE HOUSE,
October 31, 1951.

[F. R. Doc. 51-13297; Filed, Nov. 1, 1951; 10:38 a. m.]

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

ECONOMIC STABILIZATION AGENCY; RAILROAD AND AIRLINE WAGE BOARD

Effective upon publication in the FEDERAL REGISTER, a new paragraph (e) is added to § 6.155 as follows:

§ 6.155 *Economic Stabilization Agency.* * * *

(Continued on p. 11137)

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THE PRESIDENT

EXECUTIVE AGENCIES

FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Federal Register Division, National Archives and Records Service, General Services Administration, 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 of the Federal Register, 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, 1937.

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.

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CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

(e) *Railroad and Airline Wage Board.* (1) Chairman and members of the Board.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633, E. O. 9830, Feb. 24, 1947, 12 F. R. 1259; 3 CFR, 1947 Supp. E. O. 9973, June 28, 1948, 13 F. R. 3600; 3 CFR, 1948 Supp.)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] ROBERT RAMSPECK,
Chairman.

[F. R. Doc. 51-13188; Filed, Nov. 1, 1951; 8:46 a. m.]

TITLE 8—ALIENS AND NATIONALITY

Chapter II—Office of Alien Property, Department of Justice

PART 502—RULES OF PROCEDURE FOR CLAIMS

SUBPART A—GENERAL RULES

PROPOSED FINDINGS AND CONCLUSIONS

Paragraph (b) of § 502.21 is hereby amended to read as follows:

(b) The decision shall be made by the Hearing Examiner who presided at the hearing except in the case of the death, illness, disqualification, or unavailability of the Hearing Examiner who presided at the hearing. In such case the decision shall be made by the Director or by another Hearing Examiner designated by the Director. When the decision is made by the Director, it shall first be issued in tentative form.

(40 Stat. 411, 55 Stat. 839, 60 Stat. 50, 925, 64 Stat. 1079, 50 U. S. C. App. and Supp. 1, 40; 60 Stat. 418, Pub. Law 885, 81st Cong. 64 Stat. 1116, 22 U. S. C. and Supp. 1382; E. O. 8389, April 10, 1940, 5 F. R. 1400, as amended, 3 CFR, 1943 Cum. Supp.; E. O. 9142, April 21, 1942, 7 F. R. 2985, 3 CFR, 1943 Cum. Supp.; E. O. 9193, July 6, 1942, 7 F. R. 5205, 3 CFR, 1943 Cum. Supp.; E. O. 9567, June 8, 1945, 10 F. R. 6917, 3 CFR, 1945 Supp.; E. O. 9725, May 16, 1946, 11 F. R. 5381, 3 CFR, 1946 Supp.; E. O. 9788, October 14, 1946, 11 F. R. 11981, 3 CFR, 1946 Supp.; E. O. 9818, January 1, 1947, 12 F. R. 133, 3 CFR, 1947 Supp.; E. O. 9921, January 10, 1948, 13 F. R. 171, 3 CFR, 1948 Supp.; E. O. 9989, August 20, 1948, 13 F. R. 4981, 3 CFR, 1948 Supp.; E. O. 10244, May 17, 1951, 16 F. R. 4639; E. O. 10254, June 15, 1951, 16 F. R. 5829)

Executed at Washington, D. C., on October 29, 1951.

For the Attorney General.

HAROLD I. BAYNTON,
Assistant Attorney General, Director, Office of Alien Property.

[F. R. Doc. 51-13217; Filed, Nov. 1, 1951; 8:50 a. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 3]

PART 610—MINIMUM EN ROUTE INSTRUMENT ALTITUDES

MISCELLANEOUS AMENDMENTS

The minimum en route instrument altitude alterations appearing hereinafter are adopted when indicated in order to promote safety of the flying public. Compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to the public interest, and therefore is not required. Part 610 is amended as follows:

1. Section 610.12 *Green civil airway No. 2* is amended by adding:

From—	To—	Minimum altitude
Muskegon, Mich. (VOR):	Lansing, Mich. (VOR):	
Via direct radial	Via direct radial	2,000
Via 15° S alt. rad.	Via 15° S alt. rad.	2,200

2. Section 610.12 *Green civil airway No. 2* is amended to read in part:

From—	To—	Minimum altitude
Lansing, Mich. (VOR)	Int. Lansing, Mich. (VOR) rad. 101 and Detroit, Mich. (VOR) rad. 346.	[1] 2,300
Rochester, N. Y. (LFR).	Syracuse, N. Y. (LFR).	2,000

[1] 4,000'—minimum continuous VOR reception altitude.

3. Section 610.13. *Green civil airway No. 3* is amended to read in part:

From—	To—	Minimum altitude
Cheyenne, Wyo. (LFR)	Egbert (INT), Wyo.	7,300
Egbert (INT), Wyo.	Kimball (INT), Nbr.	7,000
Kimball (INT), Nebr.	Chappell (INT), Nbr.	5,700
Chappell (INT), Nebr.	Paxton (INT), Nebr.	5,000
Paxton (INT), Nebr.	North Platte, Nebr. (LFR).	4,300
North Plate, Nebr. (LFR)	Grand Island, Nebr. (LFR).	4,200
Grand Island, Nebr. (LFR).	Weston (INT), Nebr.	2,900
Weston (INT), Nebr.	Omaha, Nebr. (LFR).	2,00
Cheyenne, Wyo. (VOR) via direct or 15° N alt. rad.	Sidney, Nebr. (VOR) via direct or 15° N alt. rad.	7,300
Sidney, Nebr. (VOR)	North Platte, Nebr. (VOR).	5,700
North Platte, Nebr. (VOR).	Grand Island, Nebr. (VOR).	4,200
Grand Island, Nebr. (VOR).	Omaha, Nebr. (VOR).	3,200

4. Section 610.14 *Green civil airway No. 4* is amended to read in part:

From—	To—	Minimum altitude
Wichita, Kans. (LFR)	Cassoday (INT), Kans.	2,800
Cassoday, Kans. (INT)	Lebo, Kans. (LFR)	2,000
Wichita, Kans. (VOR) via direct or 15° N alt. rad.	Emporia, Kans. (VOR) via direct or 15° N alt. rad.	2,800
Emporia, Kans. (VOR) via direct or 15° N alt. rad.	Kansas City, Mo. (VOR) via direct or 15° N alt. rad.	2,500

5. Section 610.15 *Green civil airway No. 5* is amended to read in part:

From—	To—	Minimum altitude
Smithville, Tenn.	Watts (INT), Tenn.	4,500
Watts (INT), Tenn.[1]	Knoxville, Tenn. (LFR).	3,000

[1] 4,500'—minimum crossing altitude at Watts (INT), westbound.

6. Section 610.16 *Green civil airway No. 6* is amended to read in part:

From—	To—	Minimum altitude
New Orleans, La. (LFR).	Mobile, Ala. (LFR)..	1,400

7. Section 610.101 *Amber civil airway No. 1* is amended by adding:

From—	To—	Minimum altitude
Delta (Int), Calif.....	Redding (FM), Calif. (southbound only).	7,000

8. Section 610.101 *Amber civil airway No. 1* is amended to read in part:

From—	To—	Minimum altitude
Seattle, Wash. (LFR)..	Everett, Wash. (LFR)..	2,500

9. Section 610.105 *Amber civil airway No. 5* is amended to read in part:

From—	To—	Minimum altitude
Malden, Mo. (VOR) via direct or 15° W alt. rad.	Farmington, Mo. (VOR) via direct or 15° W alt. rad.	2,400
Farmington, Mo. (VOR) via direct or 15° W alt. rad.	St. Louis, Mo. (VOR) via direct or 15° W alt. rad.	2,400

10. Section 610.108 *Amber civil airway No. 8* is amended by adding:

From—	To—	Minimum altitude
Whitmore, Calif. (LFR).	Red Bluff, Calif. (LFR) (southbound only).	5,000

11. Section 610.108 *Amber civil airway No. 8* is amended to read in part:

From—	To—	Minimum altitude
Paso Robles, Calif. (VAR).	Salinas, Calif. (VAR)..	5,000
Salinas, Calif. (VAR)..	Lightship (INT), Calif.	5,000

12. Section 610.201 *Red civil airway No. 1* is amended by adding:

From—	To—	Minimum altitude
Kemmerer, Wyo. (VOR) via direct or 15° N alt. rad.	Rock Springs, Wyo. (VOR) via direct or 15° N alt. rad.	10,000
Salina, Kans. (VOR) via direct or 15° S alt. rad.	Topeka, Kans. (VOR) via direct or 15° S alt. rad.	2,500
Topeka, Kans. (VOR) via direct radial.	Kansas City, Mo. (VOR) via direct radial.	2,500

13. Section 610.201 *Red civil airway No. 1* is amended to read in part:

From—	To—	Minimum altitude
Hill City, Kans. (VOR) via direct or 15° N or S alt. rad.	Salina, Kans. (VOR) via direct or 15° N or S alt. rad.	[1] 4,000

[1] 5,000′—minimum continuous VOR reception altitude.

14. Section 610.201 *Red civil airway No. 1* is amended to eliminate:

From—	To—	Minimum altitude
Salina, Kans. (VOR) via direct radial.	Waldo, Kans. (VAR)..	3,000

15. Section 610.205 *Red civil airway No. 5* is amended by adding:

From—	To—	Minimum altitude
Sioux Falls, S. Dak. (VOR) via direct or 15° S alt. rad.	Redwood Falls, Minn. (VOR) via direct or 15° S alt. rad.	2,800

16. Section 610.211 *Red civil airway No. 11* is amended to read in part:

From—	To—	Minimum altitude
Neosho, Mo. (VOR): Via direct or 15° N alt. rad.	Springfield, Mo. (VOR): Via direct or 15° N alt. rad.	2,400
Via 15° S alt. rad.....	Via 15° S alt. rad.....	2,600

17. Section 610.212 *Red civil airway No. 12* is amended by adding:

From—	To—	Minimum altitude
Detroit, Mich. (VOR), via direct radial.	Erie, Pa. (VOR), via direct radial.	2,300

18. Section 610.214 *Red civil airway No. 14* is amended by adding:

From—	To—	Minimum altitude
Indianapolis, Ind. (VOR): Via radial 169.....	Louisville, Ky. (VOR): Via radial 332.....	[1] 2,100
Via 15° SW alt. rad..	Via 15° SW alt. rad..	[2] 2,100

[1] 2,800′—minimum continuous VOR reception altitude.
[2] 3,100′—minimum continuous VOR reception altitude.

19. Section 610.220 *Red civil airway No. 20* is amended by adding:

From—	To—	Minimum altitude
Int. Detroit, Mich. (VOR), rad. 98 and Cleveland, Ohio (VOR), rad. 325.	Cleveland, Ohio (VOR), via rad. 325.	1,900

20. Section 610.227 *Red civil airway No. 27* is amended to read in part:

From—	To—	Minimum altitude
Cincinnati, Ohio (VOR), via direct or 15° W alt. rad.	Dayton, Ohio (VOR), via direct or 15° W alt. rad.	2,400

21. Section 610.228 *Red civil airway No. 28* is amended by adding:

From—	To—	Minimum altitude
Naperville, Ill. (VOR), via radial 67.	Int. Naperville, Ill. (VOR), rad. 67 and South Bend, Ind. (VOR), radial 287.	2,300

22. Section 610.228 *Red civil airway No. 28* is amended to read in part:

From—	To—	Minimum altitude
Janesville, Wis. (VOR), via radial 109.	Int. Janesville, Wis. (VOR), rad. 109 and Chicago Heights, Ill. (VOR), rad. 340.	[1] 2,100

[1] 2,300′—minimum continuous VOR reception altitude

23. Section 610.230 *Red civil airway No. 30* is amended by adding:

From—	To—	Minimum altitude
New Orleans, La. (LFR).	Mobile, Ala. (LFR)..	1,500

24. Section 610.231 *Red civil airway No. 31* is amended to read in part:

From—	To—	Minimum altitude
Rapid City, S. Dak. (VOR) via direct or 15° N alt. rad.	Philip, S. D. (VOR) via direct or 15° N alt. rad.	4,400
Philip, S. Dak. (VOR) via direct or 15° S alt. rad.	Pierre, S. Dak. (VOR) via direct or 15° S alt. rad.	3,500
Pierre, S. Dak. (VOR) via direct or 15° S alt. rad.	Huron, S. Dak. (VOR) via direct or 15° S alt. rad.	3,300
Huron, S. Dak. (VOR) via direct or 15° S alt. rad.	Watertown, S. Dak. (VOR) via direct or 15° S alt. rad.	3,000
Scottsbluff, Nebr. (LFR).	Chadron, Nebr. (RBN).	5,600
Chadron, Nebr. (RBN).	Rapid City, S. Dak. (LFR).	5,500

25. Section 610.235 *Red civil airway No. 35* is amended by adding:

From—	To—	Minimum altitude
Emporia, Kans. (VOR) via direct radial.	Topeka, Kans. (VOR) via direct radial.	2,400

26. Section 610.235 *Red civil airway No. 35* is amended to read in part:

From—	To—	Minimum altitude
Pueblo, Colo. (LFR)	LaJunta, Colo. (LFR).	6,000
La Junta, Colo. (LFR).	Garden City, Kans. (LFR).	5,500
Pueblo, Colo. (VOR) via direct or 15° N alt. rad.	Lamar, Colo. (VOR) via direct or 15° N alt. rad.	6,000
Lamar, Colo. (VOR)	Garden City, Kans. (VOR) va direct or 15° N alt. rad.	5,500

27. Section 610.244 *Red civil airway No. 44* is amended to read in part:

From—	To—	Minimum altitude
Bellingham, Wash. (LFR).	Cultus Lake (INT), British Columbia.	8,600

28. Section 610.255 *Red civil airway No. 55* is amended by adding:

From—	To—	Minimum altitude
Int. Naperville, Ill. (VOR) rad. 67 and South Bend, Ind. (VOR) rad. 287.	South Bend, Ind. (VOR) via radial 287.	2,300
Millersburg, Ind. (VOR) via direct radial.	Findlay, Ohio (VOR) via direct radial.	2,300

29. Section 610.257 *Red civil airway No. 57* is amended by adding:

From—	To—	Minimum altitude
Milwaukee, Wis. (VOR), via direct radial.	Litchfield, Mich. (VOR), via direct radial.	[1] 2,300

[1] 3,200′—minimum continuous VOR reception altitude.

30. Section 610.259 *Red civil airway No. 59* is amended by adding:

From—	To—	Minimum altitude
Gage, Okla. (VOR), via direct or 15° E alt. rad.	Garden City, Kans. (VOR), via direct or 15° E alt. rad.	4,300

31. Section 610.281 *Red civil airway No. 81* is amended by adding:

From—	To—	Minimum altitude
Lansing, Mich. (LFR).	Cadillac, Mich. (RBN).	2,700
Lansing, Mich. (VOR), via direct radial.	Toledo, Ohio (VOR), via direct radial.	2,300

32. Section 610.283 *Red civil airway No. 83* is amended by adding:

From—	To—	Minimum altitude
Gila Bend, Ariz. (VOR) via direct or 15° SW alt. rad.	Tucson, Ariz. (VOR) via direct or 15° SW alt. rad.	7,000

33. Section 610.284 *Red civil airway No. 84* is amended by adding:

From—	To—	Minimum altitude
Maxwell AFB (LFR) Montgomery, Ala.	Lawson AFB (LFR) Columbus, Ga.	2,000
Lawson AFB (LFR) Columbus, Ga.	Int. SW crs. Atlanta, Ga. (LFR) and S crs. Campbellton, Ga. (LFR).	2,400

34. Section 610.298 *Red civil airway No. 98* is added to read:

From—	To—	Minimum altitude
Vichy, Mo. (LFR)	Int. 248°-168° mag. bearing Vichy, Mo. (LFR) and S crs. St. Louis, Mo. (LFR).	2,200

35. Section 610.300 *Red civil airway No. 100* is added to read:

From—	To—	Minimum altitude
Chicago Heights, Ill. (VOR) via direct or 15° S alt. rad.	Fort Wayne, Ind. (VOR) via direct or 15° S alt. rad.	[1] 2,100
Fort Wayne, Ind. (VOR) via direct radial.	Toledo, Ohio (VOR) via direct radial.	2,000

[1] 3,000′—minimum continuous VOR reception altitude.

36. Section 610.301 *Red civil airway No. 101* is added to read:

From—	To—	Minimum altitude
Evansville, Ind. (VOR) via direct or 15° NE alt. rad.	Loogootee, Ill. (VOR) via direct or 15° NE alt. rad.	1,700

37. Section 610.303 *Red civil airway No. 103* is added to read:

From—	To—	Minimum altitude
Indianapolis, Ind. (VOR) via direct radial.	Findlay, Ohio (VOR) via direct radial.	[1] 2,200

[1] 3,700′—Minimum continuous VOR reception altitude.

38. Section 610.306 *Red civil airway No. 106* is added to read:

From—	To—	Minimum altitude
Int. Louisville, Ky. (VOR) rad. 355 and Cincinnati, Ohio (VOR) rad. 241 via Louisville, Ky. (VOR) rad. 355.	Int. Indianapolis, Ind. (VOR) rad. 136 and Louisville, Ky. (VOR) rad. 355.	[1] 2,100
Int. Indianapolis, Ind. (VOR) rad. 136 and Louisville, Ky. (VOR) rad. 355.	Indianapolis, Ind. (VOR) via radial 136.	[1] 2,100

[1] 4,800′—minimum continuous VOR reception altitude.

39. Section 610.311 *Red civil airway No. 111* is added to read:

From—	To—	Minimum altitude
Massena, N. Y. (VOR).	Int. Massena, N. Y. (VOR) radial 318° true and E crs. Ottawa, Ontario (LFR).	1,500

40. Section 610.602 *Blue civil airway No. 2* is amended to read in part:

From—	To—	Minimum altitude
Chattanooga, Tenn. (LFR).	Watts (INT), Tenn.[1].	3,000

[1] 3,000′—minimum crossing altitude at Watts (INT), southbound.

41. Section 610.602 *Blue civil airway No. 2* is amended to eliminate:

From—	To—	Minimum altitude
Chattanooga, Tenn.	Knoxville, Tenn.	3,000

42. Section 610.603 *Blue civil airway No. 3* is amended by adding:

From—	To—	Minimum altitude
Evansville, Ind. (VOR) via direct or 15° W alt. rad.	Terre Haute, Ind. (VOR) via direct or 15° W alt. rad.	1,900
Terre Haute, Ind. (VOR) via direct or 15° W alt. rad.	Lafayette, Ind. (VOR) via direct or 15° W alt. rad.	1,900

43. Section 610.603 *Blue civil airway No. 3* is amended to read in part:

From—	To—	Minimum altitude
Terre Haute, Ind. (LFR).	Clinton (INT), Ind.----	1,900
Clinton (INT), Ind.----	Veedersburg (INT), Ind.	2,000
Traverse City, Mich. (LFR).	Pelston, Mich. (RBN)	2,400
Pelston, Mich. (RBN).	Sault Ste Marie, Mich. (LFR).	2,200

44. Section 610.605 *Blue civil airway No. 5* is amended by adding:

From—	To—	Minimum altitude
Hutchinson, Kans. (VOR) via radial 15.	Salina, Kans. (VOR) via radial 174.	3,100

45. Section 610.606 *Blue civil airway No. 6* is amended by adding:

From—	To—	Minimum altitude
South Bend, Ind. (VOR) via direct radial.	Muskegon, Mich. (VOR) via direct radial.	1,900

46. Section 610.609 *Blue civil airway No. 9* is amended by adding:

From—	To—	Minimum altitude
Des Moines, Iowa (VOR) via direct or 15° E or W alt. rad.	Mason City, Iowa (VOR) via direct or 15° E or W alt. rad.	2,500

47. Section 610.613 *Blue civil airway No. 13* is amended to read in part:

From—	To—	Minimum altitude
Butler, Mo. (VOR) via direct or 15° E alt. rad.	Kansas City, Mo. (VOR) via direct or 15° E alt. rad.	2,700

48. Section 610.618 *Blue civil airway No. 18* is amended by adding:

From—	To—	Minimum altitude
Burlington, Vt. (LFR).	U. S. Canadian Boundary.	3,000

49. Section 610.639 *Blue civil airway No. 39* is amended by adding:

From—	To—	Minimum altitude
Syracuse, N. Y. (LFR).	U. S. Canadian Boundary.	2,000

50. Section 610.644 *Blue civil airway No. 44* is amended by adding:

From—	To—	Minimum altitude
Fort Wayne, Ind. (VOR) via direct radial.	Detroit, Mich. (VOR) via direct radial.	[1] 2,300

[1] 2,600'—minimum continuous VOR reception altitude.

51. Section 610.679 *Blue civil airway No. 79* is added to read:

From—	To—	Minimum altitude
Burlington, Iowa (LFR).	Int. N crs. Burlington, Iowa (LFR) and W crs. Moline, Ill. (LFR).	2,000

52. Section 610.685 *Blue civil airway No. 85* is amended by adding:

From—	To—	Minimum altitude
Danville (INT), Kans..	Hutchinson, Kans. (LFR).	2,800

DIRECT ROUTES

53. Section 610.1001 *Northeast United States* is amended by adding:

From—	To—	Minimum altitude
Greenville, S. C. (LFR).	Int. S crs. Ashville, N. C. (VAR) and W crs. Greenville, S. C. (LFR).	4,000
Int. S crs. Ashville, N. C. (VAR) and W crs. Greenville, S. C. (LFR).	Murphy, Tenn. (RBN).	7,500
Murphy, Tenn. (RBN).	Chattanooga, Tenn. (LFR).	6,500
Int. S crs. Reading, Pa. (ILS) and E crs. Harrisburg, Pa. (LFR).[1]	Reading, Pa. ILS localizer.	2,500
Newark, N. J. (LFR)..	Asbury Park, N. J. (FM).	1,500
Int. W crs. New Castle, Del. (LFR) and N crs. Baltimore, Md. (LFR).	Calvert (INT), Md. via W crs. New Castle, Del. (LFR).	2,000
Terre Haute, Ind. (VOR) direct.	Chicago Heights, Ill. (VOR) direct.	1,900
Winston Salem, N. C. (LFR).	Hickory, N. C. (VAR)	4,000
Hickory, N. C. (VAR).	Ashville, N. C. (RBN).	6,500

[1] Control area extension §601.1017.

54. Section 610.1003 *Southwest United States* is amended to eliminate:

From—	To—	Minimum altitude
Gila Bend, Ariz. (VOR) via direct VOR.	Tucson, Ariz. (VOR) via direct VOR.	7,000
Gila Bend, Ariz. (VOR) via VOR alt. rad. 122.	Tucson, Ariz. (VOR) via VOR alt. rad. 272.	7,000

55. Section 610.1004 *Northwest United States* is amended by adding:

From—	To—	Minimum altitude
Travis AFB (LFR) Fairfield, Calif.	Stockton, Calif. (LFR)..	3,000
Stockton, Calif. (LFR)..	Newark, Calif. (RBN)..	5,000
Altamont (INT), Calif..	Newark, Calif. (RBN) (southwest bound only).	5,000
Bay Point (FM), Calif..	Newark, Calif. (RBN) (southbound only).	6,000

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interpret or apply sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551)

These rules shall become effective November 9, 1951.

[SEAL] F. B. LEE,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 51-13194; Filed, Nov. 1, 1951; 8:47 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter VI—Department of the Navy

Subchapter C—Personnel

PART 710—ADMISSION OF CANDIDATES INTO THE NAVAL ACADEMY AS MIDSHIPMEN

REVISION

Part 710 is revised to read as follows:

GENERAL

NOMINATIONS AND APPOINTMENTS

COURSE OF INSTRUCTION AND DISPOSITION OF MIDSHIPMEN AFTER GRADUATION

AGE, MORAL, AND CITIZENSHIP REQUIREMENTS; MARRIAGE

METHODS OF ADMISSION

AUTHORITY: §§ 710.1 to 710.71 issued under R. S. 1547; 34 U. S. C. 591. Interpret or apply R. S. 1511–1528, as amended; 34 U. S. C. 1021–1120.

GENERAL

§ 710.1 *Nomenclatures.* The students of the Naval Academy are called Midshipmen. Upon acceptance and execution of the required oath of office, they are issued appointments as Midshipmen in the United States Navy which are signed by the Secretary of the Navy by direction of the President of the United States. All of the sources of nomination for appointment are established by law and no one can be appointed unless duly nominated by or from an authorized source. Furthermore, candidates may not participate in the Naval Academy scholastic entrance examinations normally held beginning on the last Wednesday in March of each year unless they have been duly nominated and are authorized to do so by the Bureau of Naval Personnel, Navy Department, Washington, D. C.

§ 710.2 *Engagement to serve.* (a) Section 3 of Public Law 586, Eighty-first Congress (act of Congress approved 30 June 1950) reads as follows:

SEC. 3. Hereafter, each cadet appointed to the United States Military Academy and each midshipman appointed to the United States Naval Academy shall, if a citizen or national of the United States, sign articles, with the consent of his parents or guardian if he be a minor, and if any he have, by which he shall engage, unless sooner discharged by competent authority—

(1) To complete the course of instruction at said Academy; and

(2) If tendered an appointment as a commissioned officer in the Regular Army or Regular Air Force upon graduation from the United States Military Academy, or in the Regular Navy or Regular Marine Corps or Regular Air Force upon graduation from the United States Naval Academy, to accept such appointment and to serve under such appointment for not less than three consecutive years immediately following the date of graduation; and

(3) In the event of the acceptance of his resignation from a commissioned status in the Regular component of such armed service prior to the sixth anniversary of his graduation, or in the event of an appointment in such Regular service not being tendered, to accept a commission which may be tendered him in the Reserve component of such Regular service and not to resign from such Reserve component prior to such sixth anniversary.

NOMINATIONS AND APPOINTMENTS

§ 710.3 *Allowance of nominations.* The Vice President and each Senator, Representative, and Delegate in Congress are allowed a maximum of 5 midshipmen at the Naval Academy at any one time. A maximum of 5 midshipmen is allowed for the District of Columbia and each year 75 may be appointed from the United States at large. The appointments from the District of Columbia and 75 each year at large are made by the President. The appointments of midshipmen at large are given by the President to the sons and adopted sons of officers and enlisted personnel of the Regular Army, Navy, Marine Corps, Air Force and Coast Guard for the reason that officers and enlisted personnel, owing to the nature of their duties, are unable to establish permanent residence and thus be in a position to secure nominations for their sons from their Senators and Representatives. Stepsons are not eligible for these appointments. Adopted sons must have been adopted prior to having reached the age of 15 years in order to be eligible. All these candidates are required to take either the substantiating examination or the regular mental examination in competition with each other, the 75 passing highest in the examination receiving the appointments. Applications should be addressed to the Bureau of Naval Personnel, and should give the full name, date of birth, home address, and present address of the candidate, the full name and rank or rating of his parent, and in case of an adopted son evidence should be submitted as to date of adoption. In the event that the quota of midshipmen authorized by law to be appointed annually to the Naval Academy from (a) enlisted men of the United States Navy and Marine Corps, (b) enlisted men of the Naval Reserve or Marine Corps Reserve, or (c) by the President at large, is not filled, the Secretary of the Navy may fill the vacancies in such quota by appointing other candidates, from any other of such sources, who were found best qualified on examination for admission into the Academy and not otherwise appointed. The vacancies from the District of Columbia are filled by competitive examination of candidates residing in the District. The selection of candidates, by competitive examination or otherwise for nomination for vacancies in the quota of Senators, Representatives, and Delegates in Congress is entirely in the hands of each Senator, Representative, and Delegate in Congress having a vacancy; and all applications for appointments or inquiries relative to competitive examinations should be addressed accordingly.

§ 710.4 *Additional appointments*—(a) *Appointments by competitive examination from the regular Navy and Marine Corps.* (1) The law authorizes the appointment of 160 enlisted men each year, to be selected as a result of a competitive examination given enlisted men of the regular Navy and Marine Corps who are not more than 22 years of age on July 1 of the year it is desired to enter and who were enlisted in the Navy or Marine Corps on or before July 1 of the preceding year. The mental and physical requirements for these candidates are the same as for other candidates for midshipmen. Briefly, the service requirements are: That the applicant must have enlisted on or before July 1 of the year preceding his possible admission to the Academy. The competitive examinations will commence the last Wednesday in March of each year and will consist of either the substantiating ex-

amination or the regular entrance examination, eligibility for the substantiating examination being contingent upon the candidate's presenting an acceptable secondary school certificate. Enlisted men who can fulfill the requirements as to age and length of service should make known to their commanding officers early in their enlistments their desire to become candidates for admission to the Naval Academy. The initial selection steps directed by the Bureau of Naval Personnel usually begin in the Spring of each year to determine eligibility for assignment to the United States Naval Preparatory School convening in September. Only men assigned to this school are eligible to compete for appointment to the Naval Academy by the Secretary of Navy. In the event that the quota of midshipmen authorized by law to be appointed annually to the Naval Academy from (i) enlisted men of the United States Navy and Marine corps, (ii) enlisted men of the Naval Reserve or Marine Corps Reserve, or (iii) by the President at large, is not filled, the Secretary of the Navy may fill the vacancies in such quota by appointing other candidates, from any other of such sources, who were found best qualified on examination for admission into the Academy and not otherwise appointed. Enlisted men failing in the examinations for midshipmen will be required to serve out their terms of enlistment.

(2) For further information in regard to enlisting in the Navy, candidates should apply to the nearest Navy Recruiting Station.

(b) *Appointments from the enlisted men of the Naval Reserve and the Marine Corps Reserve.* (1) The law authorizes the Secretary of the Navy to appoint each year not more than 160 midshipmen, to be selected as a result of competitive examination of enlisted men of the Naval Reserve and the Marine Corps Reserve, hereinafter referred to as the Reserve. In the event that the quota of midshipmen authorized by law to be appointed annually to the Naval Academy from (i) enlisted men of the United States Navy and Marine Corps, (ii) enlisted men of the Naval Reserve or Marine Corps Reserve, or (iii) by the President at large, is not filled, the Secretary of the Navy may fill the vacancies in such quota by appointing other candidates, from any other of such sources, who were found best qualified on examination for admission into the Academy and not otherwise appointed.

(2) Candidates must be citizens of the United States, must not be more than 22 years of age and have been members of the Reserve for one year by July 1, of the year of entrance to the Naval Academy. In addition, candidates must be members of a unit of the Organized Reserve or members of the Volunteer Reserve in drill status, be recommended by their commanding officers, have maintained efficiency in drill attendance with their Reserve units, and must meet the same mental and physical requirements as other candidates for appointment to the Naval Academy.

(3) Men in Reserve classes NROTC, NACP, and aviation cadet program, are not eligible to enter from the enlisted quotas.

(4) For further information regarding details of enlistment and service thereafter, candidate should apply to the nearest Navy Recruiting Station.

(c) *Appointments from among the sons of deceased officers, soldiers, sailors, and marines of the World War.* (1) An act of Congress approved November 24, 1945 (59 Stat. 586; 34 U. S. C. 1036a), authorizes that the number of midshipmen now authorized by law at the United States Naval Academy be increased by 40 from the United States at large, to be appointed by the President from among the sons of members of the land or naval forces (including male and female members of the Army, Navy, Marine Corps, and Coast Guard, and of all components thereof) of the United States, who were killed in action or have died, or may hereafter die, of wounds or injuries received, or disease contracted, or preexisting injury or disease aggravated, in active service during World War I or World War II (as each is defined by laws providing service-connected compensation or pension benefits for veterans of World War I and World War II and their dependents): *Provided,* That the determination of the Veterans' Administration as to service connection of the cause of death shall be binding upon the Secretary of the Navy: *Provided, further,* That all such appointees are otherwise qualified for admission: *And provided further,* That the appointees under this act shall be selected in order of merit as established by competitive examination. (This law enacted while U. S. Air Force was part of U. S. Army. Therefore, it is construed to include U. S. Air Force.)

(2) No recommendation or endorsement from any source is necessary. All applications for appointment or for further information should be addressed to the Chief of Naval Personnel, Navy Department, Washington, D. C. Full name and date of birth of applicant should be given; also full name, rank, and date of death of his parent.

(d) *Appointments from Puerto Rico.* One midshipman is allowed from Puerto Rico, who must be a native of that island. The appointment is made by the President, on the recommendation of the Governor of Puerto Rico. At present, five midshipmen are also allowed from Puerto Rico, appointed on the nomination of the Resident Commissioner.

(e) *Appointments from among the honor graduates of educational institutions which are designated as "honor schools" by the War Department, or by the Navy Department, and the members of the Naval Reserve Officers' Training Corps.* (1) An act of Congress approved June 6, 1941 (55 Stat. 246; 34 U. S. C. 1033a), authorizes the Secretary of the Navy to appoint not more than 20 midshipmen annually to the Naval Academy from among the honor graduates of educational institutions which are designated as "honor schools" by the War Department or by the Navy Department in accordance with regulations established by the Secretary of the Navy, and from among members of the Naval Reserve Officers' Training Corps.

(2) The 20 appointments authorized in the act of June 6, 1941, will be made as a result of competitive examinations to commence the last Wednesday in March of each year. These examinations will be open to candidates selected in accordance with subparagraph (3) of this paragraph. The Secretary of the Navy has approved the establishing of separate competing groups with a maximum of 10 appointments being allowed from the honor military school nominees and 10 from the Naval Reserve Officers' Training Corps nominees except that in the event less than 10 qualify for appointment from either group the quota of that group may be filled by appointment of excess qualified nominees from the other group. The examinations will consist of either the substantiating examination or the regular entrance examination, eligibility for the substantiating examination being contingent upon the candidate's presenting an acceptable secondary school certificate.

(3) The candidates for the competitive examination outlined in subparagraph (2) of this paragraph will be selected in accordance with the following:

(i) The Navy Department will obtain a list of "honor schools" from the War Department each year, and three honor graduates as defined by the Army Regulations may be designated each year by the head of each such school; similar action will be taken in the case of the three honor graduates designated by the head of each "honor school" selected by the Navy Department. The candidates from these "honor schools" whose standing indicates that they will be honor graduates of said schools in June of the year in which the examination will be held will also be eligible to be nominated as candidates from such schools to compete in the examination, but will not be considered for appointment in case they do not fulfill the requirements which would entitle them to be honor graduates at the time of their graduation.

(ii) Three candidates may be nominated each year by the president of each of the educational institutions in which a Naval Reserve Officers' Training Corps unit is established. Each such candidate must be a regularly enrolled contract student in the Naval Reserve Officers' Training Corps and must have completed a minimum of 1 year's scholastic work in that corps at the time of entrance to the Naval Academy.

(iii) All students nominated as candidates in accordance with subdivisions (i) and (ii) of this subparagraph must meet the requirements as to age, moral qualifications, etc., as set forth in the "Regulations Governing the Admission of Candidates Into the United States Naval Academy as Midshipmen and Sample Examination Questions."

(iv) The examinations outlined in subparagraph (2) of this paragraph are the only mental examinations required for entrance into the United States Naval Academy, and examination papers will be marked on a competitive basis. The 10 candidates in each group passing this mental examination with the highest rating will, if physically qualified, be ap-

pointed in order of their standing on the list. In case of failure of any of these candidates to pass physically, the candidates passing the examination with a standing below that of the first 10 on each competitive list will be called for physical examination in the order of their mental standing to fill the vacancies caused by physical failure or rejection for any other reason of candidates who have qualified mentally above them on the list.

(f) *Appointment from Canal Zone.* An act of Congress approved June 8, 1939 (53 Stat. 814; 34 U. S. C. 1035a), provides that there shall be at the United States Naval Academy one midshipman to be selected from among the sons of civilians residing in the Canal Zone and the sons of civilian employees of the United States Government and the Panama Railroad Co. residing in the Republic of Panama, whose appointment shall be made by the Secretary of the Navy on the recommendation of the Governor of the Panama Canal.

(g) *Qualified alternates and qualified competitors.* An act of Congress approved June 30, 1950 (64 Stat. 305; 34 U. S. C. 1049), provides that when upon determination that upon the admission of a new class to the United States Naval Academy, the total number of midshipmen will be less than the number authorized, the Secretary of the Navy may within his discretion and within the capacity of the Academy nominate additional midshipmen to be admitted in such class in such number to meet the needs of the armed services, but not to exceed the authorized strength of the brigade of midshipmen, from qualified candidates holding alternate appointments and other qualified candidates holding competitive appointments from the remaining sources of admission authorized by law recommended and found to be qualified by the Academic Board of the Academy, at least two-thirds of those so appointed to be from among qualified alternate candidates nominated by the Vice President, Members of the Senate and House of Representatives of the United States, Delegates and Resident Commissioners, the Commissioners of the District of Columbia, and the Governor of the Panama Canal, and not more than one-third of those so appointed to be from among qualified candidates holding competitive appointments from sources authorized by law other than those holding such alternate appointments. This law provides that these appointments shall be in addition to and not in lieu of appointments otherwise authorized by law. The only candidates eligible for consideration under this law are those who were found mentally and physically qualified for admission under alternate or competitive nominations from authorized sources in the year for which they are being considered under the provisions of this act. Special application for consideration is unnecessary because the Academic Board at the Naval Academy will automatically review and classify in order of merit the available records of all candidates in this category in each year that additional admissions are possible.

(h) *Appointments from among the sons of persons who have been or shall hereafter be awarded the Congressional Medal of Honor.* (1) An act of Congress approved November 24, 1945 (59 Stat. 586; 34 U. S. C. 1038), provides that the number of midshipmen authorized by law enacted prior to the enactment of this act at the United States Naval Academy, be increased by such number as may be appointed by the President from the United States at large from among the sons of persons who have been or shall hereafter be awarded a Medal of Honor in the name of Congress for acts performed while in any of the armed forces of the United States: *Provided,* That all such appointees are otherwise qualified for admission.

(2) No recommendation or endorsement from any source is necessary. All applications for appointment or for further information should be addressed to the Chief of Naval Personnel, Navy Department, Washington, D. C. Full name and date of birth of applicant should be given; also full name and rank of person awarded medal.

(i) *Appointments from American Republics (other than the United States) and Canada.* An act of Congress approved July 14, 1941 (55 Stat. 589; 34 U. S. C. 1036–1), as amended by an act approved June 1, 1948 (Pub. Law 564, 80th Cong.; 62 Stat. 279), provides that the Secretary of the Navy is authorized to permit, upon designation of the President of the United States, not exceeding 20 persons at a time from the American Republics (other than the United States) and Canada to receive instruction at the United States Naval Academy at Annapolis, Md. Not more than three persons from any one of such Republics, or Canada, shall receive instruction under authority of this act at the same time. The persons receiving instruction under authority of this act shall receive the same pay, allowances, and emoluments, to be paid from the same appropriations, and, subject to such exceptions as may be determined by the Secretary of the Navy, shall be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as midshipmen at the Naval Academy appointed from the United States; but such persons shall not be entitled to appointment to any office or position in the United States Navy by reason of their graduation from the Naval Academy. Application for appointment under the provisions of this law must be addressed to the appropriate naval official of the applicant's country. The following regulations are established for candidates from American Republics (other than the United States) and Canada:

(1) Each such candidate must:

(i) Be an unmarried, bona fide male citizen of the country transmitting the request, be not less than 17 years of age nor more than 22 years of age on July 1 of the calendar year in which he enters the Naval Academy.

(ii) Possess physical qualifications as specified in the "Regulations Governing the Admission of Candidates Into the United States Naval Academy as Midshipmen and Sample Examination Questions." All candidates must undergo a physical examination and a physical aptitude examination by a board of medical examiners designated by the Chief of Naval Personnel. The formal physical examination of candidates from other American Republics and the Dominion of Canada will be conducted by the Permanent Medical Examining Board at the United States Naval Academy at the time of reporting for admission. Such candidates are therefore urged to undergo careful preliminary examination by qualified medical personnel informed of the physical requirements set forth in §§ 710.58 and 710.59 before leaving their homes for the Naval Academy. Those with obviously disqualifying defects may be spared the needless expense of the trip to Annapolis. However, in case of reasonable doubt as to whether defects are disqualifying it is recommended that telegraphic inquiry be addressed to the Superintendent, United States Naval Academy, Annapolis, Md., U. S. A.

(iii) Be proficient in reading, writing, and speaking idiomatic English and meet the same mental entrance requirements as are required of citizens of the United States except as noted under subparagraph 3 of this paragraph. The requirements for citizens of the United States are contained in §§ 710.27 to 710.53.

(2) Candidates may qualify for admission under any of the following three methods:

(i) Certificates from accredited secondary schools and colleges of the United States of America.

(ii) Certificates from accredited secondary schools of the United States of America and on substantiating examination.

(iii) Regular entrance examination.

(3) The regular entrance examination will be modified as follows with respect to English and history:

(i) Candidates from the American Republics will be given an examination in English similar to that required of a citizen of the United States except that no questions will be asked on English and American literature. These candidates will not be given the examination in United States history. In lieu of the Examinations in English and American literature and in United States history, from his Government that he is con- the candidate shall submit a certificate versant with the literature and history of his native country and that he has:

(*a*) In literature, completed a course in the literature of his native language equivalent in general to 2 years of secondary school work in literature in the United States.

(*b*) In history, completed a course in the history of his native country equivalent in general to a 1-year history course in the secondary schools of the United States.

(*c*) In lieu of these two certifications, a candidate from an American Republic may produce evidence of having acquired the units for literature and/or United States history from accredited schools of the United States.

(ii) Candidates from Canada will not be examined in United States history but

must meet the same requirement in English as a citizen of the United States. In lieu of the examination in United States history, a candidate from Canada will be required to submit a certificate of equivalent study (a 1-year secondary school course) of the history of Canada, or produce evidence of having acquired the unit for United States history from accredited schools of the United States.

(4) Regular or substantiating examinations for entrance into the United States Naval Academy may be taken either in the United States or in the candidates' respective native countries. In the latter case, the mental examinations will be taken under the supervision of the naval attaché or, in the event no naval attaché is accredited to the country, a diplomatic representative of the United States, and he shall in the cases of all candidates from other American Republics furnish a report as to the candidates' proficiency in the use of idiomatic English.

(5) Each Government concerned should submit the names of candidates as early as possible in order that they may qualify for entrance during the month of March and enter the Naval Academy in July except in the cases of candidates attending secondary schools and college in the United States whose school records for the current year are essential to fulfillment of admission requirements. In this case candidates may be granted until June 25 in order to permit completion of the required certificates. The nomination of the candidate should contain a statement of the method of admission under which he wishes to qualify.

(6) In lieu of the oath of allegiance to the United States, a substitute oath will be required, in substance as follows:

I, _____, a citizen of _____ _____, age _____ years _____ months, having been appointed a midshipman at the United States Naval Academy, do solemnly swear to comply with all regulations for the police and discipline of the Academy, and to give my utmost efforts to accomplish satisfactorily the required curriculum; do swear not to divulge any information of military value which I may obtain, directly or indirectly, in consequence of my presence at the United States Naval Academy, to any alien government; and do agree that I shall be withdrawn from the United States Naval Academy if deficient in conduct, health, or studies.

(7) Notification shall be made to each foreign government concerned that students found by proper authority to be unsatisfactory in conduct, studies, or health would be accorded the same consideration given other midshipmen regarding withdrawal from the Academy, or repetition of a year's work.

(j) *Appointments from the Republic of the Philippines.* An act of Congress approved June 24, 1948 (Pub. Law 752, 80th Cong.; 62 Stat. 583), provides that the Secretary of the Navy is authorized to permit, upon designation of the President of the United States, not exceeding four Filipinos at a time to receive instruction at the United States Naval Academy at Annapolis, Md. The Filipinos receiving instruction under authority of this act shall receive the same pay, allowances, and emoluments, to be paid from the same appropriations, and, subject to such exceptions as may be determined by the Secretary of the Navy, shall be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as midshipmen at the Naval Academy appointed from the United States; but such persons shall not be entitled to appointment to any office or position in the United States Navy by reason of their graduation from the Naval Academy. The following regulations are established for candidates from the Republic of the Philippines:

(1) Each such candidate must:

(i) Be an unmarried, bona fide male citizen of the Republic of the Philippines, be not less than 17 years of age nor more than 22 years of age on July 1 of the calendar year in which he enters the Naval Academy.

(ii) Possess physical qualifications as specified in the "Regulations Governing the Admission of Candidates into the United States Naval Academy as Midshipmen and Sample Examination Questions." All candidates must undergo a physical examination and a physical aptitude examination by a board of medical examiners designated by the Chief of Naval Personnel. The formal physical examination of candidates from the Republic of the Philippines will be conducted by the Permanent Medical Examining Board at the United States Naval Academy at the time of reporting for admission. Such candidates are therefore urged to undergo careful preliminary examination by qualified medical personnel informed of the physical requirements set forth in §§ 710.58 and 710.59 before leaving their homes for the Naval Academy. Those with obviously disqualifying defects may be spared the needless expense of the trip to Annapolis. However, in case of reasonable doubt as to whether defects are disqualifying, it is recommended that telegraphic inquiry be addressed to the Superintendent, U. S. Naval Academy, Annapolis, Md., U. S. A.

(iii) Be proficient in reading, writing, and speaking idiomatic English and meet the same mental entrance requirements as are required of citizens of the United States except as noted under subparagraph 3 of this paragraph. The requirements for citizens of the United States are contained in §§ 710.27 to 710.53.

(2) Candidates may qualify for admission under any of the following three methods:

(i) Certificates from accredited secondary schools and colleges of the United States of America.

(ii) Certificates from accredited secondary schools of the United States of America and on substantiating examination.

(iii) Regular entrance examination.

(3) The regular entrance examination will be modified as follows with respect to English and history:

(i) Candidates from the Republic of the Philippines will be given an examination in English similar to that required of a citizen of the United States except that no questions will be asked on English and American literature. These candidates will not be given the examination in United States history. In lieu of the examinations in English and American literature and in United States history, the candidate shall submit a certificate from his government that he is conversant with the literature and history of his native country and that he has:

(*a*) In literature, completed a course in the literature of his native language equivalent in general to 2 years of secondary school work in literature in the United States.

(*b*) In history, completed a course in the history of his native country equivalent in general to a 1-year history course in the secondary schools of the United States.

(*c*) In lieu of these two certificates, a candidate from the Republic of the Philippines may produce evidence of having acquired the units for literature and/or United States history from accredited schools of the United States or of the Republic of the Philippines.

(4) Regular or substantiating examinations for entrance into the United States Naval Academy may be taken either in the United States or in the Philippines. In the latter case, the mental examination will be taken under the supervision of a naval representative or, in the event no naval representative is accredited to the country, a diplomatic representative of the United States, and he shall in the case of each candidate furnish a report as to the candidate's proficiency in the use of idiomatic English.

(5) The Philippine Government should submit the names of candidates as early as possible in order that they may qualify for entrance during the month of March and enter the Naval Academy in July except in the cases of candidates attending secondary schools and colleges in the United States whose school records for the current year are essential to fulfillment of admission requirements. In this case, candidates may be granted until June 25 in order to permit completion of the required certificates. The nomination of the candidate should contain a statement of the method of admission under which he wishes to qualify.

(6) In lieu of the oath of allegiance to the United States, a substitute oath will be required, in substance as follows:

I, _____, a citizen of _____, aged _____ years _____ months, having been appointed a midshipman at the United States Naval Academy, do solemnly swear to comply with all regulations for the police and discipline of the Academy, and to give my utmost efforts to accomplish satisfactorily the required curriculum; do swear not to divulge any information of military value which I may obtain, directly or indirectly, in consequence of my presence at the United States Naval Academy, to any alien government; and do agree that I shall be withdrawn from the United States Naval Academy if deficient in conduct, health, or studies.

(7) Notification shall be made to the Philippine Government that students found by proper authority to be unsatisfactory in conduct, studies, or health would be accorded the same consideration given other midshipmen regarding withdrawal from the Academy, or repetition of a year's work.

§ 710.5 *Selection of candidates by Members of Congress; by Secretary of the Navy.* "Hereafter the Secretary of the Navy shall, as soon as possible after the 1st day of June of each year preceding the graduation of midshipmen in the succeeding year, notify in writing each Senator, Representative, and Delegate in Congress of any vacancy that will exist at the Naval Academy because of such graduation, or that may occur for other reasons, and which he shall be entitled to fill by nomination of a candidate and one or more alternates therefor. The nomination of a candidate and alternate or alternates to fill said vacancy shall be made upon the recommendation of the Senator, Representative, or Delegate, if said recommendation is made by the 4th day of March of the year following that in which said notice in writing is given, but if it is not made by that time the Secretary of the Navy shall fill the vacancy by appointment of an actual resident of the State, congressional district, or Territory, as the case may be, in which the vacancy will exist, who shall have been for at least two years immediately preceding the date of his appointment an actual and bona fide resident of the State, congressional district, or Territory in which the vacancy will exist and of the legal qualification under the law as now provided. In cases where by reason of a vacancy in the membership of the Senate or House of Representatives, or by the death or declination of a candidate for admission to the academy, there occurs or is about to occur at the Academy a vacancy for any State, district, or Territory that cannot be filled by nomination as herein provided, the same may be filled as soon thereafter and before the final entrance examination for the year as the Secretary of the Navy may determine." (Act approved June 29, 1906, 34 Stat. 578; 34 U. S. C. 1041.)

§ 710.6 *Residence of candidates.* (a) Candidates allowed for States, congressional districts, Territories, and the District of Columbia must be actual residents of such States, congressional districts, Territories, or District of Columbia, respectively, from which they are nominated. (R. S. 1517, as amended; 34 U. S. C. 1045.)

(b) The number of alternates that may be nominated for any one vacancy for midshipman shall be restricted to three. Alternates are given the privilege of reporting for mental examination at the same time with the principal. In lieu of a principal and three alternates, four candidates may be nominated to take the regular entrance examination on a competitive basis, the one passing highest to receive the principal appointment. Regardless of method of qualifying mentally the number of candidates designated for any one vacancy must be limited to four.

§ 710.7 *Inquiries relative to appointments and competitive examinations.* (a) The selection of candidates, by competitive examination or otherwise, for nomination from any congressional district, is entirely in the hands of the Member of Congress entitled to make the nomination, and all applications for appointment or inquiries relative to competitive examinations should be addressed to the Congressman representing the congressional district in which the vacancy exists.

(b) As soon as nominated, a copy of these entrance regulations will be forwarded direct to each candidate in order that he may be fully informed regarding service requirements and the mental and physical qualifications of candidates. A syllabus of the first year's work at the Naval Academy is shown in Appendix A, following § 710.71, to enable each candidate to spend his time profitably at his local school and thus be better prepared to pursue the course at the Naval Academy after appointment.

(c) The Naval Academy entrance examinations, both substantiating and regular, are held commencing the last Wednesday in March of each year. The United States Naval Academy aptitude test, which is required of all candidates, is given on the first day of the entrance examinations. (See § 710.53.) However, it is the policy of some Senators and Representatives to have the United States Civil Service Commission hold special competitive examinations at times other than as stated, for the purpose of enabling them to select their nominees. These special competitive examinations have no bearing upon the candidates' mental qualifications for admission as midshipmen, as the Naval Academy requirements must also be met. All of the details concerning the special competitive examinations are handled by the Senator or Representative concerned and the United States Civil Service Commission in Washington, and correspondence relative thereto should be addressed accordingly.

COURSE OF INSTRUCTION AND DISPOSITION OF MIDSHIPMEN AFTER GRADUATION

§ 710.8 *Course of instruction.* The course for midshipmen is of 4 years' duration. Instruction, drills, and exercises are designed to provide them with a basic education and knowledge of the naval profession and to prepare them for the duties of a junior line officer of the Navy. High and exacting academic standards prevail. Only candidates who are equipped to assimilate rapidly, who possess retentive memories, and are capable of intense application may reasonably expect to complete the course.

§ 710.9 *Disposition after graduation.* Graduates of the Naval Academy who at graduation meet all requirements are commissioned as ensigns in the Navy and from each graduating class a limited number may be commissioned as second lieutenants in the Marine Corps and in the United States Air Force. Their commissions may be revoked at any time during the first 3 years following graduation from the Naval Academy. On successful completion of the probationary period, officers are permanently commissioned. Officers whose commissions are revoked shall be discharged from the service, without advance pay or allowances.

AGE, MORAL, AND CITIZENSHIP REQUIREMENTS; MARRIAGE

§ 710.10 *Age Limits; citizenship.* (a) All candidates are required to be citizens of the United States and must be not less than 17 years of age nor more than 22 years of age on July 1 of the calendar year in which they enter the Naval Academy. (64 Stat. 304; 34 U. S. C. 1047.)

(b) If the candidate has not reached his seventeenth birthday on or before July 1, or if he will have reached his twenty-second birthday on or before July 1 of the calendar year in which he expects to enter the Naval Academy, he will be ineligible for admission.

§ 710.11 *Moral character.* Candidates must be of good moral character. No candidate who has been dismissed in accordance with the act of Congress of April 9, 1906, (34 Stat. 104; 34 U. S. C. 1062) or who is permitted to resign in lieu of dismissal, shall be reappointed or allowed to reenter the Naval Academy.

§ 710.12 *Marital status.* No person who is married, or who has been married, shall be admitted as a midshipman to the Naval Academy. Midshipmen shall not marry, and any midshipman who becomes married or who is found to be married shall be recommended for discharge.

METHODS OF ADMISSION

§ 710.13 *When candidates may be mentally examined.* "All candidates for admission into the Academy shall be examined according to such regulations and at such stated times as the Secretary of the Navy may prescribe. Candidates rejected at such examination shall not have the privilege of another examination for admission to the same class unless recommended by the board of examiners." (Rev. Stat., sec. 1515; 34 U. S. C. 1043.) (This refers to mental examinations.)

§ 710.14 *When alternates may be mentally examined.* When any candidate who has been nominated by a Senator, member, or delegate of the House of Representatives, is found upon examination to be physically or mentally disqualified for admission, the Senator, member, or delegate shall be notified to recommend another candidate, who shall be examined according to the provisions of the preceding section.

§ 710.15 *Time and place of examination.* (a) Mental examinations for admission to the Naval Academy will be held only in March of each year. The examinations will begin on the last Wednesday in that month. The substantiating examination will be completed in 2 days whereas the regular entrance examination will require 2½ days. A United States Naval Academy aptitude test, which requires no special preparation, will be included with each type of examination. Those candidates who intend to qualify for admission by the college certificate method will be required to take the United States Naval Academy aptitude test on the last Wednesday in March. (College certificate candidates

who do not receive nominations in time to take the aptitude test on the last Wednesday in March will be given the test after their arrival at the Naval Academy if otherwise qualified for admission as midshipmen.) The examinations will be under the supervision of the United States Civil Service Commission, at points named in the accompanying list. All those qualifying mentally and physically, who are entitled to appointment, in order of nomination, will be notified by the Bureau of Naval Personnel when to report to the Academy for appointment as midshipman.

(b) Candidates may be examined at any of the places named in the accompanying list. If a candidate has been authorized to report for mental examination at any one of the points given below, the place may be changed to any other point on the list at the request of the candidate.

Alabama: Anniston, Birmingham, Decatur, Demopolis, Dothan, Eufaula, Florence, Gadsden, Huntsville, Marion, Mobile, Montgomery, Opelika, Selma, Tuscaloosa, Tuskegee Institute.

Alaska: Anchorage, Cordova, Fairbanks, Juneau, Ketchikan, Nome, Steward, Sitka.

Arizona: Douglas, Flagstaff, Globe, Holbrook, Kingman, Nogales, Phoenix, Prescott, Safford, Tucson, Yuma.

Arkansas: Camden, Fayetteville, Fort Smith, Harrison, Helena, Hot Springs, Jonesboro, Little Rock, Mena, Newport, Pine Bluff, Russellville, Texarkana.

California: Alturas, Bakersfield, Bishop, Chico, China Lake, El Centro, Eureka, Fresno, Indio, King City, Long Beach, Los Angeles, Merced, Monterey, Oakland, Pasadena, Pomona, Port Hueneme, Redding, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Jose, San Luis Obispo, Santa Ana, Santa Barbara, Santa Cruz, Santa Monica, Santa Rosa, Stockton, Ukiah, Vallejo.

Canal Zone: Balboa Heights.

Colorado: Boulder, Canon City, Colorado Springs, Denver, Durango, Fort Collins, Fort Morgan, Glenwood Springs, Grand Junction, Greeley, La Junta, Leadville, Monte Vista, Montrose, Pueblo, Sterling, Trinidad.

Connecticut: Bridgeport, Danbury, Hartford, Middletown, New Haven, New London, Waterbury, Willimantic.

Delaware: Dover, Wilmington.

District of Columbia: Washington.

Florida: Daytona Beach, Fort Myers, Gainesville, Jacksonville, Key West, Lake City, Lakeland, Miami, Ocala, Orlando, Pensacola, Tallahassee, Tampa, West Palm Beach.

Georgia: Albany, Americus, Athens, Atlanta, Augusta, Brunswick, Columbus, Dublin, Fitzgerald, Gainesville, Macon, Rome, Savannah, Thomasville, Valdosta, Waycross.

Hawaii: Hilo, Honolulu.

Idaho: Boise, Coeur d'Alene, Orangeville, Idaho Falls, Lewiston, Moscow, Pocatello, Sandpoint, St. Anthony, Twin Falls, Weiser.

Illinois: Alton, Aurora, Belleville, Bloomington, Cairo, Carbondale, Centralia, Chicago, Danville, Decatur, East St. Louis, Effingham, Freeport, Galena, Galesburg, Harrisburg, Jacksonville, Joliet, Kankakee, Mount Carmel, Peoria, Quincy, Rockford, Rock Island, Savanna, Springfield, Staunton, Streator, Urbana, Waukegan.

Indiana: Angola, Bloomington, Evansville, Fort Wayne, Hammond, Indianapolis, Jeffersonville, La Fayette, Marion, Muncie, Richmond, South Bend, Terre Haute, Valparaiso, Vincennes.

Iowa: Ames, Atlantic, Burlington, Cedar Rapids, Cherokee, Clinton, Council Bluffs, Creston, Davenport, Decorah, Denison, Des Moines, Dubuque, Fort Dodge, Iowa City, Knoxville, Marshalltown, Mason City, Mount Pleasant, Ottumwa, Shenandoah, Sioux City, Spencer, Waterloo.

Kansas: Concordia, Dodge City, Emporia, Fort Scott, Garden City, Goodland, Great Bend, Hays, Junction City, Kansas City, Lawrence, Leavenworth, Liberal, Manhattan, Norton, Parsons, Pittsburg, Pratt, Salina, Topeka, Wichita.

Kentucky: Ashland, Bowling Green, Covington, Hopkinsville, Lebanon, Lexington, London, Louisville, Madisonville, Middlesboro, Owensboro, Paducah, Paintsville, Somerset.

Louisiana: Alexandria, Baton Rouge, Lafayette, Lake Charles, Monroe, New Orleans, Shreveport.

Maine: Augusta, Bangor, Bath, Calais, Caribou, Fort Kent, Houlton, Lewiston, Portland, Rockland, Waterville.

Maryland: Annapolis, Baltimore, Cumberland, Easton, Hagerstown, Salisbury.

Massachusetts: Boston, Brockton, Fall River, Fitchburg, Greenfield, Haverhill, Holyoke, Hyannis, Lawrence, Lowell, New Bedford, Northampton, Pittsfield, Salem, Springfield, Worcester.

Michigan: Alpena, Ann Arbor, Battle Creek, Big Rapids, Cadillac, Cheboygan, Detroit, Escanaba, Flint, Grand Rapids, Houghton, Ironwood, Jackson, Kalamazoo, Lansing, Manistee, Marquette, Muskegon, Petoskey, Port Huron, Saginaw, St. Joseph, Sault Ste. Marie, Traverse City.

Minnesota: Austin, Bemidji, Brainerd, Crookston, Duluth, Ely, Fairmont, Fergus Falls, Glenwood, Grand Rapids, Hibbing, International Falls, Menkato, Minneapolis, Montevideo, Northfield, Pipestone, Rochester, St. Cloud, St. Paul, Thief River Falls, Virginia, Wilmar, Winona.

Mississippi: Biloxi, Brookhaven, Clarksdale, Columbus, Corinth, Greenville, Greenwood, Grenada, Gulfport, Hattiesburg, Jackson, Laurel, Meridian, Natchez, Oxford, Starkville, Tupelo, Vicksburg, West Point.

Missouri: Cape Giradeau, Chillicothe, Columbia, Farmington, Hannibal, Jefferson City, Joplin, Kansas City, Kirksville, Maryville, Moberly, Nevada, Poplar Bluff, Rolla, St. Joseph, St. Louis, Sedalia, Springfield, Warrensburg, West Plains.

Montana: Billings, Bozeman, Butte, Glasgow, Glendive, Great Falls, Havre, Helena, Kalispell, Lewistown, Miles City, Missoula, Plentywood.

Nebraska: Alliance, Beatrice, Broken Bow, Chadron, Columbus, Fremont, Grand Island, Hastings, Kearney, Lincoln, McCook, Nebraska City, Norfolk, North Platte, Omaha, O'Neill, Scottsbluff, Sidney, Superior, Valentine, York.

Nevada: Elko, Ely, Fallon, Las Vegas, Reno, Tonopah, Winnemucca.

New Hampshire: Berlin, Claremont, Concord, Durham, Hanover, Keene, Laconia, Manchester, Plymouth, Portsmouth.

New Jersey: Asbury Park, Atlantic City, Camden, Elizabeth, Lakewood, Long Branch, Newark, New Brunswick, Paterson, Trenton.

New Mexico: Albuquerque, Clayton, Clovis, Deming, Gallup, Las Cruces, Las Vegas, Raton, Roswell, Santa Fe, Silver City, Tucumcari.

New York: Albany, Batavia, Binghamton, Buffalo, Dunkirk, Elmira, Glens Falls, Hempstead, Hornell, Ithaca, Jamestown, Kingston, Malone, Middletown, Newburgh, New York, Ogdensburg, Olean, Oneonta, Oswego, Plattsburg, Poughkeepsie, Riverhead, Rochester, Saranac Lake, Schenectady, Syracuse, Troy, Utica, Watertown, Yonkers.

North Carolina: Asheville, Chapel Hill, Charlotte, Durham, Gastonia, Goldsboro, Greensboro, Hickory, New Bern, Raleigh, Rocky Mount, Salisbury, Washington, Wilmington, Winston-Salem.

North Dakota: Bismarck, Devils Lake, Dickinson, Fargo, Grand Forks, Harvey, Jamestown, Kenmore, Mandan, Minot, New Rockford, Oakes, Valley City, Wahpeton, Williston.

Ohio: Akron, Ashtabula, Athens, Canton, Chillicothe, Cincinnati, Cleveland, Columbus, Dayton, Ironton, Lima, Mansfield, Marietta, Portsmouth, Sandusky, Steubenville, Toledo, Youngstown, Zanesville.

Oklahoma: Ada, Altus, Ardmore, Bartlesville, Chickasha, Enid, Guthrie, Hobart, Hugo, Lawton, McAlester, Muskogee, Oklahoma City, Okmulgee, Ponca City, Shawnee, Stillwater, Tulsa, Vinita, Watonga, Woodward.

Oregon: Astoria, Baker, Bend, Coos Bay, Corvallis, Eugene, Klamath Falls, La Grande, Medford, Pendleton, Portland, Roseburg, Salem, The Dalles.

Pennsylvania: Altoona, Bethlehem, Chambersburg, Dubois, Easton, Erie, Harrisburg, Johnstown, Kittanning, Lancaster, Oil City, Philadelphia, Pittsburgh, Pottsville, Reading, Scranton, State College, Sunbury, Uniontown, Warren, Wellsboro, Wilkes-Barre, Williamsport, York.

Puerto Rico: Mayaguez, Ponce, San Juan.

Rhode Island: Narragansett, Newport, Providence, West Warwick.

South Carolina: Aiken, Anderson, Beaufort, Camden, Charleston, Cheraw, Chester, Clemson, Columbia, Florence, Georgetown, Greenville, Greenwood, Orangeburg, Rock Hill, Spartanburg, Sumter, Union.

South Dakota: Aberdeen, Brookings, Chamberlain, Deadwood, Hot Springs, Huron, Lemmon, Madison, Milbank, Mitchell, Mobridge, Pierre, Rapid City, Redfield, Sioux Falls, Sturgis, Watertown, Winner, Yankton.

Tennessee: Athens, Bristol, Chattanooga, Clarksville, Columbia, Elizabethton, Jackson, Johnson City, Knoxville, Memphis, Nashville, Paris, Union City.

Texas: Abilene, Amarillo, Austin, Beaumont, Big Spring, Brownsville, Brownwood, Bryan, Cameron, Childress, Cisco, Clarendon, Corpus Christi, Corsicana, Dalhe, Dallas, Del Rio, El Paso, Fort Worth, Galveston, Greenville, Houston, Huntsville, Laredo, Longview, Lubbock, Lufkin, Marfa, McKinney, Palestine, Pampa, Paris, Pecos, Perryton, San Angelo, San Antonio, San Benito, Shamrock, Sherman, Tyler, Waco, Wichita Falls.

Utah: Cedar City, Logan, Ogden, Provo, Salt Lake City.

Vermont: Brattleboro, Burlington, Middlebury, Montpelier, Newport, Rutland, St. Albans, St. Johnsbury.

Virginia: Abingdon, Alexandria, Blacksburg, Bristol, Charlottesville, Clifton Forge, Harrisonburg, Lynchburg, Norfolk, Richmond, Roanoke, Staunton, Winchester.

Washington: Aberdeen, Bellingham, Chehalis, Everett, Longview, Olympia, Pasco, Port Angeles, Port Townsend, Pullman, Raymond, Seattle, Spokane, Tacoma, Vancouver, Walla Walla, Wenatchee, Yakima.

West Virginia: Bluefield, Charleston, Clarksburg, Elkins, Grafton, Hinton, Huntington, Martinsburg, Morgantown, Parkersburg, Wheeling.

Wisconsin: Appleton, Ashland, Eau Claire, Fond du Lac, Green Bay, Janesville, La Crosse, Madison, Marinette, Milwaukee, Rhinelander, Sheboygan, Stevens Point, Superior, Wausau.

Wyoming: Casper, Cheyenne, Cody, Evanston, Jackson, Lander, Laramie, Rawlins, Rock Springs, Sheridan.

§ 710.16 *Separate methods for mental qualifications.* There are three separate and distinct methods of qualifying mentally for admission to the Naval Academy and candidates are required to indicate the method by which they propose to qualify on a special form which will be provided by the Bureau of Naval Personnel. This information is essential as it is necessary that arrangements be made for mental examinations when required.

(a) Certificate only. §§ 710.28 to 710.32.

(b) Certificate and substantiating examination. §§ 710.33 to 710.41.

(c) Regular entrance examination. § 710.42.

§ 710.17 *College certificate method.* Only noncompetitive candidates can utilize the college certificate method (certificate only) of qualifying. All candidates, however, must take the United States Naval Academy aptitude test—a test that requires no special preparation. There is no prescribed passing score on the aptitude test but a candidate who does not present acceptable secondary school or college credit in physics or chemistry will be required to demonstrate by performance in the "U. S. Naval Academy Aptitude Test" his capacity to pursue studies along engineering and scientific lines. This test will be given at the same time and at the same places it is given to candidates taking the regular and substantiating examinations. (See § 710.15 and § 710.53.) Candidates accepted for admission to the Naval Academy under the college certificate method whose appointments were made too late to take the "United States Naval Academy aptitude test" in March will take it after admission. Any other candidate, regardless of the source of his nomination, who can present an acceptable secondary school certificate, the requirements for which are outlined elsewhere in this part, will be eligible to take the substantiating examination in algebra, plane geometry, and English. The only exception to this statement would occur in case a Member of Congress specified that his nominees take the full regular entrance examination. Those candidates who cannot present acceptable secondary school certificates may qualify only by passing the regular entrance examinations in all of the subjects listed in § 710.42. Secondary school and college credits may be combined to establish an acceptable secondary certificate. In determining the order of merit of successful candidates from any of the purely competitive sources such as Presidential nominees, those from the Navy and Marine Corps, those from the Naval and Marine Corps Reserves, those from honor military schools and Naval Reserve Officers' Training Corps units, etc., and those who are specifically required by the Member of Congress nominating them to take the Naval Academy entrance examinations on a competitive basis, the arithmetic average of the three marks received in algebra, plane geometry, and English will be used. Candidates who must also submit to examination in United States History must receive at least a passing mark in that subject but it will not be used in determining relative standing in competitive lists.

§ 710.18 *Review work where candidate has failed.* (a) In case a candidate has failed on either the regular examination or the substantiating examination and submits a certificate subsequent to such failure, the following determines the consideration of such certificates: "Credits claimed for subjects on a certificate by a candidate who has registered a failure in those subjects on a regular or substantiating examination cannot be allowed. To overcome the certain disallowance of such credits the submitted certificate must show that the subjects on which he failed have been reviewed at some duly accredited school subsequent to such failure. Such review work must be done in regular school course and the marks assigned must meet the requirements of the academic board." Postgraduate work in secondary school or college work in advanced related branches of the failed subject or subjects may be offered in lieu of review work.

(b) The academic board has established 60 clock hours of classroom work as its minimum for a half year's work in secondary school and 120 clock hours as its minimum for a full year's work. In regard to college work, the board requires approximately 50 clock hours, or 3 semester hours of credit, for a half year's work and 100 clock hours, or 6 semester hours, for a full year's work.

§ 710.19 *Time of examinations under college certificate method.* All entrance examinations including the United States Naval Academy aptitude test will be held only on the last Wednesday in March. (Candidates accepted for admission to the Naval Academy under the college certificate method whose appointments were made too late to take the United States Naval Academy aptitude test in March will take it after admission to the Naval Academy.) The large number of midshipmen to be instructed and drilled during the summer months makes this rule necessary, and it is to the great advantage of the new midshipmen themselves. The summer months are utilized in preliminary instruction in professional branches and drills, such as handling boats under oars and sail, and in seamanship, gunnery, and infantry drills. These practical exercises form excellent groundwork for the academic course.

§ 710.20 *Preparation of examination papers.* The examination questions used in all examinations are prepared by the Educational Testing Service under the direction of the Naval Academy and the result for each candidate is finally passed upon by the academic board. No candidate shall be admitted unless in the opinion of the academic board, he shows the requisite mental qualifications. To aid the academic board in evaluating the candidate's demonstration of these requisite mental qualifications a United States Naval Academy aptitude test will be given to each candidate participating in the entrance examinations. There is no passing or failing score for the United States Naval Academy aptitude test and no one will be disqualified because of this test score alone unless he has failed to offer acceptable secondary school or college credit in physics or chemistry. Certification of such credit or of evidence that an acceptable course in either science is being pursued and scheduled for completion at the end of the current regular school year must be submitted to the Naval Academy on or before the last Wednesday in March.

§ 710.21 *Limitation upon reexamination.* A candidate who fails on either the substantiating examination or the regular entrance examination and who is renominated for admission in a subsequent year must take the full regular entrance examination unless all requirements for the reestablishment of certificate credits are fulfilled.

§ 710.22 *Renomination.* Candidates who have successfully passed the regular entrance examination or who have qualified for admission by either of the certificate methods of qualifying mentally will not be required again to qualify mentally in the event of renomination. The only exceptions to this rule are as stated in § 710.23 and in cases in which candidates are required to compete for appointments.

§ 710.23 *Requirements for second examination.* Former midshipmen who may be nominated for readmission to the Naval Academy, and who were deficient in the academic work of the first year of the course at the time of separation, must take the United States Naval Academy aptitude test and requalify scholastically by passing the substantiating entrance examinations in English and mathematics.

§ 710.24 *Correspondence relative to examinations.* The Civil Service Commission merely conducts the examination of candidates whose names have been furnished by the Navy Department. All correspondence relative to the nomination and examination of candidates should be addressed to the Bureau of Naval Personnel, Navy Department, Washington, D. C.

§ 710.25 *Time of entrance.* Candidates will be required to enter the academy immediately after passing the prescribed mental and physical examinations, or at such times as the Secretary of the Navy may designate. Normally, candidates are required to report for admission the first week in July. Notification of the date and hour of reporting will be issued each eligible candidate by the Bureau of Naval Personnel, Navy Department, Washington, D. C.

§ 710.26 *No annual leave granted first year students.* Annual leave of absence during the summer will not be granted to midshipmen of the fourth class (first year students).

§ 710.27 *Submission of high school or college records.* Immediately upon its acceptance of the nomination of a candidate, the Bureau of Naval Personnel will send him the Naval Academy certificate forms and other pertinent papers. The high school record, and college record, of any, should be submitted to the Naval Academy at the earliest practicable date on the appropriate certificate forms. Certificates should include all entries required by the form covering work that has been completed and should list subjects scheduled for completion in the current school year with information to indicate the ultimate credit value of each incomplete or proposed course. Regardless of whether or not a candidate is a high school graduate or whether or not he wishes to qualify by one or the

other of the certificate methods, he should have his school records submitted. Such certificates will establish whether or not the candidate has or will have acceptable credit in physics or chemistry and will thus enable the academic board to determine the measure of performance to be required on the United States Naval Academy aptitude test. Acceptable evidence of credit in physics or chemistry must reach the Superintendent, United States Naval Academy, Annapolis, Md., on or before the last Wednesday in March in order for the candidate to be exempted from the requirement that he achieve the required level of performance on the aptitude test. This exemption may also be granted when it is shown that an acceptable course in physics or chemistry is in progress and is scheduled for completion at the end of the regular school year in which the entrance examination is taken.

METHODS OF QUALIFYING MENTALLY FOR ADMISSION; BASED ON CERTIFICATE ONLY

§710.28 *When admission is based on certificate only.* The academic board will consider and may admit without mental examination (except for the United States Naval Academy aptitude test, § 710.17) a candidate who presents a properly attested certificate (Form I) that he is or has been a regularly enrolled student in good standing without condition in a university, college, or technological school accredited by the United States Naval Academy, *Provided,* That:

(a) He submits also a properly attested certificate (Form II) that he has been graduated from an accredited secondary school, indicating that he has shown proficiency in 7 units of certain required subjects and in at least 8 units of optional subjects. These subjects are listed in § 710.43. If some of the necessary 15 units are lacking from the candidate's secondary school record, the deficiency may be made up by showing completion of acceptable college work in the lacking subject or subjects. College credits used for the purpose of making up deficiencies in the secondary school certificate must, however, be in excess of the minimum requirements for an acceptable college certificate.

(b) At the time of entry into the Naval Academy he will have satisfactorily completed a year's work in the university, college or technological school, with a minimum of 24 semester hours in English, natural science, social science, or languages, at least 6 of which shall be in college English and/or history, and 6 shall be in pure college mathematics, selected from such subjects as college algebra, plane trigonometry, analytical geometry, calculus, differential equations, etc.

(c) He has taken the United States Naval Academy aptitude test. (College certificate candidates who do not receive nominations in time to take the aptitude test on the last Wednesday in March may be given the test after their arrival at the Naval Academy if otherwise qualified for admission as midshipmen.)

(d) (1) If Form I shows low or barely passing grades, the candidate may be required to take the substantiating examination in mathematics and English.

(2) In the event that Form II is also unacceptable, the candidate will be required to take the regular entrance examination.

§ 710.29 *Evaluation of courses.* It is the policy of the Naval Academy to evaluate the courses offered in the college certificate in terms of semester hours. A semester hour of credit implies that, in addition to outside preparation, the subject has required one classroom recitation of approximately 1 hour in length each week for a semester of not less than 16 weeks; or one double-length laboratory or practical work period for the same length of time. In general where this definition is approximated, it is the policy to abide by the credit values indicated by the certifying institutions.

§ 710.30 *Length of college attendance.* The length of college attendance prescribed is defined as requiring actual full-time attendance for one regular school year during which the candidate pursues courses constituting a normal year load. Deficiencies not in excess of nine semester hours of credit may be made up as the result of regular class work in extension classes of fully accredited colleges and universities provided such work is in excess of the normal year of college work. Extension classes are defined as classes which meet beyond regular day school hours. Under no circumstances will credit be allowed for correspondence or tutoring work or for a subject for which credit has been established as the result of an examination alone.

§ 710.31 *Accredited colleges, universities, and technical schools.* The Naval Academy does not maintain a restricted list of accredited colleges, universities, and technological schools. It accredits, for certification purposes, any of the standard colleges, universities, technological schools of collegiate rank and 2-year junior colleges that are fully and unqualifiedly accredited by the various State boards of education which prescribe collegiate standards in their respective states, or by any of the recognized accrediting agencies such as the Association of American Universities, the New England Association of Colleges and Secondary Schools, the Association of Colleges and Secondary Schools of the Middle States and Maryland, the Association of Colleges and Secondary Schools of the Southern States, the North Central Association of Colleges and Secondary Schools, and the Northwest Association of Secondary and Higher Schools. In case of doubt as to the accredited status of the institution under consideration, specific inquiry should be addressed to the Superintendent, United States Naval Academy, Annapolis, Md., giving the name of the institution.

§ 710.32 *Requirements for admission by qualifying certificates.* (a) A nominee who contemplates qualifying by certificate only but who has not completed the required year of college work at the time of receipt of nomination for appointment should submit his high school record on the prescribed form and should have a preliminary college certificate (Form I) submitted showing the courses contemplated or in progress and the amount of credit in semester hours to be assigned for each course. For instance, a college certificate submitted at the end of the first semester should show the first semester grade for each course and should indicate the courses to be pursued during the second semester and the amount of credit to be assigned eventually for each. A certificate submitted prior to the receipt of any grades should indicate the courses to be pursued during the full school year and the credit value of each course.

(b) When review of a nominee's secondary school and college certificates discloses that the secondary record is acceptable and that the college record through the first semester or first two quarters meets requirements as to subjects studied and grades received with formal acceptance dependent only upon satisfactory completion of the final term's courses, tentative acceptance will be reported. Acceptance of the college certificate will become final upon receipt of a supplementary statement from the college registrar or other authorized official attesting satisfactory standing in studies and conduct during the final term. Further, it is not required that the college certificate be formally accepted by the academic board before the examination date of the last Wednesday in March.

(c) If an informal opinion is rendered which involves modification of the nominee's schedule of courses, or if the quality of his work is such that special additional requirements must be imposed, it will be the responsibility of the nominee to decide whether he is to take any mental examination other than the United States Naval Academy aptitude test. The decision of the nominee should depend upon his ability to effect such changes as may be necessary in his courses or, as the case may be, upon his own estimate of his ability to meet such other specific requirements as may have been imposed.

(d) If the supplementary statement cannot be mailed to the Naval Academy by June 25 and if the nominee receives from the Chief of Naval Personnel an authorization to report at the Naval Academy for admission before it is mailed, he must bring it with him and present it when he reports.

(e) It is the specific responsibility of each nominee to insure compliance with this limiting date, and failure to do so can conceivably result in cancellation of the nomination. A nominee who is an alternate has no ready means of knowing when he may become eligible for admission and should not be deterred from taking every possible step to insure submission of essential certificate papers. An incomplete record when a nominee becomes eligible for call can result in the conclusion that the individual has abandoned his candidacy.

(f) The nominee is encouraged to submit certificates prior to completion of the first term of the school year immediately preceding entrance to the Naval Academy. An early review of the record

of completed work and of courses proposed for completion may reveal defects which can be offset by slight changes in the final semester schedule.

METHODS OF QUALIFYING MENTALLY FOR ADMISSION; BASED ON CERTIFICATE AND SUBSTANTIATING EXAMINATION

§ 710.33 *When admission is based on certificate and substantiating examination.* The academic board will consider and may admit a candidate: *Provided,* That:

(a) He submits a properly attested certificate (Form II) that he has been graduated from an accredited secondary school, indicating that he has shown proficiency in 7 units of certain required subjects and in at least 8 units of optional subjects. These subjects are listed in § 710.43. However, if some of the necessary 15 units are lacking from the candidate's secondary school record, the deficiency may be made up by transferring credits assigned for acceptable college work in the lacking subject or subjects to the secondary school record.

(b) The certificate is accepted by the academic board as evidence that the candidate can pursue successfully the course at the Naval Academy.

(c) This evidence is further substantiated by the candidate's passing the entrance examinations in algebra, plane geometry, and English. The examination in these three subjects is known as the substantiating examination. The United States Naval Academy aptitude test will also be included with the substantiating examination. The scope of the subjects covered in the substantiating examination is given in §§ 710.48 to 710.51.

(d) Candidates whose certificates are rejected because of low grades or who for reasons mentioned in § 710.34 cannot qualify for admission to the Naval Academy by passing the substantiating examination have the right to demonstrate their qualifications by passing the regular entrance examination.

§ 710.34 *Rejection of certificate.* (a) If the certificate (Form II) submitted shows evidence of low grades, or of grades below the standards of acceptance set by higher institutions to which the certifying school is accredited, the certificate will be rejected.

(b) A certificate showing graduation at an irregular date will be rejected; that is, at a date other than the regular date set for the graduation of a class of which the applicant is a member.

(c) When the credits submitted have been obtained in more than one secondary school, it is advisable to have the credits and marks obtained at the previous school reported to the later school for incorporation in the final certificate. If this is impracticable, the candidate will be permitted to forward certificates from each institution to be judged together.

§ 710.35 *Secondary school to stand as sponsor when certifying a candidate.* The secondary school certifying a candidate stands sponsor for his success under conditions explained on the official Form II certificate, and it is expected that the responsible school authority will recommend only those candidates who, in his or her opinion, have the scholastic background needed to pursue successfully a difficult college course in which the emphasis is placed principally on engineering subjects; and who have those qualities of character necessary for success in an institution where training for effective leadership is of paramount importance.

§ 710.36 *Definition of unit.* In order to facilitate the comparison of credits submitted by various institutions, in fulfillment of admission requirements with one another, the academic board has given its approval to the following statement formulated by the National Conference Committee on Standards of Colleges and Secondary Schools descriptive of a unit of admission requirements:

A unit represents a year's study in any subject in a secondary school, constituting approximately a quarter of a full year's work. A 4-year secondary school curriculum should be regarded as representing not more than 16 units of work.

This statement is designed to afford a standard of measurement for the work done in secondary schools. It takes the 4-year high school course as a basis and assumes that the length of the school year is from 36 to 40 weeks, that a period is from 40 to 60 minutes in length, and that the study is pursued for 4 or 5 periods a week; but under ordinary circumstances a satisfactory year's work in any subject cannot be accomplished in less than one hundred and twenty 60-minute periods or their equivalent. Schools organized on any other than a 4-year basis can, nevertheless, estimate their work in terms of this unit. Not more than 1½ units of credit can be allowed for work done in fully accredited night high schools or in fully accredited schools of comparable character where the classes meet other than in regular day school hours. No credit will be allowed in a certificate, or as evidence of review to offset low grades or a failure on the entrance examinations, for work done in correspondence courses, under a tutor, or in nonaccredited schools.

§ 710.37 *Necessary requirements for acceptance of a certificate.* The acceptance or rejection of a certificate will depend on the evidence it shows as to the thorough completion of the work submitted. The records made in the Academy by midshipmen admitted by certificate will influence the academic board in its future consideration of certificates submitted by the schools or colleges from which these midshipmen come. Final decision as to the acceptance or rejection of any certificate rests with the academic board. A certificate will not be formally considered unless submitted on one of the appropriate forms, except that official college transcript forms may be used for record of academic work when attached to Form I certificate. All work essential to the acceptance of the certificate or certificates must have been completed by the end of the regular school year in order to establish eligibility for admission to the Naval Academy in that year. Summer school work will not be accepted for entry in the year in which it is completed. High school and college certificates should be submitted to the Superintendent of the Naval Academy as early as practicable, and not later than June 25 for the class entering that year (§ 710.38). As soon as nominated each candidate will receive copies of the certificate forms from the Bureau of Naval Personnel. For additional forms, address the Bureau of Naval Personnel, Navy Department, Washington, D. C.

§ 710.38 *Submission of Certificate in advance of graduation.* (a) Certificate or certificates covering high school work still uncompleted will be reviewed informally and the nominee will be furnished a report of the academic board's action in his case. This report will indicate clearly necessary further steps, if any, on his part to complete his certificate papers. If certificates are fully acceptable and require no further evidence of school work, no other action on his part will be necessary with regard to school records and he will be so informed.

(b) A certificate submitted for a nominee who has additional subjects in a course for which final marks have not been assigned should indicate clearly the subjects that are still being pursued together with an average of the marks assigned in each subject in course at the time of the submission of the certificate.

§ 710.39 *Decision as to which examination candidate will take.* (a) If an informal opinion is rendered which involves modification of his schedule of courses or if the quality of his work is such that special additional requirements must be imposed, it will be the nominee's responsibility to decide whether to take the full regular entrance examination. The nominee's decision, naturally, should depend upon his ability to effect such changes as may be necessary in his courses or, as the case may be, upon his own estimate of his ability to meet such other specific requirements as may have been imposed.

(b) When review of the secondary school record reveals that subjects studied and grades received fulfill requirements and that formal acceptance of the certificate is dependent only upon successful completion of courses in progress in the final semester, tentative acceptance will be reported. In such case, acceptance of the certificate will become final upon receipt of a supplementary statement from the school attesting satisfactory standing in studies and conduct during the final semester. The statement must also include indication of eligibility for graduation and the secondary school diploma unless evidence of graduation was presented previously.

(c) If the supplementary statement cannot be mailed to the Naval Academy by June 25 and if the nominee receives from the Chief of Naval Personnel his authorization to report at the Naval Academy for admission before it is mailed, he must bring it with him and present it upon reporting.

§ 710.40 *Responsibility of nominees.* (a) It is the specific responsibility of each nominee to insure compliance with this limiting date, and failure to do so can conceivably result in cancellation of the nomination. A nominee who is an al-

ternate has no ready means of knowing when he may become eligible for admission and should not be deterred from taking every possible step to insure submission of essentional certificate papers. An incomplete record when a nominee becomes eligible for call can result in the conclusion that the individual has abandoned his candidacy.

(b) The nominee is encouraged to submit certificates prior to completion of the first term of the school year immediately preceding entrance to the Naval Academy. An early review of the record of completed work and of courses proposed for completion may reveal defects which can be offset by slight changes in the final semester schedule.

(c) As stated in § 710.30, the certificate action reports issued by the Naval Academy state clearly such ensuing steps on the nominee's part as may be necessary to complete his case. When in doubt, however, communications addressed to the Superintendent, United States Naval Academy, Annapolis, Maryland, will be answered as promptly as possible.

§ 710.41 *Admission by certificate considered a privilege.* Admission by either of the certificate methods is a privilege which the academic board may accord to those whom it considers, on the basis of school records presented, to be worthy of the exemptions allowed and to be capable of pursuing successfully the Naval Academy course.

METHODS OF QUALIFYING MENTALLY FOR ADMISSION; BASED ON REGULAR EXAMINATION

§ 710.42 *When admission is based on regular examination.* A candidate who cannot qualify under either of the methods described in §§ 710.28 to 710.41, that is, who cannot submit an acceptable certificate as required by one of those methods, can qualify mentally for admission to the Naval Academy if he passes an examination in each of the following subjects: Algebra, plane geometry, English and United States history. The examination in these four subjects is known as the regular examination. Deficiency in any one of these subjects will be sufficient to insure rejection of the candidate. The United States Naval Academy aptitude test will also be included with the regular examination. The scope of the subjects covered in the regular examination is described in §§ 710.48 to 710.52.

§ 710.43 *List of secondary school subjects which can be used for certification.* (Form II) (a) The list of subjects and of the corresponding weights in units is as follows:

Required subjects	7
Optional subjects	8
Total units needed for an acceptable certificate	15

Candidates are not admitted on condition.

(b) Required and optional subjects. Every certificate must show evidence of proficiency in seven units of required subjects and at least eight units of optional subjects chosen from the following:

	Designation	Maximum units allowed
Group I		
English (maximum of three units allowed and required)—		
English I	I	3
English II	II	
English III	III	
English IV	IV	
Group II		
Mathematics (three units required of which at least two must be algebra and one plane geometry; units in excess of three count as optional. Three semesters of algebra will be acceptable for the algebra requirement if the school certifies that the candidate has covered satisfactorily the material listed under mathematics A1 and A2 as described in § 710.45 (a) and (b). In such case two units of algebra will be allowed toward certification)—		
Algebra to quadratics	A1	1
Algebra, quadratics and beyond	A2	1
Algebra, advanced	B	½
Plane geometry	C	1
Solid geometry	D	½
Plane trigonometry	E	½
Higher mathematics	------	------
Group III		
History (one unit of United States history required: other units count as optional)—		
History, ancient	A	1
History, European	B	1
History, English	C	1
History, United States	D	1
History, modern European	E	1
History, World	F	1
Group IV		
Sciences, drawing, and languages (all units count as optional. A candidate who does not present acceptable school or college credit in physics or chemistry will be required to demonstrate by performance in the U. S. Naval Academy Aptitude Test his capacity to pursue studies along engineering and scientific lines)—		
Physics (recitation, laboratory) first year	I	1
Physics (recitation, laboratory) second year	II	1
Chemistry (recitation, laboratory) first year	I	1
Chemistry (recitation, laboratory) second year	II	1
Biology (recitation, laboratory)	I	1
General Science (recitation, laboratory)	I	1
Psychology	I	1
Mechanical drawing, first year	I	1
Mechanical drawing, second year	II	1
French, first year	I	1
French, second year	II	1
French, third year	III	1
Spanish, first year	I	1
Spanish, second year	II	1
Spanish, third year	III	1
German, first year	I	1
German, second year	II	1
German, third year	III	1
Italian, first year	I	1
Italian, second year	II	1
Italian, third year	III	1
Latin, first year	I	1
Latin, second year	II	1
Latin, third year	III	1
Latin, fourth year	IV	1
Group V		
Miscellaneous (all units count as optional)—		
Physical geography (recitation, laboratory)	------	1
Botany (recitation, laboratory)	------	1
Zoology (recitation, laboratory)	------	1
Geology	------	1
Astronomy	------	1
Physiology	------	1
Civics	------	1
Problems of democracy	------	1
American problems	------	1
Citizenship	------	1
Sociology	------	1
Group V—Continued		
Miscellaneous (all units count as optional)—Continued		
Social science	------	1
Current events	------	½
Commercial law	------	½
Commercial history	------	½
Commercial arithmetic	------	½
Commercial geography	------	½
Economics	------	1
Economic history	------	1
Economic geography	------	½
Industrial problems	------	½
Public speaking	------	½
Elementary law	------	½
Advanced arithmetic	------	½
Manual training	------	1

(c) Other subjects: Such other standard subjects as are included in the usual high-school or college courses under the general divisions of language, mathematics, philosophy, science, economics, and law will be allowed. Subjects such as penmanship, stenography, typewriting, bookkeeping, Bible, free-hand drawing, music, drill, agriculture, teacher training, and student activities will not be allowed.

§ 710.44 *Definition of unit and of ground covered.* The definition of unit and of the ground covered by the designated subjects is given in § 710.36. Credits must correspond to the unit values of the respective subjects. Greater credit than indicated will not be allowed; less credit will be understood as evidence that the entire subject has not been completed.

DEFINITION OF CERTAIN OF THE SUBJECTS LISTED IN THE CERTIFICATE

§ 710.45 *Definition of mathematics*— (a) *Algebra to quadratics (one unit).* (1) The four fundamental operations for rational algebraic expressions.

(2) Factoring, determination of highest common factor and lowest common multiple by factoring.

(3) Fractions, including complex fractions, and ratio and proportion.

(4) Meaning, use, and evaluation of formulas.

(5) Graphical representation.

(6) Linear equations, both numerical and literal, containing one or two unknown quantities.

(7) Problems depending on linear equations.

(8) Radicals, including the extraction of the square root of polynominals and of numbers.

(9) Exponents, including fractional and negative.

(10) Numerical trigonometry—the use of the sine, cosine, and tangent in solving right triangles.

(b) *Quadratics and beyond (one unit).* (1) Quadratic equations, both numerical and literal.

(2) Simple cases of equations with one or more unknown quantities that can be solved by the methods of linear or quadratic equations.

(3) Problems depending on quadratic equations.

(4) Graphical solution of quadratic equations.

(5) Simultaneous equations in three unknowns.

(6) The solution of simple cases of equations of degree higher than the second.

(7) Elementary theory and use of logarithms. Variation.

(8) The binomial theorem for positive integral exponents.

(9) The formulas for the nth term and the sum of the terms of arithmetic and geometric progressions, with applications.

It is assumed that pupils will be required throughout the course to solve numerous problems which involve putting questions into equations. Some of these problems should be chosen from mensuration, from physics, and from commercial life. The use of graphical methods and illustrations, particularly in connection with the solution of equations, is also expected.

(c) *Plane geometry (one unit).* (1) The usual theorems and constructions of good textbooks, including the general properties of plane rectilinear figures; the circle and the measurement of angles; similar polygons; areas; regular polygons, and the measurement of the circle.

(2) The solution of numerous original exercises.

(3) Application to the mensuration of lines and plane surfaces.

§ 710.46 *Definition of English.* The study of English in school has two main objects: (a) Command of correct and clear English, spoken and written; (b) ability to read with accuracy, intelligence, and appreciation; familiarity with a few masterpieces.

(a) *Grammar and composition (one and one-half units).* The first object requires instruction in grammar and composition. English grammar should ordinarily be reviewed in the secondary school; and correct spelling and grammatical accuracy should be rigorously exacted in all written work during the four years. The principles of English composition governing punctuation, the use of words, sentences, and paragraphs should be thoroughly mastered; and practice in composition, oral as well as written, should extend throughout the secondary school period. Written exercises should include letter writing, narration, description, and simple exposition and argument. It is advisable that subjects for this work be taken from the student's personal experience, general knowledge, and studies other than English, as well as from his reading in literature. Finally, special instruction in language and composition should be accompanied by concerted effort of teachers in all branches to cultivate in the student the habit of using good English in his recitations and various exercises, whether oral or written.

(b) *Literature (one and one-half units).* The second object is sought by the reading and study of English and American literature in a progressive course covering four years. The student should be trained to read aloud with expression and clarity and to read silently with swift comprehension. He should be encouraged to commit to memory some of the more notable passages both in verse and in prose. As an aid to literary appreciation he should be further advised to acquaint himself with the most important facts in the lives of the authors whose works he reads and with their place in literary history. The aim is to foster in the student the habit of intelligent reading and to develop a taste for good literature, by giving him a first-hand knowledge of some of its best specimens. He should read the books carefully, but his attention should not be so fixed upon details that he fails to appreciate the main purpose and charm of what he reads.

§ 710.47 *Definition of history.* (a) Ancient history, comprising the history of the ancient world and of Greece and Rome to the year 476 A. D. (One unit.)

(b) European history, including both medieval and modern. (One unit.)

(c) English history. (One unit.)

(d) United States history. (One unit required. The standard year course in United States history, or a year course embracing both United States history and civil government, will fulfill this requirement.)

(e) Modern European history. (One unit.)

(f) World history. (One unit.)

SCOPE OF THE SUBJECTS COVERED IN THE ENTRANCE EXAMINATIONS

§ 710.48 *Scope of subjects covered.* The substantiating examination consists of an examination in algebra, plane geometry, and English. The regular examination consists of an examination in algebra, plane geometry, English, and United States history. Those parts of the substantiating and regular examinations which cover the same subjects are identical.

§ 710.49 *Scope of algebra examination.* This examination is designed to test the candidate's knowledge of the topics given in § 710.45 (a) and (b). These topics are adequately covered by:

(a) Wells and Hart, Modern High School Algebra, D. C. Heath & Co.

(b) Hawkes, Luby, and Touton, First and Second Year Algebra, (combined), Ginn & Co.

(c) Schorling, Clark, and Smith, Second Year Algebra, World Book Co., and other standard high-school texts in algebra.

§ 710.50 *Scope of plane geometry examination.* This examination is designed to test the candidate's knowledge of the topics given in § 710.45 (c). These topics are adequately covered by:

(a) Hawkes, Luby, and Touton, New Plane Geometry, Ginn & Co.

(b) Wentworth and Smith, Plane Geometry, Ginn & Co.

(c) Wells and Hart, Plane Geometry, D. C. Heath & Co. and other standard high school texts in plane geometry.

§ 710.51 *Scope of English examination.* (a) The examination presupposes 4 years of study (3 units of credit) of English in a secondary school. The questions of one portion are designed to test grammatical usage, capitalization, punctuation, spelling, vocabulary, reading ability, sentence style and structure, and a general knowledge of English and American literature.

(b) The other portion will consist of exercises in theme writing designed to measure the candidate's ability in English composition.

(c) For questions in literature, the Naval Academy recommends that the candidate read and study works of recognized excellence in each of the following groups: (1) Drama, (2) prose narrative, (3) poetry, (4) essays, biographies, and miscellaneous prose. It is important that he have an acquaintance with traditionally great literature and with recognized literature types.

§ 710.52 *Scope of history examination.* (a) This is an examination designed to cover: (1) American history from the colonial beginnings to the present, as generally taught in standard secondary school history courses; and (2) the major events of current American and world history. The usual current events complement of an American history course should prepare a student for the questions on this subparagraph. Map questions may be used where suitable

(b) The following outline is suggestive of the material to be covered: The sources of colonial American population; the founding of American institutions, the effect of our European background on the formation of these institutions; causes and results of the Revolution; creation of the Federal Republic; American democracy and the frontier; post-revolutionary conditions, national and international; growth of internationalism; development of American ideas of government as reflected in the national Government; expansion toward the West; causes, military and naval aspects, and results of the Civil War; the growth of the Nation, disappearance of the frontier; development of railroads; expanding economy and national markets; growth of industrialism, the effects of industrialism on the farmer and on capital and labor; reform movements; the Spanish American War; the United States as a world power. The rise of Fascism and Nazism and their growing threat to world peace; America's defense program; the causes and events of World War II.

TIME SCHEDULE

§ 710.53 *Time schedule; mental examinations.* The following time schedule is published for the information and guidance of those concerned. All candidates report at 9 a. m. The time until 9:45 will be utilized in making out the declaration sheet and in reading the instructions on the Preliminary Sheet. The subjects comprising each type of examination and the time allowed are as indicated in the following table:

Subject No.	Subject	Time allowed	Required for candidates entering by—		
			Regular examination	Substantiating examination	College Certificate
		First day			
1	U. S. Naval Academy Aptitude Test.	9:45 a. m. to 12:45 p. m. (180 minutes) (intermission, 1¼ hours).	Yes	Yes	Yes.
2	Plane Geometry	2:00 p. m. to 3:30 p. m. (90 minutes)	Yes	Yes	No.
		Second day			
3	English	9:30 a. m. to 11:45 a. m. (135 minutes) (intermission, 1¼ hours).	Yes	Yes	No.
4	Algebra	1:00 p. m. to 3:00 p. m. (120 minutes)	Yes	Yes	No.
		Third day			
5	United States History	9:00 a. m. to 10:15 a. m. (75 minutes)	Yes	No	No.

PHYSICAL EXAMINATIONS

§ 710.54 *Preliminary physical examination for candidates.* (a) The Departments of the Navy, Army, and Air Force have made available to all candidates for the Naval Academy places where a careful preliminary physical examination can be obtained at no expense to the candidate other than the cost of such travel and subsistence as may be necessary. The preliminary physical examinations are conducted by medical specialists under conditions approximating as closely as possible those of the formal physical examinations given by the medical examining boards authorized to conduct formal examinations.

(b) The preliminary examinations are authorized primarily for the convenience of candidates and prospective candidates. They serve to reveal obviously disqualifying defects which may preclude admission as midshipmen and may reveal defects which can be remedied prior to appearance for the formal physical examination. Candidates are urged to avail themselves of this opportunity and thus spare themselves the needless expense and disappointment which may result from the late discovery of disqualifying defects.

(c) Preliminary physical examinations are conducted at any of the places in the lists which follow and will be given to any candidate presenting a letter from a Member of Congress so requesting. It is advisable to communicate with the physical examination point selected to arrange an appointment.

LIST OF NAVAL HOSPITALS AT WHICH PRELIMINARY PHYSICAL EXAMINATIONS WILL BE HELD

California:
- U. S. Naval Hospital, 8750 Mountain Blvd., Oakland 14.
- U. S. Naval Hospital, Santa Margarita Ranch, Camp Pendleton, Oceanside.
- U. S. Naval Hospital, San Diego 34.

Florida:
- U. S. Naval Hospital, Naval Air Station, Jacksonville.
- U. S. Naval Hospital, Key West.
- U. S. Naval Hospital, Post Office 10096, Pensacola.

Illinois: U. S. Naval Hospital, Naval Training Center, Great Lakes.

Maryland:
- U. S. Naval Hospital, Annapolis.
- U. S. Naval Hospital, National Naval Medical Center, Bethesda 14.

Massachusetts: U. S. Naval Hospital, Chelsea 50.

New Hampshire: U. S. Naval Hospital, Portsmouth.

New York: U. S. Naval Hospital, St. Albans, Long Island 12.

North Carolina: U. S. Naval Hospital, Camp Lejeune.

Pennsylvania: U. S. Naval Hospital, 17th St. and Patterson Ave., Philadelphia 45.

Rhode Island: U. S. Naval Hospital, Naval Base, Newport.

South Carolina:
- U. S. Naval Hospital, Beaufort.
- U. S. Naval Hospital, Naval Base, Charleston.

Tennessee: U. S. Naval Hospital, Memphis 15.

Texas: U. S. Naval Hospital, Corpus Christi.

Virginia:
- U. S. Naval Hospital, Portsmouth.
- U. S. Naval Hospital, Quantico.

Washington: U. S. Naval Hospital, Naval Base, Bremerton.

Hospital Ships: U. S. S. "Consolation" (AH-15).

By arrangement with the Department of the Army, recently made candidates for midshipmen may also be given preliminary physical examinations at any of the stations listed below. The letters AFB indicate an Air Force Base.

Alabama:
- Danville, Camp Rucker.
- Mobile, Brookley AFB.
- Montgomery, Maxwell AFB.
- Selma, Craig AFB.

Arizona:
- Chandler, Williams AFB.
- Tucson, Davis-Monthan AFB.

Arkansas:
- Fort Smith, Camp Chaffee.
- Hot Springs, Army and Navy GH.
- Pine Bluff, Pine Bluff Arsenal.

California:
- Fairfield, Travis AFB.
- Lompoc, Camp Cooke.
- Los Angeles, Recruiting Main Station.
- Merced, Castle AFB.
- Monterey, Fort Ord.
- Muroc, Edwards AFB.
- Oakland, Oakland Army Base.
- Pittsburg, Camp Stoneman.
- Riverside, March AFB.
- Sacramento, Mather AFB.
- San Diego, Recruiting Main Station.
- San Francisco: Fort Mason, Letterman AH, Recruiting Main Station, U. S. Army Dispersary, Presidio.
- San Miguel, Camp Roberts.
- San Pedro, Fort MacArthur.
- San Rafael, Hamilton AFB.
- Victorville, George AFB.

Colorado:
- Colorado Springs, Camp Carson.
- Denver: Fitzsimons AH, Lowry AFB.

Florida:
- Cocoa, Patrick AFB.
- Panama City, Tyndall AFB
- Tampa, MacDill AFB.
- Valpariso, Eglin AFB.

Georgia:
- Albany, Turner AFB.
- Atlanta, Fort McPherson.
- Augusta, Camp Gordon.
- Columbus, Fort Benning.
- Hinesville, Camp Stewart.
- Macon, Robins AFB.
- Savannah, Hunter AFB.

Illinois:
- Belleville, Scott AFB.
- Chicago, U. S. Army Dispensary, 1660 East Hyde Park Boulevard.
- Highwood, Fort Sheridan.
- Rantoul, Chanute AFB.

Indiana:
- Edinburg, Camp Atterbury.
- Indianapolis, Fort Benjamin Harrison.

Kansas:
- Junction City, Fort Riley.
- Fort Leavenworth.

Kentucky:
- Fort Knox.
- Hopkinsville, Fort Campbell.
- Morganfield, Camp Breckinridge.

Louisiana:
- Leesville, Camp Polk.
- New Orleans, Camp Leroy Johnson.
- Shreveport, Barksdale AFB.

Maine:
- Portland, Recruiting Main Station, Fort Williams.
- Presque Isle, Presque Isle AFB.

Maryland:
- Aberdeen, Aberdeen Proving Ground.
- Army Chemical Center.
- Baltimore, Fort Holabird.
- Fort George G. Meade.

Massachusetts:
- Ayer, Fort Devens.
- Boston: Recruiting Main Station, Boston Army Base; U. S. Army Dispensary, Boston Army Base.
- Chicopee Falls, Westover AFB.
- Falmouth, Camp Edwards.
- Waltham, Murphy AFB.

Michigan:
- Battle Creek, Fort Custer.
- Mount Clemens, Selfridge AFB.
- Sault Ste. Marie, Camp Lucas.
- Battle Creek, Percy Jones AH.

Mississippi: Biloxi, Keesler AFB.

Missouri:
- McElhany, Camp Crowder.
- Newbury, Fort Leonard Wood.
- St. Louis, U. S. Army Dispensary, 12th and Spruce Sts.

Montana: Great Falls, Great Falls AFB.

Nebraska: Omaha, Offutt AFB.

Nevada: Las Vegas, Nellis AFB.

New Jersey:
- Camden, Recruiting Main Station.
- New Brunswick, Camp Kilmer.
- Newark, Recruiting Main Station.
- Redbank, Fort Monmouth.
- Trenton, Fort Dix.

New Mexico:
- Alamogordo, Holloman AFB.
- Roswell, Walker AFB.

New York:
- Bayside, L. I., Fort Totten.
- Binghamton, Recruiting Main Station.
- Brooklyn: Fort Hamilton; U. S. Army Dispensary, NYPE, 58th St. and 1st Ave.
- Buffalo, Recruiting Main Station.
- Fort Jay, Governors Island.
- Hempstead, Long Island, Mitchel AFB.
- Geneva, Sampson AFB.
- New York City: Recruiting Main Station, 39 Whitehall Street; U. S. Army Dispensary, 90 Church Street.
- New Rochelle, Fort Slocum.
- Rome, Griffiss AFB.
- Romulus, Seneca Ordnance Depot.
- Schenectady, U. S. Army Dispensary, Schenectady General Depot.
- Syracuse, Recruiting Main Station.
- Watertown, Pine Camp.
- West Point, Station Hospital, U. S. Military Academy.

North Carolina: Fayetteville, Fort Bragg.
Ohio: Dayton, Wright-Patterson AFB.
Oklahoma:
Enid, Vance AFB.
Lawton, Fort Sill.
Oklahoma City, Tinker AFB.
Pennsylvania:
Carlisle, Carlisle Barracks.
Middletown, Olmsted AFB.
Philadelphia, U. S. Army Dispensary, Philadelphia Quartermaster Depot, 2800 South 20th St.
Phoenixville, Valley Forge AH.
South Carolina:
Columbia, Fort Jackson.
Greenville, Donaldson AFB.
Sumter, Shaw AFB.
South Dakota: Rapid City, Rapid City AFB.
Tennessee: Smyrna, Stewart AFB.
Texas:
Austin, Bergstrom AFB.
El Paso: Fort Bliss, William Beaumont AH.
Fort Sam Houston, Brooke Army Medical Center.
Fort Worth, Carswell AFB.
Houston, Ellington AFB.
Killeen, Fort Hood.
Lubbock, Reese AFB.
San Angelo, Goodfellow AFB.
San Antonio: Fort Sam Houston, Lackland AFB, Randolph AFB.
Sherman, Perrin AFB.
Texarkana, Red River Arsenal.
Waco, James Connally AFB.
Wichita Falls, Sheppard AFB.
Utah:
Ogden, Hill AFB.
Salt Lake City: Recruiting Main Station, Fort Douglas; U. S. Army Dispensary, Fort Douglas.
Virginia:
Accotink, Fort Belvoir.
Blackstone, Camp Pickett.
Hampton: Langley AFB, Fort Monroe.
Lee Hall, Fort Eustis.
Petersburg, Fort Lee.
Washington:
Moses Lake, Larson AFB.
Seattle: Fort Lawton, Recruiting Main Station.
Spokane: Fairfield AFB, Recruiting Main Station.
Tacoma: Fort Lewis, Madigan AH, McChord AFB.
Wisconsin: Sparta, Camp McCoy.
Wyoming: Cheyenne, Francis E. Warren AFB.
Washington, D. C.:
Bolling AFB.
Fort McNair.
U. S. Army Dispensary, The Pentagon.
Walter Reed AH, Physical Examining Section (Out-patient Clinic).

§ 710.55 *Formal physical examinations.* (a) Each candidate who receives an official notification from the Bureau of Naval Personnel, Navy Department, Washington 25, D. C., authorizing him to report for formal physical examination must bear all expenses for travel and subsistence incident this examination. The formal physical examinations will be conducted usually during the period from May 1 to May 10 each year and every duly nominated candidate will be notified by the Bureau of Naval Personnel when and where to report for the examination. Normally, it will require only 1 day. In case of urgent necessity for change in the place or date of examination, within the 10-day period, written or telegraphic request should be addressed to the Bureau of Naval Personnel, Navy Department, Washington 25, D. C.

(b) When reporting for the formal physical examination, candidates should take with them clothing and shoes suitable for use when undergoing the required physical exercises.

§ 710.56 *Physical reexamination.* (a) Candidates rejected by a medical examining board because of defects which can be corrected promptly, or who desire reexamination for other reasons, may be given a reexamination by the Board of Medical Review at the United States Naval Academy, Annapolis, Md., upon authorization by the Bureau of Naval Personnel. The findings of the Board of Medical Review will be final. Candidates desiring to avail themselves of this privilege must make written request to the Bureau of Naval Personnel by June 1. The physical reexaminations will be conducted late in June. The cost of travel to and from Annapolis, and subsistence, must be borne by the candidate. Those who are found qualified by the Board of Medical Review and who are otherwise eligible for appointment may remain at Annapolis for the brief period prior to actual admission as midshipmen.

§ 710.57 *General qualification of candidates.* (a) A sound body and constitution, suitable preparation, good natural capacity, an aptitude for study, industrious habits, perseverance, an obedient and orderly disposition, and a correct moral deportment are such essential qualifications that candidates knowingly deficient in any of these respects should not, as many do, subject themselves and their friends to the chances of future mortification and disappointment by accepting appointments to the Naval Academy and entering on a career which they can not successfully pursue.

(b) Candidates should not report for physical examination and admission to the Naval Academy unless they are convinced by a careful consideration of their personal and their family circumstances that they will be satisfied to remain at the Naval Academy, complete the course, and accept commissions as ensigns of the line, or such other commissions as may be offered in the United States Navy.

§ 710.58 *Physical standards and disqualifying defects*—(a) *General*—(1) *Standards.* Candidates are required to be physically sound, well formed, and of robust constitution. A thorough general inspection of the entire body should be made, noting the proportion and symmetry of the various parts of the body, the chest development, the condition and tone of the muscles, the general nutrition, the character of the skin, the presence of any deformities or of signs of immaturity. This examination frequently determines the fact of the applicant's unfitness for the service; it may show him to be undersized, underweight, underdeveloped, pale and emaciated, poorly nourished, with thin flabby muscles, or manifestly lacking in stamina and resistance to disease.

(2) *Disqualifying defects.* (i) Any deformity which is repulsive or which prevents the proper functioning of any part to a degree interfering with military efficiency.

(ii) Deficient muscular development.

(iii) Deficient nutrition.

(iv) Evidences of physical characteristics of congenital asthenia, such as slender bones, a weak, ill-developed thorax, nephroptosis, gastroptosis, constipation, and the "drop" heart, with its peculiar attenuation and weak and easily fatigued musculature.

(v) In order to assist in the determination of muscular coordination, strength, and endurance, a physical aptitude examination will be given in conjunction with the formal physical examination. Failure to attain a passing grade in this examination will be cause for rejection.

(vi) All acute diseases.

(vii) All diseases and conditions which are not easily remediable or that tend physically to incapacitate the individual, such as: chronic malaria or malarial cachexia; uncinariasis, tuberculosis; leprosy, actinomycosis; pellagra or beriberi; chronic articular rheumatism, or chronic arthritis; cellulitis or osteomyelitis; malignant diseases, of all kinds in any location; hemophilia or purpura; leukemia of all types; pernicious anemia; splenic anemia; trypanosomiasis; filariasis which has produced permanent disability or deformity, history of an acute attack of filariasis within 6 months of date of examination, or the finding of microfilaria in the blood stream, chronic metallic poisoning, and allergy.

(b) *Age, height, weight, and chest measurements*—(1) *Standards.* The figures in the table below are for growing youths and are for the guidance of medical officers in connection with the other data obtained at the examination, a consideration of all of which will determine the candidate's physical eligibility.

PHYSICAL PROPORTIONS OF MIDSHIPMEN, UNITED STATES NAVAL ACADEMY

Height, inches	Weight, pounds		Minimum chest measurement at expiration, inches
	Minimum	Maximum	
66 to 67	120	170	30½
67	124	175	30½
68	128	180	31
69	132	185	31½
70	136	190	32
71	140	195	32
72	144	201	32½
73	148	208	32½
74	152	214	33
75	156	220	33
76	160	226	33½

NOTES

1. Fractions greater than ½ inch in height will be considered as next full inch. Height to be taken without shoes and weight without clothes.
2. A minimum chest expansion of 2 inches will be required.
3. The height of all candidates for admission shall be not less than 5 feet 6 inches (66 inches), regardless of age, and no increase in height shall be required for commission.
4. The maximum height is 76 inches, if over 18 years old, and 74 inches, if under 18 years old.

(2) *Disqualifying defects.* No one manifestly undersize for his age will be admitted to the Academy. The height of all candidates for admission shall not be less than 5 feet 6 inches (66 inches), regardless of age, and no increase in height shall be required for commission upon graduation. The maximum height is 76 inches, and growing youths below 18 years of age shall not be accepted if above 74 inches in height. Any marked

deviation in the height and weight relative to the age of a candidate will add materially to consideration for rejection.

(c) *The skin*—(1) *Standards.* The skin should be carefully inspected for eruptions; for signs of anemia, jaundice, and other symptoms of disease; for hypodermic and other scars; and for pediculi. As a general rule, applicants extensively infested with vermin and filthy in person and clothing should be rejected as probably being unsuited for the military service.

(2) *Disqualifying defects.* (i) Eczema of long standing or which is rebellious to treatment.

(ii) Chronic impetigo, pemphigus, lupus, or sycosis.

(iii) Actinomycosis, dermatitis herpetiformis, or mycosis fungoides.

(iv) Extensive psoriasis or ichthyosis.

(v) Acne upon face or neck which is so pronounced as to amount to positive deformity or is of such an extent over the shoulders as would interfere with carrying equipment.

(vi) Elephantiasis.

(vii) Pediculosis or scabies.

(viii) Carbuncle.

(ix) Ulcerations of the skin not amenable to treatment, or those of long standing, or of considerable extent, or of syphilitic or malignant origin.

(x) Extensive, deep, or adherent scars that interfere with muscular movements or with the wearing of equipment, or that show a tendency to break down and ulcerate.

(xi) Naevi and other erectile tumors if extensive, disfiguring, or exposed to constant pressure.

(xii) Obscene, offensive, or indecent tattooing. The applicant should be given an opportunity to alter the design, in which event he may, if otherwise qualified, be accepted.

(xiii) Pilonidal cyst or sinus.

(d) *The head*—(1) *Standards.* The head should be carefully inspected for stigmata of degeneration. Every portion of the cranium should be palpated for evidence of former injury, depressions from any cause, and for other deformity.

(2) *Disqualifying defects.* (i) Tinea in any form.

(ii) All benign tumors which are of sufficient size to interfere with the wearing of military headgear.

(iii) Imperfect ossification of the cranial bones or persistence of the anterior fontanelles.

(iv) Extensive cicatrices, especially such adherent scars as show a tendency to break down and ulcerate.

(v) Depressed fractures or other depressions, or loss of bony substance of the skull, unless the examiner is certain the defect is slight and will cause no future trouble.

(vi) Monstrosity of the head or hydrocephalus.

(vii) Hernia of the brain.

(viii) Deformities of the skull of any degree associated with evidence of disease of the brain, spinal cord, or peripheral nerves.

(e) *The face*—(1) *Standards.* The face should be inspected for abnormalities indicative of disease or occasioning an inacceptable cosmetic effect.

(2) *Disqualifying defects.* (i) Extreme ugliness.

(ii) Unsightly deformities, such as large birthmarks, large hairy moles, extensive cicatrices, mutilations due to injuries or surgical operations, tumors, ulcerations, fistulae, atrophy of a part of the face, or lack of symmetrical development.

(iii) Persistent neuralgia, tic doloreux, or paralyses of central nervous origin.

(f) *Central nervous system and neuropsychiatric*—(1) *Standards.* (i) The detection of neurological and psychiatric disorders and diseases is perhaps the most difficult part of a physical examination. Every effort should be made to detect the mentally deficient, the tempermentally unsuited, the emotionally unstable, and those who show evidence of neurological disease. The importance and value of a thorough examination of the individual's temperamental suitability and emotional capacity to adjust to the needs of the service cannot be overestimated.

(ii) The neurological examination should be conducted as follows: The individual should be examined stripped. He should walk a straight line at a brisk pace with his eyes open, stop, and turn around. He should then return in the same manner with his eyes closed, stop, and turn around. Look for spastic, ataxic, incoordinate, or limping gait; absence of normal associated movements; deviation to one side or the other; the presence of abnormal involuntary movements; undue difference in performance with the eyes open and closed. The individual should then stand erect, feet together, arms extended in front. Look for unsteadiness and swaying, deviation of one or both of the arms from the assumed position, tremors, or other involuntary movements. With eyes closed, the candidate should then touch his nose with the right and left index finger. Look for ataxia, tremors, overshooting, particularly at the end of the movement. Examine joint and spine movements and muscle condition. Look for muscle atrophy or pseudohypertrophy, muscular weakness, limitation of joint movement, and spine stiffness. As to pupils, look for irregularity, inequality, diminished, or absent contraction to light and to accommodation. Movements of eyes, facial muscles, and tongue, look for strabismus, ptosis, sustained nystagmus, tremors or retracted lips, asymmetry or tremors of face or tongue. Sensations should be examined by pricking lightly each side of the forehead, bridge of nose, and chin, across the volar surface of each wrist and dorsum of each foot. Look for inequality of sensation right and left. If these sensations are abnormal, vibration sense should be tested at ankles and wrists by tuning fork. With eyes closed, the candidate should move each heel down the other leg from knee to ankle. Test sense of movement of great toes and thumb. Look for diminuation or loss of vibration and sense of position, and ataxia. Knee jerks and plantar reflexes shoud be tested. When indicated, appropriate laboratory tests and X-ray examinations should be made.

(iii) The detection of disorders of the personality is often most difficult, and the general fitness of the individual for military service should be considered at the end of the medical investigation. The key to the proper valuation of each individual is the knowledge that military life is rigorous, often monotonous, and makes special demands on the individual. To be effective, a man must have the capacity for sustained duty in the face of separation from home, lack of privacy, extremes of climate, hunger, exhaustion, and the threat of bodily injury, and he should be judged with this in mind. It should be noted that the psychiatric standards established to determine eligibility for the naval service are of a more demanding nature than those required for most other occupations. Experience has shown that the mentally defective and unstable individuals form weak points in the military organization and often break down under stress, endangering the lives of others as well as the national security. Each examiner should be constantly on the alert throughout his contact with the individual to detect any sign of such disorders.

(2) *Disqualifying defects.* (i) Neurosyphilis of any form (general paresis, tabes dorsalis, meningovascular syphilis).

(ii) Degenerative disorders (multiple sclerosis, encephalomyelitis, cerebellar and Friedreich's ataxia, athetoses, Huntington's chorea, muscular atrophies and dystrophies of any type, cerebral arteriosclerosis).

(iii) Residuals of infection (moderate and severe residuals of poliomyelitis, meningitis and abscesses, paralysis agitans, postencephalitic syndromes, Sydenham's chorea).

(iv) Peripheral nerve disorder (chronic or recurrent neuritis or neuralgia of an intensity which is periodically incapacitating, multiple neuritis, neurofibromatosis).

(v) Residuals of trauma (residuals of concussion or severe cerebral trauma, posttraumatic cerebral syndrome, incapacitating severe injuries to peripheral nerves).

(vi) Paroxysmal convulsive disorders and disturbances of consciousness (grand mal, petit mal, and psychomotor attacks, syncope, narcolepsy, migraine).

(vii) History of recurrent headache.

(viii) Speech defects, such as stuttering and stammering, which are sufficiently severe to prevent an uninterrupted flow of speech, should be disqualifying.

(ix) Miscellaneous disorders (tics, spasmodic torticollis, spasms, brain and spinal cord tumors, whether operated upon or not, cerebrovascular disease, congenital malformations, including spina bifida if associated with neurological manifestations and meningocele even if uncomplicated, Meniere's disease, motion sickness).

(x) Mental deficiency.

(xi) Psychosis.

(xii) Psychoneurosis.

(xiii) Psychopathic personality.

(xiv) Alcoholism and drug addiction.

(xv) Primary behavior disorders of sufficient degree to indicate predisposition to more serious disorders.

(xvi) History of having been committed to an institution for the care of the insane.

(g) *The eyes*—(1) *Standards.*—(i) Candidates entering the Naval Academy must have normal (20/20) vision in each eye. No squinting or visual aids are allowed and the test letters should be read correctly and promptly. A refraction under cycloplegia (homatropine drops) is required for record purposes only, and the refractive findings do not constitute a part of the entrance requirements. Periodic physical examinations are conducted throughout a midshipman's stay at the Academy. Any student whose vision in either eye, during the period at the Academy, falls below visual requirements for commission in the line of the Navy (20/40 or better, correctable to 20/20), may be recommended for discharge from the United States Naval Academy; and those students whose vision falls below 20/100 shall be recommended for discharge. Students with vision between 20/40 and 20/100 may be recommended for commission in the Staff Corps of the Navy. Diseases of the eye grounds shall be a cause for rejection at any time. The eyes and eyelids must be free of any incapacitating or disfiguring defect and from acute or chronic diseases.

These requirements are considered necessary in order to graduate midshipmen with vision sufficiently serviceable to enable them to carry out their duties at sea in inclement weather, without the aid of glasses or when the wearing of glasses would prove a handicap. During late adolescence it is quite common for developmental myopia to become manifest to such an extent that the resulting myopic visual defect is sufficient to disqualify the student. It is therefore imperative that a careful examination for visual acuity be performed. Visual performance resulting from "corrective eye exercises" is misleading in that the apparent improvement in vision is not maintained. Following such corrective eye exercises the candidate may be able to pass successfully the 20/20 visual requirements, but when the candidate is required to study for considerable periods of time the true visual acuity becomes evident. Through inability of the student to pass the required visual test subsequent to entrance, it may become necessary to recommend him for discharge. For this reason, "corrective eye exercises" prior to entrance physical examinations are not recommended.

(ii) Chronic conjunctivitis.

(iii) Pterygium encroaching upon the cornea.

(iv) Complete or extensive destruction of the eyelids, disfiguring cicatrices, adhesions of the lids to each other or to the eyeball.

(v) Inversion or eversion of the eyelids, or lagophthalmus.

(vi) Trichiasis, ptosis, blepharospasm or chronic blephaitis.

(vii) Epiphora, chronic dacryocystitis, or lachrymal fistula.

(viii) Chronic keratitis, ulcers of the cornea, staphyloma, or corneal opacities encroaching on the pupillary area and reducing the acuity of vision below the standard noted above.

(ix) Irregularities in the form of the iris, or anterior or posterior synechiae sufficient to reduce the visual acuity below the standard.

(x) Opacities of the lens or its capsule sufficient to reduce the acuity of vision below the standard, or progressive cataract of any degree.

(xi) Extensive coloboma of the choroid or iris, absence of pigment (albino), glaucoma, iritis, or extensive or progressive choroiditis of any degree.

(xii) Retinitis, detachment of the retina, neuroretinitis, optic neuritis, or atrophy of the optic nerve.

(xiii) Loss or disorganization of either eye, or pronounced exophthalmos.

(xiv) Pronounced nystagmus or well-marked strabismus.

(xv) Diplopia, or night blindness.

(xvi) Abnormal condition of the eye due to disease of the brain.

(xvii) Malignant tumors of lids or eyeballs.

(xviii) Asthenopia accompanying any ocular defect.

(h) *The ears*—(1) *Standards.* Hearing must be normal for each ear by the watch (40/40) or whispered voice (15/15). Any chronic disease of the external, middle, or internal ear will be sufficient cause for rejection. The voice is a more reliable method of determining the acuteness of hearing than the ticking of an ordinary watch, as it allows for variations in hearing, with the modifications produced by changes in pitch and tone. Hearing in each ear must be normally acute to the spoken and whispered voice. In examining acuteness of hearing with the voice, one ear of the candidate should be closed while the other ear is being examined, and his eyes should be covered to prevent lip reading.

(2) *Disqualifying defects.* (i) The total loss of an external ear, marked hypertrophy or atrophy, or disfiguring deformity of the organ.

(ii) Atresia of the external auditory canal, or tumors of this part.

(iii) Acute or chronic suppurative otitis media, or chronic catarrhal otitis media.

(iv) Mastoiditis, acute or chronic.

(v) Existing perforation of either membrana tympani.

(vi) Deafness or diminished hearing of one or both ears.

(i) *The nose*—(1) *Standards.* A complete examination by reflected light should be made of the anterior and posterior nares, the nasopharynx, and the pharynx, and when necessary the larynx.

(2) *Disqualifying defects.* (i) Loss of the nose, malformation, or deformities thereof that interfere with speech or breathing, or extensive ulcerations.

(ii) Perforated nasal septum.

(iii) Nasal obstruction due to septal deviation, hypertrophic rhinitis, or other causes, if sufficient to produce mouth breathing.

(iv) Acute or chronic inflammation of the accessory sinuses of the nose, hay fever, or allergic rhinitis.

(v) Chronic atrophic rhinitis, if marked and accompanied by ozena.

(vi) Postnasal adenoids interfering with respiration or associated with middle-ear disease.

(vii) Nasal polyps.

(j) *The throat*—(1) *Standards.* A complete examination by reflected light should be made of the nasopharynx, and the pharynx, and when necessary the larynx. When considered necessary, transillumination and studies by the X-ray should be employed.

(2) *Disqualifying defects.* (i) Malformations or deformities of the pharynx of sufficient degree to interfere with function.

(ii) Postnasal adenoids interfering with respiration or associated with middle-ear disease.

(iii) Marked enlargement of the tonsils or diseased tonsils.

(iv) Hypertrophy of the tonsils sufficient to interfere with respiration or phonation; or diseased tonsils.

(v) Paralysis of the vocal chords, or aphonia.

(k) *The mouth*—(1) *Standards.* Thorough inspection of the mouth should be made by the medical examiner for evidence of local and generalized disease.

(2) *Disqualifying defects.* (i) Harelip, unless adequately repaired, loss of the whole or a large part of either lip, unsightly mutilations of the lips from wounds, burns, or disease.

(ii) Malformation, partial loss, atrophy, or hyperthrophy of the tongue, split or bifid tongue, or adhesions of the tongue to the sides of the mouth, provided these conditions interfere with mastication, speech, or swallowing, or appear to be progressive.

(iii) Malignant tumors of the tongue, or benign tumors that interfere with its functions.

(iv) Marked stomatitis, or ulcerations, or severe leukoplakia.

(v) Ranula if at all extensive, or salivary fistula.

(vi) Perforation or extensive loss of substance or ulceration of the hard or soft palate, extensive adhesions of the soft palate to the pharynx, or paralysis of the soft palate.

(vii) Paralysis of the lips or tongue.

(viii) Ununited fractures of the maxillary bones, deformities of either maxillary bone interfering with mastication or speech, extensive exostosis, caries, necrosis, or osseous cysts.

(ix) Chronic arthritis of the temporomandibular articulation, badly reduced or recurrent dislocations of this joint, or ankylosis, complete or partial.

(l) *Dental*—(1) *Standards.* (i) Every candidate shall be examined by a naval dental officer who shall make a separate report in each case of his findings and recommendations to the president of the board of medical examiners.

(ii) A candidate for appointment as midshipman must have a minimum of 20 vital serviceable permanent teeth including 4 molars. Of this number, 1 upper and 1 lower molar on the right side, and 1 upper and 1 lower molar on the left side must in functional occlusion; 4 incisors. Of this number, 2 should be in the maxillae and 2 should be in the mandible in such position as to enable the applicant to incise satisfactorily. The teeth must be free from dental caries, restorations must be of high quality, and the periodontal tissues must be free from disease. A candidate should

not be accepted who has teeth missing in the anterior part of the mouth which have not been replaced and which result in an unsightly space. Any deviation from normal occlusion should be minor, and good functional occlusion as well as absence of interference with speech must be demonstrable. Candidates should not be considered qualified for appointment when orthodontic appliances are attached to teeth for the purpose of continued treatment. Orthodontic retaining appliances such as are used after the completion of treatment are acceptable provided they are not an oral health hazard.

(iii) Teeth should be free from calculus, all restorations of the highest standard, the oral soft tissure in a state of normal health, and the general appearance of the mouth indicative of the practice of strict personal hygiene. All required dental treatment, restorations, and replacements must be obtained prior to entrance to the Naval Academy.

(2) *Explanation of standards.* (i) A vital tooth is a tooth containing a vital dental pulp.

(ii) A serviceable tooth is one which is free from disease, or if carious, can be restored satisfactorily without endangering the pulp; is adequately supported by normal tissue; does not have a faulty restoration or bridge attachment; and is fully effective functionally.

(iii) An opposed tooth is one that comes into functional contact with one or more teeth of the opposite arch.

(iv) Appointees as midshipmen must have had all carious teeth restored or extracted.

(v) A bicuspid may not be counted as a molar nor may a cuspid be counted as an incisor.

(vi) An abutment tooth (a natural tooth to which a bridge is attached) may be counted as serviceable only when the pulp is vital, the tooth is sound, supported by healthy tissue, is in useful occlusion, and the bridge attachment is well designed and in good condition.

(3) *Disqualifying defects.* (i) Edentulous spaces in the dental arch causing wide separation of the continuity of the incising and masticating surfaces shall cause rejection. Prosthetic appliances are not considered as substitutions for natural sound teeth, unless in excess of the 20 vital sound serviceable permanent teeth required. Unerupted teeth will not be included in the 20 vital sound serviceable permanent teeth required. Natural teeth supporting fixed or removable prosthetic appliances (crowns or dentures) will be considered as sound and serviceable only when they are vital, in normal healthy condition and supported by healthy tissue. Extraction indicated for all carious teeth incapable of receiving treatment and restoration.

(ii) The loss of teeth in excess of the standards noted in subdivision (i) of this subparagraph.

(iii) Marked protrusion or retrusion of the mandible.

(iv) Marked deformity of the maxillae or mandible.

(v) Marked malocclusion.

(vi) Dento-facial deformity.

(vii) Lack of serviceable occlusion.

(viii) Impingement of teeth of one jaw upon gingiva of the opposing jaw.

(ix) Numerous or wide spaces that are edentulous (without natural teeth).

(x) Extensive or numerous unsatisfactory restorations by fillings, inlays, crowns, bridges, or dentures.

(xi) Teeth generally unserviceable because of insufficient size or poor formation.

(xii) Teeth generally involved with caries.

(xiii) Teeth generally unsound or unsightly because of faulty calcification.

(xiv) Pulpless teeth with defective or no pulp canal fillings.

(xv) Apical or extensive pericemental areas of infection.

(xvi) Teeth carious beyond restoration.

(xvii) Large deposits of salivary calculus.

(xviii) Advanced or extensive periodontoclasia.

(xix) Infectious disease of the soft tissues, including Vincent's stomatitis.

(xx) Syphilitic lesions.

(xxi) Malignant tumors.

(xxii) Benign tumors or cysts likely to enlarge.

(m) *The neck*—(1) *Standards.* The neck shall be inspected and palpated for evidence of local dysfunction and evidence of general disease.

(2) *Disqualifying defects.* (i) Servical adenitis of other than benign origin, including cancer, Hodgkin's disease, leukemia, tuberculosis, syphillis, etc.

(ii) Adherent or disfiguring scars from disease, injuries or burns.

(iii) Extensive or progressive goiter interfering with breathing or with the wearing of clothing.

(iv) Exophthalmic goiter or myxedema.

(v) Thyroid enlargement from any cause associated with toxic symptoms, or which is disfiguring.

(vi) Benign tumors or cysts which are so large as to interfere with the wearing of a uniform or military equipment.

(vii) Torticollis.

(viii) Tracheal openings, thyroglossal or cervical fistulae.

(n) *The chest*—(1) *Standards.* It is essential that the chest be well developed and justly proportioned to the other body measurements. Any marked deviation in form, either a flattening of the chest or a persistence of the round or infantile type, is an element of weakness. Abnormal development, such as pigeon breast, funnel chest, or rachitic chest, is also to be regarded with suspicion, as such conditions usually coincide with a somewhat enfeebled constitution and a predisposition to disease of the lungs. Hence, any anomaly in the shape of the chest must be given careful consideration especially in connection with the results found in the examination of the contained organs and of other parts of the body.

(2) *Disqualifying defects.* (i) Deficient expansion of the chest.

(ii) Congenital malformations or acquired deformities which result in reducing the chest capacity and diminishing the respiratory functions to such a degree as to interfere with vigorous physical exertion or to produce disfigurement when the applicant is dressed.

(iii) Pronounced contractions of the chest with adhesions following pleurisy or empyema.

(iv) Deformities of the scapulae sufficient to interfere with the carrying of equipment.

(v) Absence or faulty development of the clavicle.

(vi) Old fracture of the clavicle where there is much deformity or interference with the carrying of equipment, ununited fractures, or partial or complete dislocation of either end of the clavicle.

(vii) Suppurative periostitis or caries or necrosis of the ribs, the sternum, the clavicles, or the scapulae.

(viii) Old fractures of the ribs with faulty union, if interfering with function.

(ix) Unhealed sinuses of the chest wall.

(x) Tumors of the breast or chest wall which interfere with the wearing of a uniform or of equipment.

(xi) Scars of old operations for empyema unless the examiner is assured that the respiratory function is entirely normal.

(o) *The heart and vascular system*—(1) *Standards.* (i) The heart should be examined by the following methods: Inspection, palpation, percussion, auscultation, and, when considered necessary, by mensuration. Blood-pressure readings and palpation of the pulse are required before and 2 minutes after exercise. Electrocardiograms and X-ray for cardiac mensuration should be made in doubtful cases.

(ii) The candidate should be examined in the upright, recumbent, and left-lateral recumbent positions and after exercise, and in the different phases of respiration. The examiner should ascertain whether the applicant has had any of the following diseases: scarlet fever, diphtheria, chorea, rheumatic fever, tonsillitis, or syphilis.

(2) *Disqualifying defects.* (1) All diastolic murmurs.

(ii) Apical systolic murmurs, when persistent in both the recumbent and upright positions, when moderate in intensity, when transmitted to the axilla, and when not abolished or significantly diminished in intensity by forced breathing.

(iii) Harsh systolic murmurs, heard at both apex and aortic areas, even of less than moderate intensity with diminished or absence second sound.

(iv) Pulmonic systolic murmurs, blowing or rough, low pitched, of more than moderate intensity.

(v) All valvular diseases of the heart, congenital heart disease, or pathological murmurs.

(vi) Hypertrophy or dilatation of the heart.

(vii) History of evidence of pericarditis, endocarditis, myocarditis, angina pectoris, coronary occlusion, or coronary atherosclerosis.

(viii) A heart rate of 100 or over, or of 50 or under, when these are proved to be persistent in the recumbent posture and on observation and reexamination over a sufficient period of time.

(ix) Marked cardiac arrhythmia or irregularity, or an authenticated history

of paroxysmal tachycardia, or auricular fibrillation or flutter.

(x) Arteriosclerosis.

(xi) Persistent systolic pressure above 130 or persistent diastolic pressure above 84, blood pressure to be measured with the examinee in the sitting position and the arm at heart level.

(xii) Aneurysm of any variety in any situation.

(xiii) Intermittent claudication.

(xiv) Raynaud's disease.

(xv) Thrombo phlebitis of one or more extremities, if there is a persistence of the thrombus or any evidence of obstruction to circulation in the involved vein or veins.

(xvi) An authenticated history of rheumatic fever or chorea within the past 5 years, or a history of more than one attack of rheumatic fever.

(xvii) Arterial hypotension if it is causing, or has caused, symptoms.

(p) *The lungs.*—(1) *Standards.* (i) The lungs should be examined by inspection, palpation, percussion, auscultation and X-ray. In the inspection and interrogation of applicants, the following points should be searched for: Apparent undue prominence of the clavicle on one side, caused by a deepening of the hollow above and a flattening of the space beneath; a wasting of the muscles of the shoulder girdle on one side, as evidenced by apparent excessive prominence of the shoulder and scapula; or a history of recent loss of weight, especially if associated with long continued cough or with night sweats. Observation, with complete record of temperature, pulse, and respiration, may be of assistance. Medical examiners should examine with the greatest care applicants who have apparently recovered from pleurisy.

(ii) Each applicant shall be required to exhale his breath, cough and immediately breathe in. The chest should be auscultated during this process. All men who show moist rales during cough or during respiration should be classed as doubtful cases. All cases should also be classed as doubtful in which there is well-marked dullness on percussion, well-marked increased transmission of voice, harsh respiration, and well-marked prolonged expiration, even though there be no rales present.

(2) *Disqualifying defects.* (i) Pneumonoconiosis.

(ii) Acute or chronic pleurisy, or empyema.

(iii) Pneumothorax, hydrothorax, or hemothorax.

(iv) Chronic bronchitis, chronic pneumonia, pulmonary emphysema, asthma, or bronchiectasis.

(v) Actinomycosis, hydatid cysts, or abscess of the lung.

(vi) Tumor of lungs, pleura, or mediastinum.

(vii) Disqualifying defects demonstrable by a roentgen examination of the chest, such as:

(*a*) Any evidence of reinfection (adult) type tuberculosis, active or inactive, other than slight thickening of the apical pleura or thin solitary fibroid strands.

(*b*) Evidence of active primary (childhood) type tuberculosis.

(*c*) Extensive multiple calcification in the lung parenchyma, or massive calcification in the hilus, or any calcification of questionable stability.

(*d*) Evidence of fibrous or serofibrinous pleurities, except moderate diaphragmatic adhesions with or without blunting or obliteration of the costophrenic sinus.

NOTE: When recording interpretations, the word "negative" should be used only when the lung fields are without abnormality; defects considered not disqualifying should be fully described and noted as not considered disqualifying.

(q) *The abdomen*—(1) *Standards.* (i) The abdomen should be examined by inspection and palpation and, if necessary, by percussion and ausculation. When indicated, X-ray examinations and laboratory test should be made.

(ii) Applicants from regions in which uncinariasis or malaria is prevalent, and who present symptoms of anemia or enlargement of the spleen, should be placed under observation for these diseases (examination of feces and blood). The same provision should apply to the dysenteries, especially the entamebic form.

(2) *Disqualifying defects.* (i) Wounds, injuries, cicatrices, or muscular ruptures of the abdominal walls sufficient to interfere with function.

(ii) Fistulae or sinuses from visceral or other lesions or following operation.

(iii) Hernia of any variety.

(iv) Large tumors of the abdominal walls.

(v) Scar pain, if severe.

(vi) Chronic diseases of the stomach or intestines.

(vii) Gastroenterostomy, or bowel resection.

(viii) Blood in the feces unless shown to be due to unimportant causes.

(ix) Chronic appendicitis.

(x) Ptosis of the stomach or intestines.

(xi) Chronic diseases of the liver, gallbladder, pancreas, or spleen.

(xii) Chronic peritonitis or peritoneal adhesions.

(xiii) Chronic enlargement of the liver.

(xiv) Chronic enlargement of the spleen if marked.

(xv) Jaundice.

(r) *The perineum and pelvis*—(1) *Standards.* To inspect the anal region, the examiner should direct the applicant to bend forward from the hips and draw apart the buttocks with both hands. Digital examination of the rectum should be performed and proctoscopy should be used if necessary.

(2) *Disqualifying defects.* (i) Fistula in ano.

(ii) Incontinence of feces.

(iii) Uncinariasis.

(iv) Urinary fistula.

(v) Stricture or prolapse of the rectum.

(vi) Fissure of the annus or prurtitis ani.

(vii) Fistula in ano or ischiorectal abscess.

(viii) External hemorrhoids sufficient in size to produce marked symptoms; internal hemorrhoids, if large or accompanied by hemorrhage, or protruding intermittently or constantly.

(ix) Malformation and deformities of the pelvis sufficient to interfere with function.

(x) Disease of the sacroiliac or lumbosacral joints.

(s) *Genito-urinary system*—(1) *Standards.* (i) Evidence of venereal disease or malformation should be searched for. The glans penis and corona should be exposed and the penis stripped. Both sides of the scrotum should be palpated, as shall also the inguinal glands. Urinalysis, including tests for albumin, specific gravity, and sugar, and a microscopic examination of the sediment, should be made in the case of all candidates, the urine being voided in the presence of one of the examiners.

(ii) When albumin or casts are found in the urine the applicant should not be accepted unless he can be retained under observation. In this event, daily complete examination of the urine should be made for at least 3 days, unless the presence of albumin and casts is associated with enlargement of the left heart, high-blood pressure, or other evidence of cardiovascular disturbance to such a degree that a diagnosis of chronic nephritis may be made immediately. When albumin is constantly or intermittently present, the underlying pathological condition should, if possible, be determined and stated as the cause for rejection; but if albuminuria be present daily during a period of 3 days, it should be regarded as reason for rejection, even if the origin cannot be determined.

(iii) When the specific gravity of the specimen first examined is under 1.010, further observation of the applicant and repeated complete urinary examinations are indicated.

(iv) If glucose is found in the urine, further observation is indicated, including an estimation of the 24-hour amount of urine and the employment of more than one test to demonstrate the possible existence of diabetes. When considered necessary or desirable, blood-sugar determination and blood-sugar tolerance tests should also be made.

(v) A persistently positive serologic reaction shall be cause for rejection.

(2) *Disqualifying defects.* (i) Acute or chronic nephritis, or diabetes mellitus or insipidus, or glycosuria if accompanied by abnormal response to blood-sugar tests.

(ii) Blood, pus, or albumin in the urine, if persistent.

(iii) Floating kidney, hydronephrosis, pyonephrosis, pyelitis, tumor of the kidney, renal calculi, or absence of one kidney.

(iv) Acute or chronic cystitis.

(v) Vesical calculi, tumors of the bladder, incontinence of urine, enuresis, or retention of urine.

(vi) Hypertrophy or abscess of the prostate gland, or chronic prostatitis.

(vii) Urethral stricture or urinary fistula.

(viii) Epispadia or hypospadias, except for minor displacements of the urethral orifice with no impairment in function of micturition, and no symptoms of irritation.

(ix) Phimosis when prepuce is adherent in whole or in part of the glands.

(x) Hermaphroditism.
(xi) Amputation of the penis.
(xii) Varicocele, if large and painful, or hydrocele, upon original appointment. If such conditions are corrected by surgery the applicant afterwards may be physically qualified.
(xiii) Pronounced atrophy of both testicles or loss of both.
(xiv) Undescended testicle or infantile genital organs.
(xv) Chronic orchitis or epididymitis.
(xvi) Syphilis in any stage, or a clearly defined history thereof.
(xvii) Gonococcus infections, acute or chronic (including gonorrheal arthritis), chancroids, or buboes.
(t) *The spine*—(1) *Standards.* The spine should be inspected for deformity or injury, and be tested by standard exercises for evidence of lack of motility or strength, and for pain.
(2) *Disqualifying defects.* (i) Lateral deviation of the spine from the normal midline of such degree that it impairs normal function or is likely to do so.
(ii) Curvature of the spine of such degree that function is interfered with or is particularly likely to be interfered with, or in which there is noticeable deformity when the applicant is dressed (scoliosis, kyphosis, or lordosis).
(iii) Fractures or dislocations of the vertebrae.
(iv) Vertebral caries (Pott's disease).
(v) Abscess of the spinal column or its vicinity.
(vi) Osteoarthritis of the spinal column, partial or complete.
(vii) Fracture of the coccyx; spina bifida; spondylolisthesis; cervical rib.
(u) *The extremities*—(1) *General*—(i) *Standards.* The extremities should be carefully examined for deformities, old fractures and dislocations, amputations, partially flexed or ankylosed joints, impaired functions of any degree, varicose veins, and edema.
(ii) *Disqualifying defects.* (a) All anomalies in the number, the form, the proportion, and the movements of the extremities which produce noticeable deformity or interfere with function.
(b) Atrophy of the muscles of any part, if progressive or if sufficient to interfere with function.
(c) Benign tumors if sufficiently large to interfere with function.
(d) Ununited fracture, fractures with shortening or callus formation sufficient to interfere with function, old dislocations unreduced or partially reduced, complete or partial ankylosis of a joint, or relaxed articular ligaments permitting of frequent voluntary or involuntary displacement.
(e) Reduced dislocation or united fractures with incomplete restoration of function.
(f) Amputation of any portion of a limb, except certain fingers or toes if there is no interference with military activities, or resection of a joint.
(g) Excessive curvature of a long bone or extensive, deep, or adherent scars interfering with motion.
(h) Severe sprains.
(i) Disease of the bones or joints.
(j) Chronic edema of a limb.
(k) Chronic or obstinate neuralgias, particularly sciatica.

(2) *The upper extremities*—(i) *Standards.* The upper extremities should be inspected for evidence of deformity or disease and tested by exercise for motility, strength, coordination, and pain. Special attention should be given to any evidence of shoulder dislocation, elbow joint injury or wrist injury which may have involved the carpal scaphoid.
(ii) *Disqualifying defects.* (a) Deviation of the normal axis of the forearm to such a degree as to interfere with the proper execution of the manual of arms.
(b) Adherent or united fingers (web fingers).
(c) Permanent flexion or extension of one or more fingers, as well as irremediable loss of motion of these parts.
(d) Total loss of either thumb.
(e) Mutilation of either thumb to such an extent as to produce material loss of flexion or strength of the member.
(f) Loss of more than one phalanx of the right index finger.
(g) Loss of the terminal and middle phalanges of any two fingers on the same hand.
(h) Entire loss of any finger except the little finger of either hand or the ring finger of the hand not used in writing.
(3) *The lower extremities*—(i) *Standards.* The lower extremities should be inspected for evidence of deformity and tested by exercise for motility, strength, coordination, and pain. Special attention should be given to any evidence of hip injury, knee joint derangement, ankle injury and to flat foot or other foot defects.
(ii) *Disqualifying defects.* (a) Chronic synovitis, or floating cartilage, or other internal derangement in a joint (particularly of knee joint with history of disability).
(b) Varicose veins in an extremity when they cover a large area or are markedly tortuous or much dilated, or are associated with edema or hemorrhoids, or are accompanied by subjective symptoms.
(c) Varices of any kind situated in the leg below the knee, if associated with varicose ulcers or scars from old ulcerations.
(d) Perceptible lameness or limping.
(e) Knock-knee, when the gait is clumsy or ungainly, or when subjective symptoms of weakness are present.
(f) Bowlegs if so marked as to produce noticeable deformity when the applicant is dressed.
(g) Clubfoot unless the defect is so slight as to produce no symptoms during vigorous exercise.
(h) Pes cavus if extreme and causing symptoms.
(i) Flat foot when accompanied with symptoms of weak foot or when the foot is weak on test. Pronounced cases of flat foot attended with decided eversion of the foot and marked bulging of the inner border, due to inward rotation of the astragalus, are disqualifying, regardless of the presence or absence of subjective symptoms.
(j) Loss of either great toe or loss of any two toes on the same foot.
(k) Webbing of all the toes.
(l) Overriding or superposition of any of the toes to such a degree as will produce pain when wearing the military shoe.
(v) *Endocrine system*—(1) *Standards.* The candidate should be observed closely and questioned with regard to evidence of endocrine disturbances.
(2) *Disqualifying defects.* (i) Physical immaturity.
(ii) Infantilism.
(iii) Addison's disease.
(iv) Osteitis fibrosocystica.
(v) Toxic goitre.
(vi) Myxedema.
(vii) Acromegaly.
(viii) Gigantism.
(ix) Cretinism.
(x) Frohlich's syndrome.
(xi) Diabetes mellitus.
(xii) Hyperinsulinism.
(xiii) Diabetes insipidus.
(w) *Allergy*—(1) *Standards.* The candidate should be investigated by history and examination relative to the stigmata of allergy.
(2) *Disqualifying defects.* (i) Asthma.
(ii) Hay fever.
(iii) Urticaria.
(iv) Angioneurotic edema.
(v) Bacterial allergy.
(vi) Food allergy.
(vii) Contact allergy.
(viii) Abnormal sensitivity to physical agents (heat, cold, light).

§ 710.59 *Preliminary examinations in certain cases.* (a) Medical officers are required to examine physically any candidate for the Naval Academy who may appear with a letter from a Member of Congress so requesting. Each examination report shall show the name of the Senator or Representative requesting the examination. The candidate should be informed that the examination is only preliminary and that his final fitness for the Naval Academy will be determined by a board of medical examiners after he has passed the mental examination.
(b) Medical examiners should bear in mind that the primary object of this examination is to eliminate those who are obviously disqualified rather than to give assurance to any candidates that they will subsequently pass the official examination. Candidates having surgical defects of remediable nature should be informed that they will probably be rejected unless these defects are corrected by operation, and that sufficient time should elapse after operation to insure a cure of the condition.
(c) In every border-line case wherein the examiner himself is uncertain as to the outcome, candidates and Members of Congress should be clearly informed that the case is a doubtful one.
(d) A high standard of physical excellence is essential in the cases of all candidates presenting themselves for admission to the Naval Academy, and medical officers should always keep in view the fact that the future physical efficiency of officers of the Navy will depend largely upon the manner in which this important and exacting duty is performed.

§ 710.60 *Results of physical examination; distribution.* The results of the ex-

amination should be reported upon NavMed Form Y in quadruplicate, the original to go to the Bureau of Medicine and Surgery; a copy to go to the Congressman; a copy to go to the Bureau of Naval Personnel; and a copy to go to the Superintendent, United States Naval Academy.

ENTRANCE PROCEDURE AND EQUIPMENT

§ 710.61 *Appointments as midshipmen.* Candidates for whom there are vacancies, who have subscribed the "Engagement to Serve" and who have met the mental, moral, and physical requirements will receive appointments as midshipmen and be admitted as such to the Naval Academy.

§ 710.62 *Execution of loyalty certificate.* (a) In keeping with the national policy announced by the President of the United States in Executive Order 9835, approved March 21, 1947, and as directed by the Secretary of the Navy, candidates for appointment as midshipmen are required to execute a loyalty certificate. The purpose of this certificate is to aid in determining whether the candidate's conduct or associations, past or present, have been such as to cast any doubt whatever upon his loyalty to the Government of the United States.

(b) The loyalty certificate includes a list of those agencies, groups, etc., designated by the Attorney General of the United States to be totalitarian, fascist, communist or subversive, or as having adopted a policy of advocating or approving the commission of acts of force or violence to deny persons their rights under the Constitution of the United States, or as seeking to alter the form of government of the United States by unconstitutional means.

(c) The admission of conduct or association, past or present, within the purview of acts as defined in the certificate, or association with any of the groups or organizations designated by the Attorney General, shall preclude appointment pending investigation and determination of eligibility by the Department of the Navy.

(d) False representation, or failure fully to disclose conduct or associations defined in the certificate shall constitute grounds for trial before a general court-martial with possible consequent conviction and imprisonment, or for separation from the naval service under conditions other than honorable, with or without any precedent court-martial procedure.

§ 710.63 *Execution of oath of office.* (a) Each candidate for midshipman upon entrance will be required to take oath of office as follows:

I, ----------, of the State of ---------- ----------, aged ---------- years ---------- months, having been appointed a midshipman in the United States Navy, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter; So Help Me God.

(b) He will also be required to subscribe to the following under oath:

For and in consideration of the privileges, opportunities, and benefits afforded me during the continuance of my service as a midshipman, I agree to and with the Superintendent of the United States Naval Academy, as follows:

FIRST: To enter the service of the Navy of the United States and to the utmost of my power and ability to be in everything conformable and obedient to the several requirements and lawful commands of the officers who may be placed over me.

SECOND: I oblige myself, during such service, to comply with and be subject to the Uniform Code of Military Justice and such other laws and regulations as are or shall be established by the Congress of the United States or other competent authority.

THIRD: To submit to treatment for the prevention of smallpox, typhoid (typhoid prophylaxis), and to such other preventive measures as may be considered necessary by naval authorities.

§ 710.64 *Course of training; standing in class.* All midshipmen at the Naval Academy take the same course of instruction except in Foreign Languages. The course is of 4 years' duration and is designed for the purpose of training students to become officers in the Navy. The word "officers" as used in the foregoing sentence means officers of the line and does not include officers of the Medical Corps, Dental Corps, etc. No special courses are offered. No midshipman, regardless of his special qualifications or advanced education, can be given advanced standing upon his admission to the Naval Academy. However, these factors should be especially beneficial in that they should enable a midshipman to stand near the top of his class. His relative standing in his class upon graduation has an important bearing on promotions after being commissioned an officer in the Navy.

§ 710.65 *Pay of midshipmen.* The pay of a midshipman is $936 a year, commencing at the date of his admission, and is designed to meet all his expenses while at the Naval Academy.

§ 710.66 *Insurance.* Midshipmen are covered under the provisions of the Servicemen's Indemnity and Insurance Acts of 1951 (Pub. Law No. 23, 82d Cong.).

§ 710.67 *Personal effects.* Midshipmen, immediately upon entrance, will be required to purchase from the midshipmen's storekeeper a regulation entrance outfit. Slide rules and drawing sets are furnished as part of the outfit. Candidates are advised, therefore, not to purchase these items for use at the Academy prior to entering.

§ 710.68 *Deposit required.* Each candidate who has qualified mentally and physically must, before being admitted as a midshipman, deposit with the midshipmen's storekeeper the sum of $100, to be used in part payment to cover cost of uniforms, clothing, textbooks, etc. The amount deposited is not refunded, but is expended for clothing and textbooks, which become the property of the midshipman. This deposit should be made in the form of cash, cashier's check, certified check, traveler's check, or postal or telegraph money order and must not be made payable to the order of the Superintendent of the United States Naval Academy but should be made payable to the candidate's own order and presented to the midshipmen's storekeeper at the Naval Academy at the time of entrance. Commercial paper made payable in any other form causes needless delay and inconvenience.

§ 710.69 *Credit allowance.* The required regulation entrance outfit, plus the additional uniforms, clothing, and textbooks required the first year, are valued at approximately $965. Candidates are required to deposit a minimum of $100 and may deposit up to $350. The Government advances the difference between the amount deposited and the cost of the initial outfit. The amount the Government advances is deducted from the midshipman's pay in monthly installments until liquidated. The surplus of midshipman's pay is accumulated for him during the course to be used for the purchase of his graduation outfit and equipment. Hence the amount of indebtedness to the Government at the beginning of a midshipman's career will determine the amount available for his commissioned outfit at the end of the course. For this reason, it is highly advantageous for candidates, particularly those entering the Academy late in the summer, to pay the full entrance deposit of $350 if this can be done without assuming a difficult financial obligation.

§ 710.70 *Mileage allowance.* Midshipmen are allowed 6 cents a mile for traveling expenses from their homes to the Naval Academy. This money is credited to their accounts after they have actually become midshipmen. This money usually is retained on the midshipman's account to his credit, and his account is thereby in much better condition when he desires money for leave on the practice cruise or during his first September leave. If parents desire to be reimbursed for the money advanced their sons to make the trip to Annapolis, the mileage allowance may be sent to them, providing the midshipman makes written request to the Commandant of Midshipmen.

§ 710.71 *Available accommodations for candidates taking formal physical examination.* Candidates are usually sworn in as midshipmen on the day they are accepted for admission, i. e., the date of reporting at the Naval Academy as designated in the authorization to report issued by the Bureau of Naval Personnel. Due to limited living accommodations in the city of Annapolis, candidates are urged to time their arrival at Annapolis to coincide as closely as possible with the reporting date, keeping in mind, however, that transportation facilities between Washington and Baltimore and Annapolis are not unlimited. Those arriving in Annapolis a day or two prior to actual reporting date may take advantage of berthing and messing facilities made available in Bancroft Hall, the midshipmen's dormitory. The cost for bed and meals per day is equal to the cost of a midshipman's daily ration allowance.

Dated: October 24, 1951.

DAN A. KIMBALL,
Secretary of the Navy

APPENDIX A—COURSE OF INSTRUCTION 1950–51

[Reference books are marked (*)]

FIRST YEAR—FOURTH CLASS

Summer Term

Departments	Total hours	Subjects	Textbooks
Executive	21	Orientation	U. S. Naval Academy Regulations.
	120	Practical work	Naval Orientation.
Seamanship and Navigation.	73	Practical seamanship	Elementary Seamanship, Bluejacket's Manual.
Ordnance and Gunnery	69	Small arms	
Marine Engineering	64	General marine engineering and basic shop practices.	
Aviation	1	Introduction to naval aviation	
Mathematics	5	Review of plane trigonometry	Plane and Spherical Trigonometry, revised 1950, by Muhly and Saslaw.
	3	Slide rule	Logarithmic and Trigonometric Tables, by Department of Mathematics.* Manual of Mathematics and Mechanics, second edition, by Clements and Wilson.* Keuffel and Esser's Slide Rule No. N4081-3 with manual.*
English, History and Government.	9	Library orientation	Hammond's Advance Reference Atlas.
		Elementary Naval History	Webster's New Collegiate Dictionary.*
		Required reading	Roberts and Bretano: The Book of the Navy.
		Short essay	Naval Orientation, NavPers 16138A. Good reading, ed. by Townsend.*
Foreign Languages	1	Language interviews and placement tests.	
Physical Training	39	Physical achievement tests. Basic instruction in swimming, boxing, and wrestling. Orientation in 10 additional sports.	Physical Training Plebe Summer Drill Manual (revised).
Hygiene	1	Personal hygiene, including social and mental hygiene, oral hygiene, care of the eyes, preventable diseases, and rules for maintaining health.	No textbook is required. Moving pictures are employed.

The total hours shown above represented the maximum. The admission of members of the new fourth class begins in June and continues through the early part of the summer and the extent of individual participation would depend upon the date of entrance.

First Term

Departments	Periods each week: Rec.		Periods each week: Prac. work (lab., etc.)		Subjects	Textbooks
Weeks	10	6	10	6		
Marine Engineering				6	Engineering drawing	Fundamentals of Descriptive Geometry by Department of Marine Engineering. Fundamentals of Engineering Drawing, Warren J. Luzadder, revised edition 1947.
Mathematics		5			Plane trigonometry	Plane and Spherical Trigonometry, revised 1950, by Muhly and Saslaw.
					Algebra	Brief College Algebra, revised edition, by Hart.
					Plane and Solid Analytic Geometry.	Analytic Geometry, revised edition, by Roscoe Woods.
						Logarithmic and Trigonometric Tables, Slide Rule and Manual.*
Electrical Engineering		3		2	Chemistry	Richardson and Scarlett's General College Chemistry, fourth edition. Department's Chemistry Laboratory Manual and Department Notes, 1950 edition.
English History and Government.	2	4			Composition and literature.	Shaw's A Complete Course in Freshman English (revised).

APPENDIX A—COURSE OF INSTRUCTION 1950–51—Continued

[Reference books are marked (*)]

FIRST YEAR—FOURTH CLASS—continued

First Term—Continued

Departments	Periods each week: Rec.		Periods each week: Prac. work (lab., etc.)		Subjects	Textbooks
Weeks	10	6	10	6		
Foreign Languages		3			Spanish	Practical Spanish, by Turk, Appleton's New English-Spanish and Spanish-English Dictionary, by Cuyas.
					Spanish (advanced)	Same as Third Class, plus Risas y Sonrisas, by Hefler and Chandler.
					French	Beginning French (revised edition), by Hendrix and Meiden. Concise French and English Dictionary, by Mansion.
					French (advanced)	Pronunciation Pamphlet (Departmental Transcription). A First Review of French Grammar, by Funderburg. Tovaritch, by Ernst and Harbitt. Contes Et Recits, by Denoeu. Concise French and English Dictionary, by Mansion.
					German	Phonetics Pamphlet (Departmental Transcription). German Reading Grammar, by Sharp and Strothmann. Emil Und Die Drei Zwillings, by Kastner (top sections only). Heath's New German Dictionary, by Breul.
					Portuguese	First Brazilian Grammar, by Williams. Artigos E Contos Portugueses, by Dale. Modern Portuguese-English and English-Portuguese Dictionary, by Richardson and Sa Pereira.
					Russian	Russian Conversation and Grammar (U. S. N. I.). Russian-English Dictionary, by Smirnitzky.
					Italian	Present Day Italian, by Russo. Italian-English and English-Italian Dictionary, by Edgren.
					Reverse Spanish	Primer Curso de Ingles, by Sparkman.
Physical Training			2	1	Boxing, wrestling, gymnastics, running and safety training, agility test.	Physical Training Drill Manual, 1950–51.

Second Term

Departments	Periods each week: Rec.		Periods each week: Prac. work (lab., etc.)		Subjects	Textbooks
Weeks	8	8	8	8		
Marine Engineering			[1]6		Engineering drawing.	Fundamentals of Engineering Drawing by Warren J. Luzadder, revised edition 1947.
					Naval boilers	Naval Boilers, 1949, by Department of Marine Engineering.
					General marine engineering.	General Marine Engineering, by Department of Marine Engineering.
Mathematics	5				Calculus	Unified Calculus, by Smith, Salkover, and Justice. Slide Rule, Manual and Tables.*
Electrical Engineering	3	2	2		Chemistry	Richardson and Scarlett's General College Chemistry, fourth edition. Department's Chemistry Laboratory Manual and Department Notes, 1950 edition.

[1] 8 weeks of engineering drawing and 8 weeks of naval boilers and general marine engineering.

APPENDIX A—COURSE OF INSTRUCTION 1950–51—Continued

[Reference books are marked (*)]

FIRST YEAR—FOURTH CLASS—continued

Second Term—Continued

Departments	Periods each week: Rec.		Periods each week: Prac. work (lab., etc.)		Subjects	Textbooks
weeks	8	8	8	8		
English, History and Government.	3				Composition and literature.	Ellis, Pound, Spohn, and Hoffman: A College Book of American Literature. Weatherly, Moffett, Prouty, and Noyes: The English Heritage. Vol. II.
Foreign Languages	3				Spanish	Same as first term plus: Sailing The Spanish Main, by Grismer. Lecturas Escogidas, by Kasten and Neale-Silva.
					Spanish (advanced)	Same as third class.
					French	Same as first term plus: Le Voyage de Monsieur Perrichon, by Labiche and Martin.
					French (Advanced)	Same as third class.
					German	Same as first term plus: Himmel Meine Schuhe, by Froschel. Say it in German, by Evans and Roseler (top sections only).
					Portuguese	Same as first term.
					Russian	Do.
					Italian	Same as first term plus: Nel Paese Del Sole, by Russo.
Physical Training			2		Swimming, volley ball, basketball, handball, applied strength test.	Physical Training Drill Manual, 1950–51.

[F. R. Doc. 51–13129; Filed, Nov. 1, 1951; 8:46 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 22, Amendment 32]

CPR 22—MANUFACTURERS' GENERAL CEILING PRICE REGULATION

EXCISE, SALES OR SIMILAR TAXES

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., Pub. Law 96, 82d Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this amendment to Ceiling Price Regulation 22 is hereby issued.

STATEMENT OF CONSIDERATIONS

The Revenue Act of 1951 recently enacted by Congress makes several changes in manufacturers' excise taxes. In some instances the tax has been decreased and in others it has been increased, and, in addition, new taxes have been imposed and previous taxes eliminated. These changes require revision of sections 36 and 37 of Ceiling Price Regulation 22 relating to excise taxes. Under this amendment, a manufacturer may separately state and collect the amount of any increase or new tax. Naturally, if he has previously stated and collected an excise tax which is now reduced, he will only state and collect the reduced amount. Likewise, in the case of elimination of an excise tax, he will no longer state and collect it. Where a manufacturer has previously included the excise tax in his ceiling price, he must reduce his ceiling price to reflect the appropriate amount of any reduction or elimination of the tax, and he may increase his ceiling price to reflect any increase in the tax. In the case of a new excise tax, a manufacturer may increase his ceiling price to reflect the amount of the new tax.

Where a manufacturer has not yet made CPR–22 effective as to him, he must in making the allowable labor and materials cost adjustments of a base period price for a commodity which includes an excise tax, first exclude that tax from the base period price. After completing his computations of these adjustments, he may then add on the appropriate amount of the excise tax for inclusion in his ceiling price. If the excise tax has been reduced or eliminated since the end of his base period, that reduction or elimination must be reflected in the ceiling price. Likewise, if the tax has been increased or a new tax has been imposed since the end of his base period that increase may be reflected in the ceiling price.

In pricing new goods under section 32, the computations must be made on the basis of a ceiling price exclusive of excise tax. The appropriate amount of excise tax is added after the other computations have been completed. The reporting requirements as to new goods pricing are not changed.

No new reports are required even where a ceiling price is redetermined to reflect a new excise tax or an increase in an existing excise tax.

An amendment to the General Ceiling Price Regulation of a similar nature is being issued simultaneously with this amendment, so as to give the Revenue Act of 1951 a uniform effect on manufacturers presently pricing under either regulation.

The nature of this amendment has rendered formal consultation with industry representatives, including trade association representatives, impracticable, but consideration has been given to the individual recommendations of members of the affected industries.

AMENDATORY PROVISIONS

Ceiling Price Regulation 22 is amended in the following respects:

1. Section 36 is amended to read as follows:

SEC. 36. *Excise, sales or similar taxes*—(a) *Where the tax is included in your selling price.* (1) If your base period price for a commodity includes any excise, sales or similar tax which is not separately stated, you must first ascertain the amount of such tax and exclude it from your base period price. Your base period price, with such tax so excluded may then be used in making any appropriate computations for determining your ceiling price. After completing the computations, you may then add on the appropriate amount of such tax for inclusion as part of your ceiling price. In the case of any reduction or elimination of such a tax subsequent to the end of your base period, you must reflect the appropriate amount of such reduction or elimination in your ceiling price. In the case of any increase in such a tax subsequent to the end of your base period, you may include the appropriate amount of such increase as part of your ceiling price. Likewise, in the case of any similar tax first imposed subsequent to the end of your base period, you may include the appropriate amount of such tax as part of your ceiling price.

(2) If the ceiling price for a comparison commodity you are using under section 32 of this regulation includes any excise, sales or similar tax, you must in determining your percentage markup under section 32 (d) of this regulation exclude the amount of such tax. After completing your computations under section 32 (d), of this regulation, you may then add on the appropriate amount of such tax for inclusion in your ceiling price for the new commodity.

(3) If subsequent to the establishment of any ceiling price which includes any excise, sales or similar tax, the amount of such tax is reduced or eliminated, you must recompute and reduce your ceiling price to reflect the appropriate amount of the reduction in or elimination of such tax.

(4) If subsequent to the establishment of any ceiling price any excise, sales or similar tax is first imposed or any such tax, which had been included in your ceiling price, is increased, you may recompute and increase your ceiling price to reflect the appropriate amount of such new tax or of the increase in such tax.

(b) *Where the tax is separately stated and collected.* If it has been your practice to state and collect any excise, sales or similar tax separately from your selling price, you may, in addition to your ceiling price determined under this regulation for the same or similar commodities for which this has been your practice, collect the amount of any such tax paid as such by you. In the case of an increase in any excise, sales or similar tax or any new such tax which is not effective until after this regulation be-

comes effective as to you, you may, in addition to your ceiling price, if not prohibited by the tax law, state separately and collect the amount of such increase or new tax actually paid as such by you. A tax once stated separately from your ceiling price may not thereafter be included in your ceiling price under this regulation.

2. Section 37 is amended by adding the following new paragraph (h) to read as follows:

(h) Any new excise, sales or similar tax or any increase in any such tax, in accordance with section 36 (a) of this regulation. You need not file any report of your redetermined ceiling price unless required to do so by the Director of Price Stabilization.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This amendment shall become effective November 1, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 31, 1951.

[F. R. Doc. 51-13278; Filed, Oct. 31, 1951; 3:52 p. m.]

[Ceiling Price Regulation 30, Amendment 19]

CPR 30—MACHINERY AND RELATED MANUFACTURED GOODS

EXCISE, SALES OR SIMILAR TAXES

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., Pub. Law 96, 82d Cong.,), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this amendment to Ceiling Price Regulation 30 is hereby issued.

STATEMENT OF CONSIDERATIONS

This action revises sections 34 and 35 of Ceiling Price Regulation 30 relating to excise taxes in response to the changes in manufacturers' excise taxes made by the Revenue Act of 1951, recently enacted by Congress. It parallels the changes currently made in corresponding sections of CPR 22.

The actions being virtually identical, the Statement of Considerations accompanying Amendment 32 to CPR 22 is incorporated herein by reference and made a part hereof.

AMENDATORY PROVISIONS

Ceiling Price Regulation 30 is amended in the following respects:

1. Section 34 is amended to read as follows:

SEC. 34. *Excise, sales or similar taxes*—(a) *Where the tax is included in your selling price.* (1) If your base period price for a commodity includes any excise, sales or similar tax which is not separately stated, you must first ascertain the amount of such tax and exclude it from your base period price. Your base period price, with such tax so excluded, may then be used in making any appropriate computations for determining your ceiling price. After completing the computations, you may then add on the appropriate amount of such tax for inclusion as part of your ceiling price. In the case of any reduction or elimination of such a tax subsequent to the end of your base period, you must reflect the appropriate amount of such reduction or elimination in your ceiling price. In the case of any increases in such a tax subsequent to the end of your base period, you may include the appropriate amount of such increase as part of your ceiling price. Likewise, in the case of any similar tax first imposed subsequent to the end of your base period, you may include the appropriate amount of such tax as part of your ceiling price.

(2) If subsequent to the establishment of any ceiling price which includes any excise, sales or similar tax, the amount of such tax is reduced or eliminated, you must recompute and reduce your ceiling price to reflect the appropriate amount of the reduction in or elimination of such tax.

(3) If subsequent to the establishment of any ceiling price any excise, sales or similar tax is first imposed or any such tax, which had been included in your ceiling price, is increased, you may recompute and increase your ceiling price to reflect the appropriate amount of such new tax or of the increase in such tax.

(b) *Where the tax is separately stated and collected.* If it has been your practice to state and collect any excise, sales or similar tax separately from your selling price, you may, in addition to your ceiling price determined under this regulation for the same or similar commodities for which this has been your practice, collect the amount of any such tax paid as such by you. In the case of an increase in any excise, sales or similar tax or any new such tax which is not effective until after this regulation becomes effective as to you, you may, in addition to your ceiling price, if not prohibited by the tax law, state separately and collect the amount of such increase or new tax actually paid as such by you. A tax once stated separately from your ceiling price may not thereafter be included in your ceiling price under this regulation.

2. Section 35 is amended by adding the following new paragraph (g) to read as follows:

(g) Any new excise, sales or similar tax or any increase in any such tax, in accordance with section 36 (a) of this regulation. You need not file any report of your redetermined ceiling price unless required to do so by the Director of Price Stabilization.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This amendment shall become effective November 1, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 31, 1951.

[F. R. Doc. 51-13279; Filed, Oct. 31, 1951; 3:52 p. m.]

[Ceiling Price Regulation 78, Amdt. 1]

CPR 78—BASIC ALCOHOLIC BEVERAGE REGULATION

ADDITION OF CERTAIN GENERAL PROVISIONS AND DEFINITIONS

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., Pub. Law 96, 82nd Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 1 to the Basic Alcoholic Beverage Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

In the Statement of Considerations accompanying Ceiling Price Regulation (CPR) 78, the Basic Alcoholic Beverage Regulation (BABR), it was indicated that it would be necessary to amend that basic document from time to time in order to include general provisions and definitions applying to groups of commodities for which there were no specific supplementary regulations in effect at the time of its issuance. This is the first of those amendments, and is being issued concurrently with Supplementary Regulation (SR) 2 to CPR 78, which is the first tailored regulation to deal with imported and domestic packaged distilled spirits and wines.

SR 2 sets ceiling prices for distributors of those packaged distilled spirits and wines. Consequently, it was necessary to add to Article II of the BABR both section 2.16, providing for the maintenance of customary price differentials, terms and conditions of sale and delivery, and section 2.17, indicating how sales, excise and similar taxes not already included in a ceiling price were to be treated. The matters dealt with in those provisions are not involved in the selling of bulk whiskey and, therefore, such provisions were not included in the BABR at the time of issuance of SR 1 (Domestic Bulk Whiskey).

Also, sections 3.1, 3.2, and 3.3 of Article III of the BABR are amended by the addition of certain definitions, some of which apply to all sales of packaged distilled spirits and wines, and some of which, more specifically, apply only to sales by distributors of those items. And, finally, an error appearing in the original definition of "primary distributing agent" in section 3.1 is corrected.

AMENDATORY PROVISIONS

Ceiling Price Regulation 78 (Basic Alcoholic Beverage Regulation) is amended in the following respects:

1. Article II is amended by the addition of section 2.16 and section 2.17, as follows:

SEC. 2.16 *Customary price differentials and terms and conditions of sale and delivery.* Your ceiling price for an item, when determined, shall reflect your customary price differentials in effect during the base period, or other period, used to calculate a ceiling price or markup for the item under the applicable SR, including discounts, allowances, premiums and extras, based upon differences in classes or location of purchasers, or

in terms and conditions of sale or delivery. For example, if the selling or offering price used by you to initially determine your markup for an item under the applicable SR was a delivered price, then your ceiling price arrived at by application of that markup is also a delivered price. (You may, however, sell the item to a purchaser on an f. o. b. basis if you reduce that delivered ceiling price by the actual amount of the transportation charges, defined in section 3.3 of the BABR, which would be incurred to transport the item to that particular purchaser.) If your ceiling price is an f. o. b. price you may, of course, sell to a purchaser on a delivered basis provided that the amount added to the f. o. b. price does not exceed the transportation charges actually incurred by you to transport the item to the particular purchaser.

SEC. 2.17. *Sales, excise and other similar taxes.* (a) In addition to your ceiling price determined under the applicable SR, you may collect the amount of any sales tax, excise tax or other similar tax actually paid (or payable) by you if that tax is not already included in your ceiling price and if you state and collect that tax separately from your selling price. If such a tax is imposed by a law which is not effective until after the effective date of the applicable SR, or if there is any increase in such a tax after the effective date of the applicable SR, you may collect the amount of the tax actually paid (or payable) by you (1) if not prohibited by the state law, and (2) if that tax is not already included in your ceiling price, and (3) if you state and collect that tax separately from your selling price.

(b) If, on a total sale, the amount of the tax that you are permitted to add to your ceiling price under paragraph (a) of this section includes a fractional part of a cent, you may increase that amount to the next higher full cent if the fraction is one-half cent or more, but you must reduce that amount to the next lower full cent if the fraction is less than one-half cent.

2. Section 3.1 of Article III is amended by the correction of the definition of "primary distributing agent" and by the addition of two definitions:

Primary distributing agent. "Primary distributing agent" means any person (except a monopoly state) engaged in the business of acting as agent for an importer or processor in the sale of an item to wholesalers or monopoly states within a specified territory.

Importer. "Importer" means any person who is the first consignee within the continental United States of the particular item being imported for resale, holding an importer's permit issued under the provisions of the Federal Alcohol Administration Act. However, a monopoly state is deemed an importer with respect to those items of which it is the first consignee within the continental United States irrespective of whether it holds an importer's permit, and a person who is the first consignee within the continental United States of items produced in Puerto Rico and the Virgin Islands (belonging to the United States) is deemed an importer of those items whether or not he holds an importer's permit. A person who is an importer of an item is not also to be considered a wholesaler, primary distributing agent or retailer of that item under the applicable SR.

Processor. "Processor" means any person who:

(i) Produces or blends distilled spirits or wine, or who is a packer of bulk wine, including (but not limited to) a distiller, rectifier, vintner or packer, or who

(ii) Bottles or cause to be bottled under any brand name distilled spirits or wines belonging to him, or who

(iii) Causes distilled spirits or wine belonging to him to be bottled or blended for his account under his own brand name.

3. Section 3.2 of Article III is amended by the addition of the following definitions:

Container size. "Container size" means the particular weight or unit in which distilled spirits or wines are sold to a consumer in accordance with regulations of the Federal Alcohol Administration.

Imported distilled spirits. "Imported distilled spirits" means distilled spirits or high wines produced outside of and introduced into continental United States.

Domestic distilled spirits. "Domestic distilled spirits" means distilled spirits produced within continental United United States.

Straight whiskey. "Straight whiskey" means the commodities defined in Class 2, paragraph (b), of Article II of Regulations No. 5.

Blended whiskey. "Blended whiskey" means the commodities defined in Class 2, paragraph (g), of Article II of Regulations No. 5.

Scotch whiskey. "Scotch whiskey" means the commodities defined in Class 2, paragraph (k), of Article II of Regulations No. 5.

Canadian whiskey. "Canadian whiskey" means the commodities defined in Class 2, paragraph (m), of Article II of Regulations No. 5.

Irish Whiskey. "Irish whiskey" means the commodities defined in Class 2, paragraph (l) of Article II of Regulations No. 5.

Gin. "Gin" means the commodities included in Class 3 of Article II of Regulations No. 5.

Brandy. "Brandy" means the commodities included in Class 4 of Article II of Regulations No. 5.

Rum. "Rum" means the commodities included in Class 5 of Article II of Regulations No. 5.

Cordials and liqueurs. "Cordials and liqueurs" means the commodities included in Class 6 of Article II of Regulations No. 5. "Crystallized cordials and liqueurs" means cordials and liqueurs containing crystallized sugar.

Specialties. "Specialties" means all distilled spirits and wines not defined in either Classes 1 to 8, inclusive, of Article II of Regulations No. 4, or Classes 1 to 7, inclusive, of Article II of Regulations No. 5.

Imported wine. "Imported wine" means wine produced outside of and introduced into continental United States.

Domestic wine. "Domestic wine" means wine produced within continental United States.

Dessert wine. "Dessert wine" means grape wine having an alcohol content in excess of 14 percent by volume but not in excess of 21 percent by volume to which wine spirits have been added in accordance with Sec. 3032 of the Internal Revenue Code. Dessert wine shall also include finished grape wine (except Spanish type blending sherry) having an alcohol content in excess of 21 percent by volume but not in excess of 24 percent by volume and otherwise conforming to the definition thereof. Dessert wine also includes vermouth and flavored wines which, except for flavoring material, otherwise conform to the definition thereof.

Table wine. "Table wine" means grape wine other than dessert wine. Except where otherwise stated, the term "table wine" includes sparkling, carbonated and flavored wines which, except for effervescence or flavoring material, otherwise conform to the definition thereof.

Sparkling wine. "Sparkling wine" means grape wine rendered effervescent by secondary fermentation of the wine in a closed container, tank or bottle.

Carbonated wine. "Carbonated wine" means grape wine rendered effervescent otherwise than by secondary fermentation in a closed container, tank or bottle.

Still wine. "Still wine" means all wine other than sparkling wine and carbonated wine.

4. Section 3.3 of Article III is amended by the addition of the following definitions:

Customary shipping point. "Customary shipping point" means the place from which the seller normally makes shipment of the item to purchasers in a particular area. With respect to shipment made by motor vehicle, "customary shipping point" means the seller's premises; with respect to shipment made by rail, "customary shipping point" means the railroad siding nearest to the seller's premises.

Customary receiving point. "Customary receiving point" means the place where the purchaser normally receives delivery of the item from the particular type of supplier. With respect to deliveries made by motor vehicle, "customary receiving point" means the purchaser's premises; with respect to delivery made by rail, "customary receiving point" means the railroad siding nearest to the purchaser's premises.

Stock on hand. "Stock on hand" with reference to an item, means the amount thereof to which the person holds title, irrespective of location.

Transportation charges. "Transportation charges", except as otherwise expressly provided, means the lawful charges for the movement of the item being priced by the most direct route from the seller's customary shipping point (as defined in this section) to the purchaser's customary receiving point (as defined in this section) at the rate charged by the cheapest available common or contract carrier customarily

used. The term includes any applicable Federal tax on transportation now or hereafter imposed. If a seller makes a delivery by use of his own vehicle, such charges shall be figured at the rate for transportation over the same distance by the cheapest available common or contract carrier customarily used, exclusive of Federal tax on transportation. No amounts may be added for refrigerating or heating of cars or vehicles used in the transportation of the item. No amount may be added for local hauling, drayage and handling.

Customary purchase. A "customary purchase" means a purchase of the same type as was customary for you in quantity, type of supplier, receiving point and means of transportation during the "relevant period." For purposes of this definition the "relevant period" is the base period (or a reasonable length of time surrounding any other period or day) specified in the applicable SR either (i) for your initial determination of a markup to be used in figuring the ceiling price of the particular item or (ii) for your selection of a dollar-and-cent price to be used (either as is, or after adjustment) as your ceiling price for the particular item, or (iii) as the basis for some other means of figuring your ceiling price for the particular item.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

This amendment is effective on November 1, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 31, 1951.

[F. R. Doc. 51-13274; Filed, Oct. 31, 1951; 3:50 p. m.]

[Ceiling Price Regulation 78, Supplementary Regulation 2]

CPR 78—BASIC ALCOHOLIC BEVERAGE REGULATION

SR 2—DISTRIBUTORS OF IMPORTED AND DOMESTIC PACKAGED DISTILLED SPIRITS AND WINES

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., Pub. Law 96, 82d Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Supplementary Regulation 2 to Ceiling Price Regulation 78 is hereby issued.

STATEMENT OF CONSIDERATIONS

The need for this regulation. The ceiling prices for all distributors of imported and domestic packaged distilled spirits and wines were, before the issuance of this supplementary regulation, governed by the General Ceiling Price Regulation (GCPR), with the exception that retailers' sales of imported spirits and wines were covered by Ceiling Price Regulation (CPR) 31. The method of control employed by the GCPR is essentially a freeze of the price in effect for an item during the "base period" (December 19, 1950, through January 25, 1951). A distributor could, however, under section 11 (c) of the GCPR, increase that frozen price to the extent of the exact dollar-and-cent amount of any increase he paid his supplier for the item over the highest amount he paid that supplier during the "base period."

Certain problems arose under the GCPR as a result of the freeze technique employed by that regulation. The GCPR established a seller's ceiling price for an item at the highest price at which he sold the item during the "base period." If the supplier raised his price to the seller during that period, but the seller failed, before January 26, 1951, to in turn increase his sales price to reflect that higher cost, the seller found himself in a serious squeeze. This supplementary regulation, by permitting distributors to price on the basis of percentage markup over cost of acquisition, eliminates those squeezes. In addition, because of section 402 (k) of the Defense Production Act of 1950, as amended, and the customary pricing practices of liquor distributors, the excise tax increases effective November 1, 1951, may be included in the cost of acquisition to which the base period percentage markup is applied.

The GCPR treatment of sales of new items by distributors also was unsuited to the alcoholic beverage distribution industry. It provided that the ceiling price for a new item was to be determined by applying to that item's current cost the percentage markup received on current sales of an item in the same category. The difficulty with this method, however, is that since the markups on different items in the same category vary considerably, the distributor had wide latitude to select as a comparison commodity that one which had the highest percentage markup. This supplementary regulation provides a less arbitrary method for calculating ceiling prices in that the markup a seller is to use for a new item is to be the average of the markups for all the items he is presently selling in the category in which the new item falls.

Under CPR 31, retailers figured their ceiling prices for imported packaged distilled spirits and wines by applying a percentage markup to an item's cost of acquisition. That percentage markup, however, was to be arrived at on the basis of three months' operations and, in many cases, retailers did not have sufficient records to compute an accurate figure. In addition, the need to study three months' records for each one of a great number of items resulted in an unwarranted burden of calculation for the small retail operator. And, further, from the standpoint of convenience, unformity, and administrative ease it is desirable to have retailers determine ceiling prices for all of their distilled spirits and wines (both imported and domestic) under the provisions of a single regulation.

For the above reasons, this Supplementary Regulation (SR) 2 to CPR 78, the first tailored regulation to deal with packaged alcoholic beverages, is being issued. It covers all distributors of imported and domestic packaged distilled spirits and wines (except both retailing and wholesaling importers, who are, for the present, adequately handled under CPR 31—Imports) and governs ceiling prices for all sales by those distributors except export sales (the ceiling prices for which continue to be determined under CPR 61–Exports).

Relationship of this regulation to the Basic Alcoholic Beverage Regulation. This is the second of the series of regulations dealing with sales of distilled spirits and wines. It is issued as a supplementary regulation to CPR 78, the Basic Alcoholic Beverage Regulation (BABR), in which are collected the provisions and definitions generally applicable to regulations dealing with the various phases of production and distribution of these commodities. In order to comply with all the requirements of this SR it will be necessary for a seller to read those provisions of the Basic Alcoholic Beverage Regulation which are listed in section 3 of this supplementary regulation. The listed provisions are just as much a part of this supplementary regulation as if they were printed herein.

Wholesalers, retailers, and "on-premise licensees". The basic pricing provisions for wholesalers, retailers, and "on-premise licensees" selling for off-premise consumption provide that those sellers are to determine their initial ceiling price for each brand, type, and container size of distilled spirits and wines by applying the percentage markup (over cost) in effect for the item during a specified base period, to the item's cost last incurred before the effective date of this supplementary regulation. The existence of variance in markups between items, as well as the considerable variance in the markups taken by different sellers on the same item, has prevented the OPS, in the absence of a study, from prescribing percentage markups for groups of items (as was done in the OPA regulation for wholesalers), but further study may make it possible to work out a more simplified method of control. It is recognized, however, that certain retailers have traditionally segregated their stock into three categories (distilled spirits, wines, and cordials) and have applied fixed percentage markups to each of those three categories of distilled spirits and wines. In order to enable them to continue their historic practice, and to simplify the operation of this supplementary regulation for those retailers who desire to change to the category markup method, this regulation permits retailers to compute their markups on an item-by-item basis, or to compute one average markup for each of the three categories (mentioned above), or to combine these two methods, pricing some of their items on an item-by-item markup basis while pricing their remaining items on the basis of the average markup for the category in which the item falls.

The base period for wholesalers is May 24, 1950, through June 24, 1950, which is the period prescribed in section 402 (d) (4) of the Defense Production Act of 1950, as amended. For retailers and "on-premise licensees", the prescribed base period is the month of January 1951, and was selected, rather than the period mentioned in section 402 (d) (4)

of the Defense Production Act, for two reasons:

First, retailers and "on-premise licensees" generally do not have sufficient records to determine the markups prevailing during the May 24–June 24, 1950, period. In order to figure a markup it is necessary to know both the item's cost of acquisition and the price at which it was sold. Unlike wholesalers, who keep on file copies of invoices evidencing their sales prices, the retailer, whose sales are mainly over-the-counter, has no way of knowing what he charged for an item over a year ago. However, he will know the January 1951 sales price for that item since that is the price at which he was frozen by the GCPR and is, in most instances, the price he is now charging. The second and equally important reason January 1951 was selected as the period in which to determine markups is because the markups prevailing during that month were substantially identical to the markups in the May 24–June 24, 1950, period and, therefore, January 1951 is just as representative a period as that prescribed in section 402 (d) (4). This matter was thoroughly discussed with representatives of the industry who, because of their lack of complete records of operations for the period mentioned in the Defense Production Act, agreed that the January 1951 period was preferable.

With regard to items not sold or offered for sale during the base period, the seller (wholesaler, retailer or "on-premise licensee" pricing pursuant to the item-by-item method) is to determine the markup to be applied to the item's cost of acquisition as follows: (a) If he sold the item between the end of the "base period" and the effective date of this supplementary regulation, he is to calculate the markup he first placed in effect for the item, (b) if he did not sell the item until after the effective date of this supplementary regulation, he is to calculate the average of the markups he determined for other items in the category in which that item falls or, if he did not previously sell any other items in that particular category, he must apply to the Office of Price Stabilization for a markup for the category. In addition, if a retailer (or "on-premise licensee") is pricing pursuant to the category method, and he did not deal in a category during the "base period," he must apply to the OPS for a markup for that category.

Many wholesalers were, for promotional purposes, selling certain items to retailers during the base period under the terms of a "special deal". It is therefore provided that a wholesaler who had a "special deal" in effect for an item during the "base period" and whose "base period" markup for that item would therefore be unrepresentative, may use the markup in effect for the item immediately before the "special deal" started. In the same vein, if any seller (wholesaler, retailer, or "on-premise licensee") was receiving a temporary "promotional discount" on the purchase of the item from his supplier during the "base period" (or the specific period he refers to in computing his markup) he may not, in figuring his markup, reduce his purchase price by the amount of that discount because his markup would then be unrepresentatively high.

Provision is also made for recalculation by a seller of his ceiling price for an item whenever that item's cost per case increases or decreases by at least 15 cents from the per case cost upon which he last calculated his ceiling price. The new ceiling price is to be figured by applying the markup factor for the item to the new cost. But a reduction need not be made in ceiling price when the lower cost is due merely to a temporary "promotional discount" given the seller for sales promotion, advertising or similar purposes. A rigid definition of what is considered a "promotional discount" is included in section 72 so as to be certain that ceiling prices will be lowered when the supplier actually is reducing his price rather than merely giving a temporary discount.

A retailer or "on-premise licensee" who makes a purchase of less than a full case is to determine whether or not (and to what extent) recalculation of his ceiling price is in order on the basis of his wholesaler's price in effect for a full case at the time he made the particular purchase. Were the retailer merely permitted to multiply the price he actually paid for an individual container by the number of containers in a case, to arrive at a case price for purposes of recalculation, the price so determined would be higher than the wholesaler's per case price. This results from the fact that a wholesaler, in recognition of the increased costs involved in selling individual bottles, is permitted by this supplementary regulation to charge a few cents more for individual containers than the exact proportionate amount of his case ceiling price.

Finally, to prevent pyramiding of prices, a wholesaler's ceiling price for sale of an item which he purchased from another wholesaler, and a retailer's ceiling price for sale of an item which he purchased from another retailer, may not exceed the ceiling price to the same class of purchaser of the wholesaler, or retailer (as the case may be) from whom the purchase was made. Were this not done, wholesalers could sell items back and forth to each other, and retailers could do likewise, the item's "cost" increasing with each sale, until that cost would be unrealistically high. A percentage markup applied to such an inflated cost by a wholesaler for sale to a retailer (or by a retailer for sale to a consumer) would result in the seller receiving an unwarranted price.

Primary distributing agents. A primary distributing agent acts as agent for an importer or processor in the sale of an item to wholesalers or monopoly States within a specified territory. These distributors had no customary percentage margin for such sales, either during the May 24, 1950–June 24, 1950, "base period" specified in section 402 (d) (4) of the Defense Production Act of 1950, as amended, or any other period. Rather, they customarily sell to wholesalers and monopoly States at the processor's list price (plus cost of transportation from the processor to them), making their profit by virtue of their receiving a discount on that list price when they purchase from the processor.

The pricing technique provided in this supplementary regulation for a primary distributing agent recognizes and preserves this customary method of doing business. His ceiling prices for sales to wholesalers and monopoly States are not to exceed the processor's ceiling prices to each of those classes of purchasers, respectively (plus transportation charges from the processor to him and excise taxes, if not already included in the supplier's ceiling prices). An established ceiling price is to be recalculated by the primary distributing agent when the sum of the above-described "elements of cost" (supplier's ceiling price, plus transportation charges and excise taxes not included therein) increases or decreases by at least 15 cents from the sum of the "elements of cost" upon which he last determined his ceiling price.

With regard to his sales to retailers and consumers, a primary distributing agent operates just like any other wholesaler and is faced with the same problems. Therefore, he is to determine his ceiling prices for such sales in the same manner as ordinary wholesalers, under the provisions of this supplementary regulation (discussed above) which apply to wholesalers.

Monopoly States. Distributors owned or operated by a monopoly State customarily determine their prices for an item under the provisions of the State's statutes which specifically provide for the establishment of those prices. The statutes may be implemented by regulations or ordinances, or by order or other official action of a State administrative body. In addition, those statutes, regulations, etc., frequently provide special methods for determining prices for sales of individual containers, as opposed to case sales. And, also, even where the statute, regulation, etc., do not so specifically provide, monopoly States usually have developed techniques to be used by their owned or operated distributors in the handling of fractions of a cent arrived at in figuring a sales price.

Rather than disrupt these established practices, the Director of Price Stabilization has found it desirable to permit monopoly State distributors to determine their ceiling prices for items on the basis of the statutes, regulations, orders or other official actions of a State administrative body last enacted or taken before January 26, 1951, the date of issuance of the GCPR. In addition, they may continue their customary practices (whether or not specifically established by statute, regulation, etc.) with regard to the determination of ceiling prices for sales of individual containers and to the treatment of fractions of a cent.

Specifically, the monopoly State owned or operated distributor is to determine what percentage markup over cost was actually in effect for a specific item, under the particular statute, ordinance, regulation, etc., on January 25, 1951, and is to figure its ceiling price for that item by applying that same percentage markup to current cost. If a statute, ordinance, regulation, etc., was enacted before January 26, 1951, but was not effective until after that date, the distributor

is to determine the percentage markup that would have applied to the item were the statute, ordinance, regulation, etc., in effect for it on January 25, 1951. Similarly, if an item was not on sale on January 25, 1951, but could have been priced under the statute, ordinance, regulation, etc. last enacted before January 26, 1951, the distributor is to use the markup for the item that would have been in effect were the item priced under it and on sale on January 25, 1951. Finally, if the statute, ordinance, regulation, etc. last enacted before January 26, 1951, does not contain provisions for the pricing of any item, the individual distributor or the monopoly State itself may apply to the Office of Price Stabilization for the establishment of a method to determine the ceiling price for that item.

Miscellaneous provisions. Special provision is made for sellers in States which require that a price be posted, filed, or given notice of before it can be placed into effect. Those sellers are permitted to delay the placing of their initial and recalculated ceiling prices into effect until they have complied with the State's filing or posting laws. In addition, a provision is included in this supplementary regulation which requires those who sell imported or domestic packaged distilled spirits or wines to consumers to post their ceiling prices in clear view of the purchasers.

Section 3 lists a number of provisions of the Basic Alcoholic Beverage Regulation which apply to sellers pricing under this supplementary regulation. For example, there are included: a provision stipulating the method of dealing with fractions of a cent arrived at in computing ceiling prices under this supplementary regulation; a provision for export sales; a record keeping provision; an adjustable pricing provision; a provision dealing with customary price differentials; a sales tax provision; and the usual compliance, evasion, and penalty provisions. And finally, there is a provision permitting application for amendment of both this supplementary regulation and the Basic Alcoholic Beverage Regulation.

Findings of the director. In the formulation of this supplementary regulation, the Director of Price Stabilization has consulted with industry representatives to the extent practicable and has given full consideration to their recommendations. In the Director's judgment the ceiling prices established by this supplementary regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended.

Every effort has been made to conform this supplementary regulation to existing business practices, cost practices or methods, or means or aids to distribution. Insofar as any provisions of this supplementary regulation may operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, such provisions are found by the Director of Price Stabilization to be necessary to prevent circumvention or evasion of this supplementary regulation.

As far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in the furtherance of the objectives of the Defense Production Act of 1950, as amended; to parity prices and the other minimum requirements of the law including prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

REGULATORY PROVISIONS

ARTICLE I—INTRODUCTORY PROVISIONS

Sec.

ARTICLE II—WHOLESALERS

ARTICLE III—PRIMARY DISTRIBUTING AGENTS

ARTICLE IV—MONOPOLY STATES

ARTICLE V—RETAILERS; INTRODUCTORY PROVISIONS

ARTICLE VI—RETAILERS; INDIVIDUAL ITEM MARKUPS

ARTICLE VII—RETAILERS; CATEGORY MARKUPS

ARTICLE VIII—RETAILERS; GENERAL PROVISIONS

ARTICLE IX—"ON-PREMISE LICENSEES"

ARTICLE X—GENERAL PROVISIONS

AUTHORITY: Sections 1 through 80 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App Sup. 2101–2110; E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

ARTICLE I—INTRODUCTORY PROVISIONS

SECTION 1. *What this supplementary regulation does.* This supplementary regulation provides methods by which wholesalers, monopoly states, primary distributing agents, retailers and "on-premise licensees" selling imported and domestic packaged distilled spirits and wines for off-premise consumption are to determine their ceiling prices. If you are one of those sellers you are to determine your ceiling prices under whichever of the following sections apply to you: Wholesalers, sections 20 through 28; primary distributing agents, section 35; monopoly states, section 40; retailers, sections 50 through 65; and "on-premise licensees", section 68. You should also, of course, read the general provisions of this supplementary regulation and the provisions of CPR 78, the Basic Alcoholic Beverage Regulation (BABR), which apply to you. As a result of this supplementary regulation retail sales of imported packaged distilled spirits and wines by the sellers covered herein are no longer governed by CPR 31. In addition, both wholesale sales of those imported items, and retail and wholesale sales of domestic packaged distilled spirits and wines by the sellers covered herein are no longer governed by the General Ceiling Price Regulation (GCPR).

SEC. 2. *Where this supplementary regulation applies.* This supplementary regulation applies in the 48 states of the United States and in the District of Columbia.

SEC. 3. *Provisions of CPR 78, the Basic Alcoholic Beverage Regulation, which apply to sales for which ceiling prices are established under this supplementary regulation.* In determining your ceiling prices under this supplementary regulation you should refer to the fol-

lowing sections of CPR 78, the BABR, so far as they are applicable to your particular situation and are not specifically altered by the provisions of this supplementary regulation. These sections are just as much a part of this supplementary regulation as if they were printed herein.

Sec.
1.1 How to use the Basic Alcoholic Beverage Regulation.
1.2 Reference to "applicable SR", "effective date of the applicable SR", etc.
1.3 References to "Regulations No. 4" and "Regulations No. 5."
2.1 Treatment of fractional parts of a cent in figuring ceiling prices.
2.2 Ceiling prices for sellers who are unable to price under any SR.
2.3 Establishing minimum resale prices under State Fair Trade laws.
2.4 Reduction of ceiling prices for tax exempt sales to the United States or any of its agencies.
2.5 Prohibitions.
2.6 Evasions.
2.7 Petitions for amendment.
2.9 Interest on advance payments.
2.10 Adjustable pricing.
2.11 Export sales.
2.12 Transfer of business or stock in trade.
2.13 Sales slips and receipts.
2.14 Records.
2.15 Interpretations.
2.16 Customary price differentials and terms and conditions of sale and delivery.
2.17 Sales, excise and other similar taxes.
3.1 Definitions of persons to whom the applicable SR refers.
3.2 Definitions of commodities and terms describing and identifying commodities.
3.3 General definitions.

ARTICLE II—WHOLESALERS

SEC. 20. *Wholesalers' "base period."* If you are a wholesaler of imported or domestic packaged distilled spirits or wines your "base period" is the period May 24, 1950 through June 24, 1950. Therefore, any reference to a "base period" in this supplementary regulation, or in those provisions of the BABR which apply to you, means May 24, 1950 through June 24, 1950.

SEC. 21. *Wholesalers' initial ceiling prices for items dealt in during the "base period"*—(a) *How to calculate your initial ceiling prices.* This section applies to you if you are a wholesaler of imported or domestic packaged distilled spirits or wines and wish to sell to a class of purchaser an item (as that term is defined in section 72) which you sold or offered for sale to that particular class of purchaser during the "base period." In that case you are to calculate your initial ceiling price per case for sales of that item to that class of purchaser as follows:

(1) Determine the highest price at which you made a customary sale of the item to the particular class of purchaser during the "base period". If no such sale was made you must use the highest price at which you offered the item for sale to that class of purchaser during the "base period", if the offer, or its acceptance, is proven by some written or printed evidence such as a price list, price posting, printed advertisement, etc. (If, however, your offering price was intended to withhold the item from the market or if it was merely a bargaining price, your usual practice being to sell at a price lower than that asked, you may not use that price as your offering price under this subparagraph.) If you cannot determine your "base period" sales price or offering price for the item under this subparagraph, then you must determine your ceiling price for the item under section 22, 23 or 24, whichever is applicable.

(2) Determine the "cost of acquisition" (as defined in section 72) incurred by you in connection with your last customary purchase of the item before June 1, 1950. However, if you were required by State or local law to file, post or give notice of the price determined in (1), use the "cost of acquisition" incurred by you in connection with the last customary purchase of the item made just before the date you filed, posted or gave notice of that price pursuant to State or local law.

(3) Divide the price figured in (1) by your "cost of acquisition" (determined in subparagraph (2) of this paragraph). The resulting figure is your "markup factor" for sale of the item to the particular class of purchaser.

(4) Your initial ceiling price per case for sale of that item to that class of purchaser is calculated by multiplying your "cost of acquisition" (as defined in section 72) for your most recent customary purchase of the item prior to January 1, 1952, or such earlier effective date as you select for the item, by your "markup factor" (arrived at in subparagraph (3) of this paragraph). That price, however, may be adjusted or modified under the provisions of sections 25, 26, 27 and 28 of this supplementary regulation and sections 2.1, 2.4, 2.16 and 2.17 of the BABR, if applicable. In addition, you must comply with the record provisions of paragraph (b) of this section.

Example: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

(1) The highest price at which you sold item X to a particular class of purchaser during the "base period" was $40 a case.

(2) Your "cost of acquisition" for your last customary purchase of X before June 1, 1950, was $34.38. This was determined as follows: On May 26, 1950, you made a customary purchase of X at a gross price (shown on the invoice received from your supplier) of $31 a case f. o. b. supplier's customary shipping point. However, the terms of that purchase were 2/10 EOM, and you, therefore, deduct 2 percent of $31 (62¢) from $31, leaving $30.38. Since it cost you $1 to transport the case to your customary receiving point, and since you must pay a State excise tax (which was not included in the gross invoice price) of $3 on that case, you add both that $1 and $3 to $30.38 and arrive at a "cost of acquisition" of $34.38.

(3) Dividing $40 (your highest selling price for X during the "base period") by $34.38 (your "cost of acquisition" for your last purchase before June 1, 1950) gives you a "markup factor" to that class of purchaser of 1.163 ($40 \div \$34.38 = 1.163$).

(4) The invoice for your last purchase of a case of X before January 1, 1952, showed a gross price of $34 f. o. b. supplier's customary shipping point. The terms are 2/10 EOM and you, therefore, deduct 2 percent of $34 (68¢) from $34, leaving $33.32. Since it cost you $1.20 to transport the case to your customary receiving point, and since you must pay a State excise tax (which was not included in the gross invoice price) of $3 on that case, you add both that $1.20 and $3 to $33.32 and arrive at a "cost of acquisition" of $37.52. Your ceiling price per case to that class of purchaser is determined by multiplying $37.52 by 1.163 (your "markup factor"), and is $43.64 per case ($37.52 \times 1.163 = \$43.64$).

(b) *Records you must prepare and preserve.* If you are a wholesaler who determines ceiling prices for an item under this section then (in addition to keeping the records required by section 2.14 of the BABR) you must, before January 15, 1952, complete for sales of that item to each class of purchaser, the appropriate OPS Form prepared for your use under this section. You must, thereafter, preserve and keep that completed OPS Form available for inspection by the Director of Price Stabilization for as long as the Defense Production Act of 1950, as amended, is in effect and for two years thereafter. Copies of that Form may be obtained from any OPS Regional or District Office on or after December 1, 1951. The information you will insert in that Form is as follows:

(1) The price determined under subparagraph (a) (1) of this section to that class of purchaser.

(2) Your "cost of acquisition" determined under subparagraph (a) (2) of this section.

(3) Your "markup factor" determined under subparagraph (a) (3) of this section.

(4) Your "cost of acquisition" for your most recent customary purchase of the item prior to January 1, 1952, or such earlier effective date as you select for the item.

(5) Your initial ceiling price to that class of purchaser.

SEC. 22. *Wholesalers' initial ceiling prices for items not dealt in during the "base period" but dealt in between June 25, 1950, and December 31, 1951, inclusive*—(a) *How to calculate your initial ceiling prices.* This section applies to you if you are a wholesaler of imported or domestic packaged distilled spirits or wines and wish to sell to a class of purchaser an item (as that term is defined in section 72) which you did not sell during the "base period" to that particular class of purchaser (and for which you cannot figure a ceiling price under section 21), but which you did sell to that class of purchaser between June 25, 1950, and December 31, 1951, inclusive. In that case you are to calculate your initial ceiling price per case for sale of that item to that class of purchaser as follows:

(1) Determine the price at which you made your first customary sale of the item to that particular class of purchaser between June 25, 1950, and December 31, 1951, inclusive.

(2) Determine the "cost of acquisition" (as defined in section 72) incurred by you in connection with the last customary purchase of the item received from your supplier before the date (between June 25, 1950, and December 31, 1951, inclusive) that you made your first customary sale of the item to the particular class of purchaser.

(3) Divide the price figured in subparagraph (1) of this paragraph by your

"cost of acquisition" (determined in subparagraph (2) of this paragraph). The resulting figure is your "markup factor" for sale of the item to the particular class of purchaser.

(4) Your initial ceiling price per case for sale of that item to that class of purchaser is calculated by multiplying your "cost of acquisition" (as defined in section 72) for your most recent customary purchase of the item prior to January 1, 1952, or such earlier effective date as you select for the item, by your "markup factor" (arrived at in subparagraph (3) of this paragraph). That price, however, may be adjusted or modified under the provisions of sections 26, 27 and 28 of this supplementary regulation and sections 2.1, 2.4, 2.16, and 2.17 of the BABR, if applicable. In addition you must comply with the record provisions of paragraph (b) of this section.

Example: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation).

(1) Your first customary sale of item Y to a particular class of purchaser was made on September 10, 1950, at a price of $42 a case.

(2) Your "cost of acquisition" for your last customary purchase of item Y before September 10, 1950, as evidenced by an invoice received on September 5, 1950, was $36.44. This was determined as follows: The gross price of item Y (shown on the invoice received September 5, 1950) was $33 a case f. o. b. supplier's customary shipping point. However, the terms of that purchase were 2/10 EOM, and you, therefore, deduct 2 percent of $33 (66¢) from $33, leaving $32.34. Since it cost you $1.10 to transport the case to your customary receiving point, and since you must pay a State excise tax (which was not included in the gross invoice price) of $3 on that case, you add both the $1.10 and $3 to $32.34 and arrive at a "cost of acquisition" of $36.44.

(3) Dividing $42 (the selling price for your first customary sale of item Y after June 24, 1950) by $36.44 (your "cost of acquisition" for your last customary purchase of item Y before that sale) gives you a "markup factor" to that class of purchaser of 1.152 ($42÷$36.44=1.152).

(4) The invoice for your most recent customary purchase of a case of item Y before January 1, 1952, showed a gross price of $34 f. o. b. supplier's customary shipping point. The terms are 2/10 EOM and you, therefore, deduct 2% of $34 (68¢) from $34, leaving $33.32. Since it cost you $1.20 to transport the case to your customary receiving point, and since you must pay a State excise tax (which was not included in the gross invoice price) of $3 on that case, you add both that $1.20 and $3 to $33.32 and arrive at a "cost of acquisition" of $37.52. Your ceiling price per case to that class of purchaser is determined by multiplying $37.52 by 1.152 (your "markup factor"), and is $43.22 per case ($37.52 x 1.152=$43.22).

(b) *Records you must prepare and preserve.* If you are a wholesaler who determines ceiling prices for an item under this section then (in addition to keeping the records required by section 2.14 of the BABR) you must, before January 15, 1952, complete for sales of that item to each class of purchaser, the appropriate OPS Form prepared for your use under this section. You must, thereafter, preserve and keep that completed OPS Form available for inspection by the Director of Price Stabilization for as long as the Defense Production Act of 1950, as amended, is in effect and for two years thereafter. Copies of that Form may be obtained from any OPS Regional or District Office on or after December 1, 1951. The information you will insert in that Form is as follows:

(1) The price determined under subparagraph (a) (1) of this section to that class of purchaser.

(2) Your "cost of acquisition" determined under subparagraph (a) (2) of this section.

(3) Your "markup factor" determined under subparagraph (a) (3) of this section.

(4) Your "cost of acquisition" for your most recent customary purchase of the item prior to January 1, 1952, or such earlier effective date as you select for the item.

(5) Your initial ceiling price to that class of purchaser.

SEC. 23. *Wholesalers' initial ceiling prices for items not dealt in between May 25, 1950 and December 31, 1951, inclusive, but falling within categories dealt in during that period.*—(a) *How to calculate your initial ceiling prices.* This section applies to you if you are a wholesaler of imported or domestic packaged distilled spirits or wines and wish to sell to a particular class of purchaser either (i) an item (as defined in section 72) not sold by you between May 25, 1950 and December 31, 1951, inclusive, but falling within a category in which you dealt during that period, or (ii) an item (as defined in section 72) sold by you between May 25, 1950 and December 31, 1951, inclusive, but not sold to that particular class of purchaser during that period. In either case, if you cannot figure your initial ceiling price per case for sales of that item to that class of purchaser under section 21 or 22, you are to determine that ceiling price as follows:

(1) Calculate your "average markup factor" for the category (as that term is defined in paragraph (b) of this section) within which the item falls. Your "average markup factor" is calculated by adding together all of the "markup factors" determined under sections 21, 22 and 25 of this supplementary regulation for items in the particular category and then dividing the resulting figure by the number of "markup factors" added together.

(2) Determine your "cost of acquisition" (as defined in section 72) for your first customary purchase of that item after December 31, 1951.

(3) Your initial ceiling price per case for sale of the item to that class of purchaser is calculated by multiplying your "cost of acquisition" (determined in subparagraph (2) of this paragraph) by your "average markup factor" for the category (arrived at in subparagraph (1) of this paragraph). That price, however, may be adjusted or modified under the provisions of sections 26, 27 and 28 of this supplementary regulation and sections 2.1, 2.4, 2.16 and 2.17 of the BABR, if applicable. In addition, you must comply with the record provisions of paragraph (c) of this section.

Example: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation).

(1) There are 5 items in your category of "Bottled in Bond Domestic Whiskey—Fifths." Their "markup factors" determined under sections 21, 22 and 25 are 1.12, 1.14, 1.15, 1.15 and 1.17. Your "average markup factor" for that category is determined by adding those five markups together, then dividing the resulting figure by 5.

"Average markup factor" for category of "Bottled in Bond Domestic Whiskey—Fifths":

$$1.12+1.14+1.15+1.15+1.17=5.73$$
$$5.73\div 5=1.146.$$

(2) The invoice for your first customary purchase of X, a fifth of Bottled in Bond Domestic Whiskey never sold by you to the particular class of purchaser between May 25, 1950, and December 31, 1951, inclusive, shows a gross price of $34 f. o. b. supplier's customary shipping point. The terms are 2/10 EOM and you, therefore, deduct 2 percent of $34 (68¢) from $34, leaving $33.32. Since it cost you $1.20 to transport the case to your customary receiving point and since you must pay a State excise tax (which was not included in the gross invoice price) of $3 on that case, you add both that $1.20 and $3 to $33.32 and arrive at a "cost of acquisition" of $37.52.

(3) Your ceiling price per case for X is determined by multiplying $37.52 by 1.146 (your "average markup factor" for the category of "Bottled in Bond Domestic Whiskey—Fifths") and is $43 per case ($37.52 x 1.146=$43).

(b) *Designation of categories.* For proposes of this section, each container size (as defined in section 3.2 of the BABR) of each of the groupings listed below is a separate category of imported and domestic distilled spirits and wines. (For Example: Fifths of Bottled in Bond Domestic Whiskey are one category, whereas pints of Bottled in Bond Domestic Whiskey are a separate category.) Items produced in Puerto Rico and the Virgin Islands (belonging to the United States) are, for purposes of this section only, to be considered domestic items.

(1) Bottled in Bond Domestic Whiskey.
(2) Straight Domestic Whiskey.
(3) Domestic Blends of Straight Whiskies.
(4) Domestic Blended Whiskey.
(5) Scotch Whiskey.
(6) Canadian Whiskey.
(7) Irish Whiskey.
(8) Domestic Gin.
(9) Imported Gin.
(10) Domestic Brandy.
(11) Imported Brandy.
(12) Domestic Rum.
(13) Imported Rum.
(14) Domestic Cordials, Liqueurs and Specialties (including, for purposes of this section only, domestic vodka).
(15) Imported Cordials, Liqueurs, and Specialties (including, for purposes of this section only, imported vodka).
(16) Domestic Sparkling Wines and Carbonated Wines.
(17) Imported Sparkling Wines and Carbonated Wines.
(18) Domestic Still Wines.
(19) Imported Still Wines.

(c) *Records you must prepare and preserve.* If you are a wholesaler who determines a ceiling price for an item under this section then (in addition to keeping the records required by section 2.14 of the BABR) you must, before January 15, 1952, complete for sales of

that item to each class of purchaser, the appropriate OPS form prepared for your use under this section. You must, thereafter, preserve and keep that completed OPS form available for inspection by the Director of Price Stabilization for as long as the Defense Production Act of 1950, as amended, is in effect and for two years thereafter. Copies of that form may be obtained from any OPS Regional or District Office on or after December 1, 1951. The information you will insert in that form is as follows:

(1) A list of all the items included in the particular category within which the item you are pricing falls, and the "markup factors" of those items. This information need only be recorded for a category, however, the first time you price an item in that particular category under this section. You need not thereafter record this information in pricing any other item in that category.

(2) Your "average markup factor" for the category within which the item you are pricing falls.

(3) The "cost of acquisition" used by you to calculate your initial ceiling price for the item.

(4) Your initial ceiling price for the item.

SEC. 24. *Wholesalers' initial ceiling prices for new items not falling within categories dealt in before January 1, 1952*—(a) *Establishment of "markup factor" for new categories.* This section applies to you if you are a wholesaler of imported or domestic packaged distilled spirits or wines and wish to sell an item which you did not sell between May 25, 1950 and December 31, 1951, inclusive, does not fall within any category (as that term is defined in section 23 (b)) dealt in by you during that period, and for which you cannot figure a ceiling price under sections 21, 22 or 23. In that case you may apply to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., for the establishment of a "markup factor" to be used in pricing that item and all other items in that new category. Your application must be in writing, signed by you or a duly authorized officer, shall list the item (or items), state that it is filed under this section, and shall contain an explanation of why you are unable to determine your ceiling price for the item (or items) under sections 21, 22 and 23 of this supplementary regulation. After your application is filed the Office of Price Stabilization may establish a "markup factor" or that category by amendment or order. You may not sell any item in that category until after such amendment or order is issued and becomes effective, and any amendment or order may be revoked or amended by the Office of Price Stabilization when the "markup factor" established thereby is deemed unreasonable, excessive, or otherwise improper.

(b) *Application of "markup factor".* If the Office of Price Stabilization, pursuant to paragraph (a) of this section establishes your "markup factor" for a category under this section, your initial ceiling price per case for sales of an item in that category is calculated as follows:

(1) Determine your "cost of acquisition" (as defined in section 72) for your first customary purchase of that item after Dec. 31, 1951.

(2) Multiply your "cost of acquisition" determined in (1) by the "markup factor" established by the Office of Price Stabilization for that category. The initial ceiling price per case arrived at may be adjusted or modified under the provisions of sections 26, 27 and 28 of this supplementary regulation and sections 2.1, 2.4, 2.16 and 2.17 of the BABR, if applicable.

SEC. 25. *Wholesalers' initial ceiling prices for items on which a "special deal" was in effect during the "base period"*—(a) *Definition of "special deal."* A "special deal" means a reduction in the price of an item (as a sales promotion or similar device) from the price last in effect prior to the day the "special deal" started. The reduction must not have been in effect for a period of time exceeding 123 days. (It, of course, makes no difference if the reduction continued in effect after the "base period" so long as it was not in effect for more than 123 days.) Offers of free goods, combination sales, increased quantities and additional discounts may (but need not necessarily) be considered "special deals."

(b) *Calculation of initial ceiling price.* If you are a wholesaler who, during the entire "base period", was selling a particular item to a class of purchaser under the terms of a "special deal" (as defined in paragraph (a) of this section), you may calculate your proposed initial ceiling price per case for the item as follows:

(1) Determine the price to the particular class of purchaser last in effect for the item before the day the "special deal" started. If the "special deal" you offered during the "base period" was one of a continuous series of "special deals", and that whole series together was not in effect for more than 123 days, you may use the price last in effect before the day the first of that series of "special deals" started.

(2) Determine the highest "cost of acquisition" (as defined in section 72) incurred by you in connection with a customary purchase of the item made within the 30-day period before the date the "special deal" (or the first of the series of "special deals") started. If you made no customary purchase during that 30-day period use the "cost of acquisition" incurred by you in connection with the last customary purchase of the item made just before the beginning of that 30-day period. However, if you were required by State or local law to file, post or give notice of the price determined in (1) use the "cost of acquisition" incurred by you in connection with the last customary purchase of the item made just before the date you filed, posted, or gave notice of that price pursuant to State or local law.

(3) Divide the price figured in subparagraph (1) of this paragraph by your "cost of acquisition" (determined in subparagraph (2) of this paragraph). The resultant figure is your "markup factor" for sale of the item to the particular class of purchaser.

(4) Your proposed initial ceiling price per case for sale of that item to that class of purchaser is calculated by multiplying your "cost of acquisition" (as defined in section 72) for your most recent customary purchase of the item prior to the day you place in the mail your written application for approval of that proposed ceiling price (under paragraph (c) of this section), by your "markup factor" (arrived at in subparagraph (3) of this paragraph). That price, however, may be adjusted or modified under the provisions of sections 26, 27 and 28 of this supplementary regulation and sections 2.1, 2.4, 2.16 and 2.17 of the BABR, if applicable, but you may not sell at that ceiling price until it has been approved, by the Office of Price Stabilization, as prescribed in paragraph (c) of this section.

(c) *Approval of initial ceiling price.* Before selling at the proposed initial ceiling price per case calculated above, you must first send a written application, sworn to by you or a duly authorized officer, to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., containing the following information:

(1) The price per case to the particular class of purchaser in effect for the item during the "base period."

(2) A description of the "special deal" (or each one of the series of "special deals") which should include the terms, the dates, the classes of purchasers affected, and copies of price lists, advertisements or announcements used in connection with the "special deal" (or each one of the series of "special deals");

(3) The prices per case last in effect for the commodity before the "special deal" (or the first of the series of "special deals"), and copies of price lists, advertisements or announcements showing such prices;

(4) Your "cost of acquisition" determined in subparagraph (a) (2) of this section;

(5) Your "markup factor" arrived at in subparagraph (a) (3) of this section;

(6) Your proposed initial ceiling price per case calculated under subparagraph (a) (4) of this section.

You may not put your proposed initial ceiling price per case into effect unless and until the Office of Price Stabilization, by order, approves that price, and any order may be revoked or amended by the Office of Price Stabilization when the price established thereby is deemed unreasonable, excessive, or otherwise improper. Until such approval, you may sell at the ceiling price for the item established under section 21 of this supplementary regulation, if the reporting requirements of that section are first complied with.

SEC. 26. *Recalculation of wholesalers' ceiling prices*—(a) *When a wholesaler must recalculate his ceiling prices.* This section applies to you if you are a wholesaler of imported or domestic packaged distilled spirits or wines and your "cost of acquisition" (as defined in section 72) for an item has either increased or decreased by at least 15¢ per case (1) from the "cost of acquisition" upon which you computed your initial ceiling price for

the item (under section 21, 22, 23, 24 or 25), or (2) if you have previously recalculated your ceiling price under this section, from the "cost of acquisition" upon which you last recalculated your ceiling price under this section. In that case, you may, if the "cost of acquisition" has increased by at least 15c per case, and must, if the "cost of acquisition" has decreased by at least 15c per case, recalculate your ceiling price per case for the item by multiplying your new "cost of acquisition" by the applicable markup factor for the item (established under section 21, 22, 23, 24 or 25). It is important for you to remember that if your "cost of acquisition" has decreased by at least 15c per case you must recalculate your ceiling price and place it into effect no later than the day set out in paragraph (b) of this section.

(b) *When the recalculated ceiling prices go into effect.* The ceiling price per case recalculated under this section is to go into effect, except as provided in section 70, on and after the fourth day (not counting Sundays and holidays) following receipt by you of the item whose increased or decreased "cost of acquisition" resulted in the recalculation of your ceiling price. It shall apply (1) to stock on hand (as defined in section 3.3 of the BABR) as of that date, (2) to all sales or deliveries made after that date (even if made under a contract entered into before that date), and (3) to offers to sell and contracts to sell made after that date.

SEC. 27. *Wholesalers' sales to other wholesalers, and ceiling prices for items purchased from other wholesalers.*—(a) *Wholesalers' sales to other wholesalers.* If you are a wholesaler of an item of imported or domestic packaged distilled spirits or wines (and are not the importer or primary distributing agent of that item) you may not sell that item to another wholesaler unless you give the wholesaler to whom you are selling the item written notice of your ceiling prices per case for sales of that item to both retailers and consumers. For example: The following statement on the invoice you give the wholesaler to whom you are selling would be adequate:

Our ceiling prices per case for sales of the above items to retailers are:

Item	*Ceiling price*
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----------	----------
----------	----------

Our ceiling prices per case for sales of the above items to consumers are:

Item	*Ceiling price*
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(b) *Ceiling prices for items purchased from other wholesalers.* If you are a wholesaler of imported or domestic packaged distilled spirits or wines who has purchased an item from another wholesaler, and the wholesaler from whom you made the purchase is not the importer or the primary distributing agent of that item, your ceiling price (as determined under section 21, 22, 23, 24, 25 or 26) for sale of that item to a particular class of purchaser may not exceed the ceiling price (to the same class of purchaser) of the wholesaler from whom you made the purchase.

SEC. 28. *Wholesalers' ceiling prices for sales of individual containers.* If you are a wholesaler of an item of imported or domestic packaged distilled spirits or wines, your ceiling price for sales of individual containers of that item to a particular class of purchaser is determined by dividing your ceiling price per case for sale of that item to that class of purchaser by the number of individual containers customarily packed in a case by your supplier. However, if a retailer has elected to purchase individual containers after you have expressly given him the alternative to purchase a case of the item at your ceiling price per case for the particular container size, you may add to your ceiling price for sale of individual containers (otherwise determined under this section) to that retailer, the applicable of the following amounts:

(a) 4 cents per container, if the container size is a gallon, half-gallon, quart or fifth;

(b) 2 cents per container, if the container size is a pint or tenth;

(c) 1 cent per container, if the container size is a half-pint.

You must in all cases, however, write on the invoice you give that retailer your ceiling price per case (otherwise determined under section 21, 22, 23, 24, 25 or 26) to that retailer.

ARTICLE III—PRIMARY DISTRIBUTING AGENTS

SEC. 35. *How primary distributing agents are to determine their ceiling prices.* This section applies to you if you are a primary distributing agent (as defined in section 3.1 of the BABR) of an item of imported or domestic packaged distilled spirits or wines. In that case you are to determine your ceiling price per case for sales of that item as provided in this section:

(a) *Initial ceiling prices for primary distributing agents' sales to wholesalers and monopoly States.* Your initial ceiling price per case for sales to wholesalers or monopoly States (as the case may be) of an item for which you are a primary distributing agent is the total of the following "elements of cost":

(1) Your supplier's ceiling price per case for sale of the item to a wholesaler or a monopoly State, as the case may be.

(2) Transportation charges (defined in section 3.3 of the BABR) applicable to the particular item and actually incurred by you to transport the item from the supplier's customary shipping point to your customary receiving point. You shall not, however, include: (i) Transportation charges on items sold f. o. b. supplier's shipping point and shipped directly to your customer at your customer's expense, or (ii) any transportation charges from the supplier's point of shipment included in your supplier's ceiling price, or (iii) expenses of hauling, drayage or handling within the metropolitan area of the shipping or receiving point.

(3) United States, State and local excise taxes and United States customs duties applicable to the particular item and actually incurred by you, to the extent that those taxes and duties are not already included in your supplier's ceiling price. You shall not, however, include any taxes other than excise taxes, or any United States, State or local fees or charges.

Your initial ceiling price may be adjudged or modified under the provisions of paragraph (c) of this section, and sections 2.1, 2.4, 2.16, and 2.17 of the BABR, if applicable. In addition, you must comply with the record provisions of paragraph (b) of this section.

(b) *Records you must prepare and* preserve. If you are a primary distributing agent who determined his initial ceiling price under paragraph (a) of this section for sale of an item to a class of purchaser (wholesalers or monopoly States, as the case may be) then (in addition to keeping the records required by section 2.14 of the BABR) you must, before January 15, 1952, complete for sales of that item to the class of purchaser, the appropriate OPS Form prepared for your use under this section. You must, thereafter, preserve and keep that completed OPS Form available for inspection by the Director of Price Stabilization for as long as the Defense Production Act of 1950, as amended, is in effect and for two years thereafter. Copies of that Form may be obtained from any OPS Regional or District Office on or after December 1, 1951. The information you will insert in that form is as follows:

(1) Each of the "elements of cost" determined under paragraph (a) of this section and included in your initial ceiling price per case to that class of purchaser.

(2) Your initial ceiling price per case for sales of the item to that class of purchaser.

(c) *When a primary distributing agent must redetermine his ceiling prices for sales to wholesalers and monopoly States*—(1) *Method of redetermination.* This paragraph applies to you if you are a primary distributing agent of an item of imported or domestic packaged distilled spirits or wines and the sum of the "elements of cost" included in determining your initial ceiling price per case for that item under paragraph (a) of this section has either increased or decreased by at least 15 cents per case (i) from the sum of the "elements of cost" at the time you determined your initial ceiling price under paragraph (a) of this section, or (ii) if you have previously redetermined your ceiling price under this paragraph, from the sum of the "elements of cost" upon which the last redetermination of your ceiling price under this paragraph was based. In that case, you may, if the sum of the "elements of cost" has increased by at least 15 cents per case, and must, if the sum of the "elements of cost" has decreased by at least 15 cents per case, redetermine your ceiling price per case under paragraph (a). (That redetermined ceiling price will, of course, be equal to the new sum of the "elements of cost.") It is important for you to remember that if the sum of the "elements of cost" has decreased by at least 15 cents per case you must redetermine

your ceiling price and place it into effect no later than the day set out in subparagraph (2) of this paragraph.

(2) *When redetermined ceiling prices go into effect.* The ceiling price per case redetermined under subparagraph (1) is to go into effect, except as provided in section 70, on and after the fourth day (not counting Sundays and holidays) following receipt by you of the items whose increased or decreased "elements of cost" resulted in the redetermination of your ceiling price. It shall apply (i) to stock on hand (as defined in section 3.3 of the BABR) as of that date, (ii) to all sales or deliveries made after that date (even if made under a contract entered into before that date), and (iii) to offers to sell and contracts to sell made after that date.

(d) *Ceiling price for primary distributing agent's sales to retailers and consumers.* Your ceiling price for sales to retailers and consumers of an item for which you are a primary distributing agent is to be determined under the sections of this supplementary regulation which apply to wholesalers, just as if you were a wholesaler of that item.

ARTICLE IV—MONOPOLY STATES

SEC. 40. *How monopoly State distributors are to determine their ceiling prices*—(a) *Method of determining ceiling prices for items covered by statute, ordinance, etc., enacted before January 26, 1951.* (1) This section applies to you if you are a distributor, owned or operated by a monopoly State (defined in section 3.1 of the BABR), of imported or domestic packaged distilled spirits or wines and wish to sell either cases or individual containers of an item to a particular class of purchaser. In that case you are to determine your ceiling price for those case sales or individual container sales (as the case may be) of the item by whichever of the following methods is applicable to you:

(i) If the price at which the item was (or could have been) sold to the particular class of purchaser on January 25, 1951, was determined under the terms of a statute, ordinance, regulation, order or other official action of a monopoly State authority, which established a percentage markup over certain elements of cost, your ceiling price is to be determined by applying the same percentage markup to the current amount of the same elements of cost.

(ii) If the price at which the item was (or could have been) sold to the particular class of purchaser on January 25, 1951, was set at a flat dollar-and-cent amount by a statute, ordinance, regulation, order or other official action of a monopoly State authority, your ceiling price is to be determined by figuring the "markup factor" which that flat price yielded over the "cost of acquisition" (defined in section 72) for the last customary purchase of the item before January 26, 1951, and multiplying your current "cost of acquisition" (defined in section 72) by that "markup factor". (The "markup factor" is figured by dividing the flat price at which the item was (or could have been) sold to the particular class of purchaser on January 25, 1951, under the State statute, etc., by the "cost of acquisition" for the last customary purchase of the item before January 26, 1951.)

(iii) If a statute, ordinance, regulation or order was enacted, or some other official action of a monopoly State authority was taken, before January 26, 1951, which was not to go into effect until or after January 26, 1951, and that statute, ordinance, regulation, order or other official action either set a definite margin over certain elements of cost or specified a flat dollar-and-cent price for the item, you may determine your ceiling price for the item under subdivision (i) or (ii) (as the case may be) on the assumption that the statute, ordinance, regulation, etc. actually was in effect on January 25, 1951.

(2) If the Statute, ordinance, regulation, order or other official action of the monopoly State authority under which you are determining your ceiling price (pursuant to subparagraph (1) (i), (1) (ii) or (1) (iii)) does not specify a method for determining prices for sales of individual containers of an item, you are to determine your ceiling price for sales of individual containers of that item by transforming your ceiling price per case for the item into a price for individual containers in accordance with the method customarily used by you during January 1951.

(3) If you determine your ceiling prices under this section then (in addition to keeping the records required by section 2.14 of the BABR) you must, before January 1, 1952, or such earlier effective date as you select, place a registered letter in the mail, addressed to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., containing one copy of each of the provisions of the statutes, ordinances, regulations, orders and other official actions of the State authority under which you are determining your ceiling prices.

(b) *Treatment of fractional parts of a cent in figuring ceiling prices and rounding ceiling prices to an even 5 cents.* In determining your ceiling prices (pursuant to paragraph (a) of this section) under the provisions of a statute, ordinance, regulation, order or other official action enacted or taken before January 26, 1951, you must, despite the provisions of section 2.1 of the BABR, treat fractional parts of a cent either (1) as specifically provided by that statute, ordinance, regulation, order or other official action, or (2) pursuant to your customary practice during January 1951, and shall reduce or may increase your ceiling price in accordance with either that specific provision or customary practice. (If the statute, ordinance, regulation, order or other official action specifically provides for the rounding of your prices to a sum divisible by 5, or if, during January 1951, you customarily followed that practice, you must reduce and may increase your ceiling prices for any item in accordance with that specific provision or customary practice.)

(c) *Ceiling prices for items not covered by statute, ordinance, regulation, etc.*—(1) *Application for method to determine ceiling prices.* This section applies to you if you are a distributor, owned or operated by a monopoly State (defined in section 3.1 of the BABR), of imported or domestic packaged distilled spirits or wines and wish to sell an item not covered by any of the monopoly State's statutes, ordinances, regulations, orders or other official actions last enacted or taken before January 26, 1951. In that case either (i) you may apply to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., for the establishment of a method for determining your ceiling prices for that item, or (ii) such an application may be filed by a duly authorized official of the monopoly State in behalf of the distributors owned or operated by that State. In either case the application must be in writing, signed by a duly authorized officer, and shall list the item, contain a description of the method or methods of determining ceiling prices for sales, if any, of items in the same category (defined in subparagraph (2) of this paragraph) as that item for which the application is made. After the application is filed the Office of Price Stabilization may, by amendment or by order, (i) establish a markup factor for that item, which is to be applied to the item's "cost of acquisition" (as defined in section 72) to arrive at its ceiling price, or (ii) provide some other method for determining the ceiling price for the item. You may not sell the item until such amendment or order is issued and becomes effective, and any amendment or order may be revoked or amended by the Office of Price Stabilization when the method prescribed in that order for determining the ceiling price of the item is deemed to result in excessive prices, to be unreasonable or to be otherwise improper.

(2) *Definition of categories.* For purposes of this paragraph (c) of this section, the categories of imported or domestic distilled spirits and wines are:

(i) Imported and domestic distilled spirits, other than cordials, liqueurs and specialties.

(ii) Imported and domestic wines, wine based cordials and other rectified wines.

(iii) Imported and domestic cordials, liqueurs and specialties not included in the category described in subdivision (ii).

ARTICLE V—RETAILERS; INTRODUCTORY PROVISIONS

SEC. 50. *How retailers are to determine their ceiling prices.* If you are a retailer of imported or domestic packaged distilled spirits or wines you are to determine your ceiling price for sales to consumers under Article VI (sections 53 through 57) or under Article VII (sections 59 through 61). You may, if you so elect, determine the ceiling price for some of your items under Article VI and for the remainder of your items under Article VII, but only as permitted by sections 53 and 59. In general, Article VI permits you to determine your ceiling prices for each item you elect on the basis of your historic percentage markup for that same item, while Article VII permits you to determine your ceiling prices for all other items by determining the average percentage markup on

a "representative group" of items in each of the following three categories—distilled spirits, wine and cordials—and by applying that markup to the items within the appropriate category. In any case, whether you determine your ceiling prices under Article VI, Article VII or both, the provisions of Article V and VIII also apply to you.

SEC. 51. *Retailers' "base period."* If you are a retailer of imported or domestic packaged distilled spirits or wines your "base period" is the month of January, 1951. Therefore, any reference to a "base period" in this supplementary regulation, or in those provisions of the BABR which apply to you means the month of January, 1951.

ARTICLE VI—RETAILERS; INDIVIDUAL ITEM MARKUPS

SEC. 53. *Coverage of this article.* Article VI enables you to determine your ceiling prices for all items of imported or domestic packaged distilled spirits or wines, except those items for which you have determined a ceiling price under Article VII, those items for which you elect to determine a ceiling price under Article VII, and items which you have included in a "representative group" of items in determining your "average base period markup factor" for a category under Article VII. If you have excluded an item from your calculations in determining a "representative group" under Article VII because you preferred to have the ceiling price of that item determined under Article VI, this Article VI determines your ceiling price for that item and Article VII does not apply to that item.

SEC. 54. *Retailers' initial ceiling prices for items dealt in during the "base period."*—(a) *How to calculate your initial ceiling prices.* This section applies to you if you are a retailer of imported or domestic packaged distilled spirits or wines and wish to sell to consumers an item (as that term is defined in section 72) which you sold or offered for sale during the "base period." In that case you are to calculate your initial ceiling price for sales of individual containers of that item to consumers as follows:

(1) Determine the highest price at which you made a customary sale of an individual container of the item to consumers during the "base period." If no such sale was made you must use the highest price at which you offered the item for sale to consumers during the "base period" if the offer, or its acceptance, is proven by some written or printed evidence such as a price list, price posting, printed advertisement, etc. (If, however, your offering price was intended to withhold the item from the market or if it was merely a bargaining price, your usual practice being to sell at a price lower than that asked, you may not use that price as your offering price under this subparagraph.) If you cannot determine your "base period" sales price or offering price for the item under this subparagraph, then you must determine your ceiling price for the item under section 55, 56, or 57, whichever is applicable.

(2) Determine the "individual container cost" (as defined in section 72) incurred by you in connection with your last customary purchase of the item before January 1, 1951. However, if you were required by State or local law to file, post or give notice of the price determined in (1), use the "individual container cost" incurred by you in connection with the last customary purchase of the item made just before the date you filed, posted or gave notice of that price pursuant to State or local law.

(3) Divide the price figured in subparagraph (1) of this paragraph by your "individual container cost" (determined in subparagraph (2) of this paragraph). The resulting figure is your "markup factor" for sale of the item to consumers.

(4) Your initial ceiling price for sale of an individual container of that item to consumers is calculated by multiplying your "individual container cost" (as defined in section 72) for your most recent customary purchase of the item prior to January 1, 1952, or such earlier effective date as you select for the item, by your "markup factor" (arrived at in subparagraph (3) of this paragraph). That price, however, may be adjusted or modified under the provisions of sections 63, 64 and 65 of this supplementary regulation and sections 2.1, 2.4, 2.16 and 2.17 of the BABR, if applicable. In addition, you must comply with the record provisions of paragraph (b) of this section.

Example: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

(1) The highest price at which you sold a fifth of item X to consumers during the "base period" was $5.63.

(2) Your "individual container cost" for your last customary purchase of X before January 1, 1951, was $4.33 a fifth. This was determined as follows: On December 15, 1950, you made a customary purchase of X at a gross price (shown on the invoice received from your supplier) of $50 a case. However, the terms of that purchase were 2/10 EOM, and you, therefore, deduct 2% of $50 ($1.00) from $50, leaving $49. Since you must pay a State excise tax (which was not included in the gross invoice price) of $3.00 on that case, you add that $3.00 to $49 and arrive at a "cost of acquisition" of $52. Dividing $52 by 12, the number of fifths of X customarily packed in a case by your supplier, gives you an "individual container cost" of $4.33 a fifth.

(3) Dividing $5.63 (your highest selling price for a fifth of X during the "base period") by $4.33 (your "individual container cost" for your last purchase of X before January 1, 1951) gives you a "markup factor" to consumers of 1.30 ($5.63÷$4.33=1.30).

(4) The invoice for your last purchase of a case of X before January 1, 1952, showed a gross price of $55. The terms are 2/10 EOM and you, therefore, deduct 2% of $55 ($1.10) from $55 leaving $53.90. Since you must pay a State excise tax (which was not included in the gross invoice price) of $3.00 on that case, you add that $3.00 to $53.90 and arrive at a "cost of acquisition" of $56.90. Dividing $56.90 by 12, the number of fifths of X customarily packed in a case by your supplier, gives you an "individual container cost" of $4.74 a fifth. Your ceiling price for sale of a fifth of X to consumers is determined by multiplying $4.74 by 1.30 (your "markup factor"), and is $6.16 ($4.74×1.30=$6.16).

(b) *Records you must prepare and preserve.* If you are a retailer who determines ceiling prices under this section for sales of an item to consumers then (in addition to keeping the records required by section 2.14 of the BABR) you must, before January 15, 1952 complete for that item the appropriate OPS Form prepared for your use under this section. You must, thereafter, preserve and keep that completed OPS Form available for inspection by the Director of Price Stabilization for as long as the Defense Production Act of 1950, as amended, is in effect and for two years thereafter. Copies of that Form may be obtained from any OPS Regional or District Office on or after December 1, 1951. The information you will insert in that Form is as follows:

(1) The price determined under subparagraph (a) (1) of this section.

(2) Your "individual container cost" determined under subparagraph (a) (2) of this section.

(3) Your "markup factor" determined under subparagraph (a) (3) of this section.

(4) Your "individual container cost" for your most recent customary purchase of the item prior to January 1, 1952, or such earlier effective date as you select for the item.

(5) Your initial ceiling price to consumers.

SEC. 55. *Retailers' initial ceiling prices for items not dealt in during the "base period" but dealt in between February 1, 1951 and December 31, 1951, inclusive*—(a) *How to calculate your initial ceiling prices.* This section applies to you if you are a retailer of imported or domestic packaged distilled spirits or wines and wish to sell to consumers an item (as that term is defined in section 72) which you did not sell to consumers during the "base period" (and for which you cannot figure a ceiling price under section 54), but which you did sell to consumers between February 1, 1951, and December 31, 1951, inclusive. In that case you are to calculate your initial ceiling price for sales of individual containers of that item to consumers as follows:

(1) Determine the price at which you made your first customary sale of an individual container of the item to consumers between February 1, 1951, and December 31, 1951, inclusive.

(2) Determine the "individual container cost" (as defined in section 72) incurred by you in connection with the last customary purchase of the item received from your supplier before the date (between February 1, 1951, and December 31, 1951, inclusive) that you made your first customary sale of the item to consumers.

(3) Divide the price figured in subparagraph (1) of this paragraph by your "individual container cost" (determined in subparagraph (2) of this paragraph). The resulting figure is your "markup factor" for sale of the item to consumers.

(4) Your initial ceiling price for sale of an individual container of that item to consumers is calculated by multiplying your "individual container cost" (as defined in section 72) for your most recent customary purchase of the item prior to January 1, 1952, or such earlier effective date as you select for the item, by your "markup factor" (arrived at in subparagraph (3) of this paragraph). That price, however, may be adjusted or modified under the provisions of sections 63, 64 and 65 of this supplementary regulation and sections 2.1, 2.4, 2.16 and 2.17 of the BABR, if applicable. In addition, you must comply with the record provisions of paragraph (b) of this section.

Example: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

(1) Your first customary sale of a fifth of item Y to consumers was made on September 10, 1951, at a price of $5.63.

(2) Your "individual container cost" for your last customary purchase of item Y before September 10, 1951, as evidenced by an invoice received on September 5, 1951, was $4.33 a fifth. This was determined as follows: The gross price of item Y (shown on the invoice received September 5, 1951) was $50 a case. However, the terms of that purchase were 2/10 EOM, and you, therefore, deducted 2% of $50 ($1.00) from $50, leaving $49. Since you must pay a State excise tax (which was not included in the gross invoice price) of $3.00 on that case, you add that $3.00 to $49 and arrive at a "cost of acquisition" of $52. Dividing $52 by 12, the number of fifths of Y customarily packed in a case by your supplier, gives you an "individual container cost" of $4.33 a fifth.

(3) Dividing $5.63 (the selling price for your first customary sale of a fifth of item Y after January 31, 1951) by $4.33 (your "individual container cost" for your last customary purchase of item Y before that sale) gives you a "markup factor" to consumers of 1.30 ($5.63÷$4.33=1.30).

(4) The invoice for your most recent customary purchase of a case of item Y before January 1, 1952, showed a gross price of $55. The terms are 2/10 EOM and you, therefore, deduct 2 percent of $55 ($1.10) from $55, leaving $53.90. Since you must pay a State excise tax (which was not included in the gross invoice price) of $3.00 on that case, you add that $3.00 to $53.90 and arrive at a "cost of acquisition" of $56.90. Dividing $56.90 by 12, the number of fifths of Y customarily packed in a case by your supplier, gives you an "individual container cost" of $4.74 a fifth. Your ceiling price for sale of a fifth of Y to consumers is determined by multiplying $4.74 by 1.30 (your "markup factor"), and is $6.16 ($4.74×1.30=$6.16).

(b) *Records you must prepare and preserve.* If you are a retailer who determines ceiling prices under this section for sales of an item to consumers then (in addition to keeping the records required by section 2.14 of the BABR) you must, before January 1, 1952, complete for that item the appropriate OPS Form prepared for your use under this section. You must, thereafter, preserve and keep that completed OPS Form available for inspection by the Director of Price Stabilization for as long as the Defense Production Act of 1950, as amended, is in effect and for two years thereafter. Copies of that Form may be obtained from any OPS Regional or District Office on or after December 1, 1951. The information you will insert in that Form is as follows:

(1) The price determined under subparagraph (a) (1) of this section.

(2) Your "individual container cost" determined under subparagraph (a) (2) of this section.

(3) Your "markup factor" determined under subparagraph (a) (3) of this section.

(4) Your "individual container cost" for your most recent customary purchase of the item prior to January 1, 1952, or such earlier effective date as you select for the item.

(5) Your initial ceiling price to consumers.

SEC. 56. *Retailers' initial ceiling prices for items not dealt in between January 1, 1951, and December 31, 1951, inclusive, but falling within categories dealt in during that period*—(a) *How to calculate your initial ceiling prices.* This section applies to you if you are a retailer of imported or domestic packaged distilled spirits or wines and wish to sell to consumers either (1) an item (as defined in section 72) not sold by you between January 1, 1951, and December 31, 1951, inclusive, but falling within a category in which you dealt during that period, or (2) an item (as defined in section 72) sold by you between January 1, 1951, and December 31, 1951, inclusive, but not sold to consumers during that period. In either case, if you cannot figure your initial ceiling price for sales of individual containers of that item to consumers under section 54 or 55, you are to determine that ceiling price as follows:

(1) Calculate your "average markup factor" for the category (as that term is defined in paragraph (b) of this section) within which the item falls. Your "average markup factor" is calculated by adding together all of the "markup factors" determined under sections 54 and 55 of this supplementary regulation for items in the particular category and then dividing the resulting figure by the number of "markup factors" added together.

(2) Determine your "individual container cost" (as defined in section 72) for your first customary purchase of that item after December 31, 1951.

(3) Your initial ceiling price for sales of an individual container of the item to consumers is calculated by multiplying your "individual container cost" (determined in subparagraph (2) of this paragraph) by your "average markup factor" for the category (arrived at in subparagraph (1) of this paragraph). That price, however, may be adjusted or modified under the provisions of sections 63, 64 and 65 of this supplementary regulation and sections 2.1, 2.4, 2.16 and 2.17 of the BABR, if applicable. In addition, you must comply with the record provisions of paragraph (c) of this section.

Example: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

(1) There are 5 items in your category of "Bottled in Bond Domestic Whiskey—Fifths." Their "markup factors" determined under sections 54 and 55 are 1.33, 1.30, 1.28, 1.25, and 1.34. Your "average markup factor" for that category is determined by adding those five markups together, then dividing the resulting figure by 5.

"Average markup factor" for category of "Bottled in Bond Domestic Whiskey—Fifths":

1.33+1.30+1.28+1.25+1.34=6.50
6.50÷5=1:30

(2) The invoice for your first customary purchase of a case of Z, a fifth of Bottled in Bond Domestic Whiskey never sold by you to consumers between January 1, 1951 and December 31, 1951, inclusive, shows a gross price of $55. The terms are 2/10 EOM and you, therefore, deduct 2 percent of $55 ($1.10) from $55 leaving $53.90. Since you must pay a State excise tax (which was not included in the gross invoice price) of $3 on that case, you add that $3 to $53.90 and arrive at a "cost of acquisition" of $56.90. Dividing $56.90 by 12, the number of fifths of Z customarily packed in a case by your supplier, gives you an "individual container cost" of $4.74 a fifth.

(3) Your initial ceiling price for sale of a fifth of Z to consumers is determined by multiplying $4.74 by 1.30 (your "average markup factor" for the category of "Bottled in Bond Domestic Whiskey—Fifth") and is $6.16 ($4.74×1.30=$6.16).

(b) *Designation of categories.* For purposes of this section, each container size (as defined in section 3.2 of the BABR) of each of the groupings listed below is a separate category of imported and domestic distilled spirits and wines. (For example: Fifths of Bottled in Bond Domestic Whiskey are one category, whereas pints of Bottled in Bond Domestic Whiskey are a separate category.) Items produced in Puerto Rico and the Virgin Islands (belonging to the United States) are, for purposes of this section only, to be considered domestic items.

(1) Bottled in Bond Domestic Whiskey.
(2) Straight Domestic Whiskey.
(3) Domestic Blends of Straight Whiskies.
(4) Domestic Blended Whiskey.
(5) Scotch Whiskey.
(6) Canadian Whiskey.
(7) Irish Whiskey.
(8) Domestic Gin.
(9) Imported Gin.
(10) Domestic Brandy.
(11) Imported Brandy.
(12) Domestic Rum.
(13) Imported Rum.
(14) Domestic Cordials, Liqueurs and Specialties (including, for purposes of this section only, domestic vodka).
(15) Imported Cordials, Liqueurs and Specialties (including, for purposes of this section only, imported vodka).
(16) Domestic Sparkling Wines and Carbonated Wines.
(17) Imported Sparkling Wines and Carbonated Wines.
(18) Domestic Still Wines.
(19) Imported Still Wines.

(c) *Records you must prepare and preserve.* If you are a retailer who determines ceiling prices under this section for sales of an item to consumers then (in addition to keeping the records required by section 2.14 of the BABR) you must, before January 1, 1952, complete for that item the appropriate OPS Form prepared for your use under this section. You must, thereafter, preserve and keep that completed OPS Form available for inspection by the Director of Price Stabilization for as long as the Defense Production Act of 1950, as amended, is in effect and for two years thereafter.

Copies of that Form may be obtained from any OPS Regional or District Office on or after December 1, 1951. The information you will insert in that form is as follows:

(1) A list of all the items included in the particular category within which the item you are pricing falls, and the "markup factors" of those items. This information need only be recorded for a category, however, the first time you price an item in that particular category under this section. You need not thereafter record this information in pricing any other item in that category.

(2) Your "average markup factor" for the category within which the item you are pricing falls.

(3) The "individual container cost" used by you to calculate your initial ceiling price for the item.

(4) Your initial ceiling price for the item.

SEC. 57. *Retailers' initial ceiling prices for new items not falling within categories dealt in before January 1, 1952*—(a) *Establishment of "markup factor" for new categories.* This section applies to you if you are a retailer of imported or domestic packaged distilled spirits or wines and wish to sell an item which you did not sell between January 1, 1951, and December 31, 1951, inclusive, does not fall within any category (as that term is defined in section 56 (b)) dealt in by you during that period, and for which you cannot figure a ceiling price under section 54, 55 or 56. In that case you may apply to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., for the establishment of a "markup factor" to be used in pricing that item and all other items in that new category. Your application must be in writing, signed by you or a duly authorized officer, shall list the item (or items), state that it is filed under this section, and shall contain an explanation of why you are unable to determine your ceiling price for the item (or items) under section 54, 55 or 56 of this supplementary regulation. After your application is filed the Office of Price Stabilization may establish a "markup factor" for that category by amendment or order, and a percentage differential to be applied to case sales of that item. You may not sell any items in that category until after such amendment or order is issued and becomes effective, and any amendment or order may be revoked or amended by the Office of Price Stabilization when the "markup factor", or percentage differential for case sales, established thereby is deemed unreasonable, excessive, or otherwise improper.

(b) *Application of "markup factor."* If the Office of Price Stabilization, pursuant to paragraph (a) of this section, establishes your "markup factor" for a category under this section, your initial ceiling price for sale to consumers of an individual container of an item in that category is calculated as follows:

(1) Determine your "individual container cost" (as defined in section 72) for your first customary purchase of that item after December 31, 1951.

(2) Multiply your "individual container cost" determined in subparagraph (1) of this paragraph by the "markup factor" established by the Office of Price Stabilization for that category. The initial ceiling price arrived at may be adjusted or modified under the provisions of sections 63, 64, and 65 of this supplementary regulation and sections 2.1, 2.4, 2.16 and 2.17 of the BABR, if applicable.

ARTICLE VII—RETAILERS; CATEGORY MARKUPS

SEC. 59. *Coverage of this article.* Article VII enables you to determine your ceiling price for all items of imported or domestic packaged distilled spirits or wines, except those items for which you have determined a ceiling price under Article VI, those items for which you elect to determine a ceiling price under Article VI, and items which you have excluded from your calculations in determining a "representative group" under Article VII because you preferred to have the ceiling prices for those items determined under Article VI. If you have included an item in a "representative group" of items in determining your "average base period markup factor" for a category under Article VII, this Article VII determines your ceiling price for that item and Article VI does not apply to that item.

SEC. 60. *Retailers' initial ceiling prices for items falling within categories dealt in during the "base period"*—(a) *How to calculate your initial ceiling prices.* This section applies to you if you are a retailer of imported or domestic packaged distilled spirits or wines and wish to sell to consumers an item or items (as defined in section 72) falling within a category in which you dealt during the "base period." For purposes of this section there are only three categories of imported and domestic packaged distilled spirits and wines, and they are:

(i) Imported and domestic distilled spirits, other than cordials, liqueurs, and specialties.

(ii) Imported and domestic wines, wine based cordials and other rectified wines.

(iii) Imported and domestic cordials, liqueurs and specialties not included in the category described in subdivision (ii).

If you are such a retailer you are to determine your initial ceiling price for sales of individual containers of that item or items to consumers as follows:

(1) Select a "representative group" of the items in the same category as that within which the item or items you are pricing fall. That "representative group" is to be determined on the basis of the purchases you made of the various items in the category during either the calendar year 1950 (or the part of that year during which you were dealing in the category), or your last fiscal year ended before January 1, 1951, as follows: Consult your invoices showing the purchases of all the items in that category for the entire calendar year 1950 (or the part of that year during which you were dealing in the category), or your last fiscal year ending before January 1, 1951 (whichever period you choose) and select the item of which you made the largest dollar volume of purchases during that period, the item of which you made the second largest dollar volume of purchases during that period, the item of which you made the third largest dollar volume of purchases during that period, and so on down the line, until the items selected have accounted for at least 50 percent (by dollar volume) of the total dollar volume of purchases made by you of items in that category during the period you chose. In computing the total dollar volume of that category's purchases, you shall exclude those items for which you desire to compute ceiling prices under Article VI. Similarly, in determining the composition of the "representative group," you shall exclude those same items. (If for some reason you cannot, under this subparagraph, determine what is the "representative group" of items in the category you must apply for a "markup factor" for that category under section 61 of this supplementary regulation.)

For each of the items in the "representative group" determine the following:

(i) The highest price at which you made a customary sale of an individual container of the item to a consumer during the "base period." If no such sale was made, you must use the highest price at which you offered the item for sale to consumers during the "base period," if the offer, or its acceptance, is proven by some written or printed evidence such as a price list, price posting, printed advertisement, etc. (If, however, your offering price was intended to withhold the item from the market or if it was merely a bargaining price, your usual practice being to sell at a price lower than that asked, you may not use that price as your offering price under this subparagraph.) If you cannot determine your "base period" sales price for the item under this subparagraph, that item cannot be selected as part of the "representative group" of items in the particular category.

(ii) The "individual container cost" (as defined in section 72) incurred by you in connection with your last customary purchase of the item before January 1, 1951. However, if you were required by State or local law to file, post or give notice of the price determined in subdivision (i) of this subparagraph for the item, use the "individual container cost" incurred by you in connection with the last customary purchase of the item made just before you filed, posted or gave notice of that price pursuant to State or local law.

(2) Add together the highest January 1951 sales prices, determined by you in subparagraph (1) (i) of this paragraph, for all the items in the "representative group" of the category. The resulting figure is your "base period sales price factor" for the category.

(3) Add together the "individual container costs" determined by you in subparagraph (1) (ii) of this paragraph, for all the items in the "representative group" of the category. The resulting

figure is your "base period individual container cost factor" for the category.

(4) Divide your "base period sales price factor" for the category (figured in subparagraph (2) of this paragraph) by your "base period individual container cost factor" for the category (figured in subparagraph (3) of this paragraph). The resulting figure is your "average base period markup factor" for that particular category.

(5) Your initial ceiling price for sale of an individual container to consumers of any item in that particular category is calculated by multiplying your "individual container cost" (defined in section 72) (i) for your most recent customary purchase of the item prior to January 1, 1952 (or such earlier effective date as you select for the item), or (ii) for your first customary purchase of the item after December 31, 1951 (if you did not deal in the item between January 1, 1951, and Dec. 31, 1951, inclusive), by your "average base period markup factor" for that category (arrived at in subparagraph (4) of this paragraph). That price, however, may be adjusted or modified under the provisions of sections 63, 64 and 65 of this supplementary regulation and sections 2.1, 2.4, 2.16 and 2.17 of the BABR, if applicable. In addition, you must comply with the record provisions of paragraph (b) of this section.

Example: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

(1) In your category of "Imported and domestic wines, wine based cordials and other rectified wines" you were selling 10 items during the calendar year 1950. Your total purchases by dollar volume of each of those items for the calendar year 1950, and your total purchases of all the items in that category during that period were as follows:

Item:	*Purchases, 1950*
A	$1,000
B	1,750
C	800
D	5,000
E	1,500
F	6,500
G	4,000
H	1,200
I	3,000
J	2,000
Total	$26,750

You desire to determine the ceiling price of Item D under Article VI. Accordingly, you exclude Item D and your total 1950 purchases of the items in that category amount to $21,750 ($26,750−$5,000=$21,750). Fifty percent of $21,750, your adjusted total 1950 purchases of the items in that category, is $10,875. Therefore, the three items of which you made the most purchases, excluding Item D, accounted for more than fifty percent of your total 1950 purchases of items in that category:

Item:	*Purchases, 1950*
F	$6,500
G	4,000
I	3,000
Total	$13,500

As a result, items F, G and I comprise the "representative group" of items in that category.

(i) The highest prices at which you made customary sales of individual containers of F, G and I during January 1951, were as follows: F—$5.60, G—$6.25, and I—$5.00.

(ii) The "individual container cost" incurred by you in connection with your last customary purchase before January 1, 1951, of each of the items in the "representative group" is determined as follows:

	F	G	I
Gross invoice price (per case)	$50.00	$54.00	$42.00
Less: 2/10 EOM discount	1.00	1.08	.84
	49.00	52.92	41.16
Plus: State excise tax not included in invoice price	3.00	3.00	2.75
"Cost of acquisition" (per case)	52.00	55.92	43.91
Divided by number of individual containers customarily packed in a case	(12)	(12)	(12)
"Individual container cost"	4.33	4.66	3.65

(2) Add the highest January 1951 sales prices determined in (1) (i) to arrive at your "base period sales price factor."

F	$5.60
G	6.25
I	5.00
"Base period sales price factor"	$16.85

(3) Add the "individual container costs" determined in (1) (ii) to arrive at your "base period individual container cost factor."

F	$4.33
G	4.66
I	3.65
"Base period individual container cost factor"	$12.64

(4) Dividing $16.85 (your "base period sales price factor") by $12.64 (your "base period individual container cost factor") results in 1.333 ($16.85÷$12.64=1.333), which is your "average base period markup factor" for your category of "Imported and domestic wines, wine based cordials and other rectified wines."

(5) The invoice for your last purchase of Item C before January 1, 1952, showed a gross price of $56 per case. The terms are 2/10 EOM and you, therefore, deduct 2 percent of $56 ($1.12) from $56, leaving $54.88. Since you must pay a State excise tax (which was not included in the gross invoice price) of $3 on that case, you add that $3 to $54.88 and arrive at a "cost of acquisition" of $57.88. Dividing $57.88 by 12, the number of individual containers of Item C customarily packed in a case by your supplier, gives you an "individual container cost" of $4.82 for Item C. Your ceiling price for sales to consumers of an individual container is determined by multiplying $4.82 by 1.333 (your "average base period markup factor") and is $6.43 ($4.82×1.333=$6.43).

(b) *Records you must prepare and preserve.* If you are a retailer who determines ceiling prices under this section for sales to consumers of items falling within a category dealt in during the "base period" then (in addition to keeping the records required by section 2.14 of the BABR) you must, before January 15, 1952, complete for that category the appropriate OPS Form prepared for your use under this section. (You need only complete and preserve one Form for each category dealt in during the "base period" and, therefore, in no event will you ever have to prepare more than three Forms under this paragraph). You must, thereafter, preserve and keep that completed OPS Form available for inspection by the Director of Price Stabilization for as long as the Defense Production Act of 1950, as amended, is in effect and for two years thereafter. Copies of that Form may be obtained from any OPS Regional or District Office on or after December 1, 1951. The information you will insert in that Form is as follows:

(1) A list of the "representative group" of items (determined in paragraph (a) (1) of this section) in that category, your highest January 1951 selling price (determined under paragraph (a) (1) (i) of this section) for each of those items and your "individual container cost" (determined under paragraph (a) (1) (ii) of this section) for each of those items.

(2) Your "base period sales price factor" for the category, determined under paragraph (a) (2) of this section.

(3) Your "base period individual container cost factor" for the category, determined under paragraph (a) (3) of this section.

(4) Your "average base period markup factor" for the category, determined under paragraph (a) (4) of this section.

SEC. 61. *Retailers' initial ceiling prices for items falling within categories not dealt in during the "base period."*—(a) *Establishment of markup factor for new categories.* This section applies to you if you are a retailer of imported or domestic packaged distilled spirits or wines and wish to sell to consumers an item or items in a category (as defined in section 60 (a)) not dealt in by you during the "base period" or for which you cannot (for any other reason) determine an "average base period markup factor" under section 60. In that case, you may apply to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., for the establishment of a "markup factor" to be used in pricing items in that new category. Your application must be in writing, signed by you or a duly authorized officer, shall name the category, state that it is filed under this section, and shall contain an explanation of why you are unable to determine your ceiling price or prices under section 60 of this supplementary regulation. After your application is filed, the Office of Price Stabilization may establish a "markup factor" for that category by amendment or by order, and a percentage differential to be applied to case sales of items in that category. You may not sell any items in that category until after such amendment or order is issued and becomes effective, and any amendment or order may be revoked or amended by the Office of Price Stabilization when the "markup factor" or percentage differential for case sales established thereby is deemed unreasonable, excessive, or otherwise improper.

(b) *Application of "markup factor."* If the Office of Price Stabilization, pursuant to paragraph (a) of this section, establishes your "markup factor" for a category under this section, your initial ceiling price for sales to consumers of an individual container of an item in that category is calculated as follows:

(1) Determine your "individual container cost" (defined in section 72) for your first customary purchase of that item after December 31, 1951.

(2) Multiply your "individual container cost" determined in (1) by the "markup factor" established by the Office of Price Stabilization for that category. The initial ceiling price per case arrived at may be adjusted or modified under the provisions of sections 63, 64 and 65 of this supplementary regulation, and sections 2.1, 2.4, 2.16 and 2.17 of the BABR, if applicable.

ARTICLE VIII—RETAILERS; GENERAL PROVISIONS

SEC. 63. *Recalculation of retailers' ceiling prices*—(a) *When a retailer must recalculate his ceiling prices.* This section applies to you if you are a retailer of imported or domestic package distilled spirits or wines and your "cost of acquisition" per case (defined in section 72) for an item has either increased or decreased by at least 15 cents per case (1) from the "cost of acquisition" used to determine the "individual container cost" (defined in section 72) upon which you computed your initial ceiling price for the item (under Article VI or VII) or (2) if you have previously recalculated your ceiling price under this section, from the "cost of acquisition" used to determine the "individual container cost" upon which you last recalculated your ceiling price under this section. In that case, you may, if the "cost of acquisition" has increased by at least 15 cents per case, and must, if the "cost of acquisition" has decreased by at least 15 cents per case, recalculate your ceiling price for the item by determining your "individual container cost" (defined in section 72) from your most recent "cost of acquisition" and multiplying that new "individual container cost" by the applicable markup factor for the item (established under Article VI or VII). It is important for you to remember that if your "cost of acquisition" has decreased by at least 15 cents per case you must recalculate your ceiling price and place it into effect no later than the day set out in paragraph (b) of this section.

Example: Your "markup factor" for a fifth of W (as determined under Article VI or VII) is 1.30. The "cost of acquisition" (defined in section 72) incurred by you for a case of W at the time you computed your initial ceiling price was $60, which you divided by 12 (the number of containers of W customarily packed in a case by your supplier) to arrive at your "individual container cost" of $5. Your initial ceiling price for W, therefore, was $6.50 ($5×1.30=$6.50).

You now purchase a case of W on which you incur a "cost of acquisition" of $60.60. Since this is more than a 15-cent per case increase in "cost of acquisition" from that used to determine the "individual container cost" upon which you computed your initial ceiling price, you may recalculate your ceiling price under this section. Dividing $60.60 by 12 (the number of containers of W customarily packed in a case by your supplier) gives you a new "individual container cost" of $5.05, and a recalculated ceiling price of $6.57 ($5.05×1.30=$6.57).

Suppose, however, that your last purchase of W was a purchase of only 6 bottles (or of any amount less than a full case) but the "cost of acquisition" you would have incurred if that last purchase had been a full case (at that supplier's selling price per case then in effect) was $60.60. In that case, you may recalculate your ceiling price, since the $60.60 "cost of acquisition" is more than 15 cents per case greater than the $60 "cost of acquisition" used to determine the $5 "individual container cost" upon which you computed your initial ceiling price. Dividing $60.60 by 12 (the number of containers of W customarily packed in a case by your supplier) gives you a new "individual container cost" of $5.05, and a recalculated ceiling price of $6.57 ($5.05×1.30=$6.57).

(b) *When recalculated ceiling prices go into effect.* The ceiling price per case recalculated under this section is to go into effect, except as provided in section 70, on and after the fourth day (not counting Sundays and holidays) following receipt by you of the item whose increased or decreased "cost of acquisition" resulted in the recalculation of your ceiling price. It shall apply (1) to stock on hand (as defined in section 3.3 of the BABR) as of that date, (2) to all sales or deliveries made after that date (even if made under a contract entered into before that date), and (3) to offers to sell and contracts to sell made after that date.

SEC. 64. *Retailers' ceiling prices for sales to other retailers, and ceiling prices for items purchased from other retailers*—(a) *Retailers' ceiling prices for sales to other retailers.* If you are a retailer of an item of imported or domestic packaged distilled spirits or wines, your ceiling price for sale of that item to other retailers is the same as your ceiling price to consumers (determined under Article VI or VII). You may not, however, sell that item to another retailer unless you give the retailer to whom you are selling the item, written notice of your ceiling price for sales of individual containers of that item to consumers. For example: the following statement on the invoice you give the retailer to whom you are selling would be adequate:

Our ceiling prices for sales of the above items to consumers are:

Item	*Ceiling price*
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(b) *Ceiling prices for items purchased from other retailers.* If you are a retailer of imported or domestic packaged distilled spirits or wines who has purchased an item from another retailer, your ceiling price (as determined under Article VI or VII) for sale of individual containers of that item to consumers or to other retailers may not exceed the ceiling price to consumers or to other retailers (as the case may be) of the retailer from whom you made the purchase.

SEC. 65. *Retailers' ceiling prices for case sales.* If you are a retailer of an item of imported or domestic packaged distilled spirits or wines, your ceiling price for case sales of that item to consumers must reflect your customary percentage differential for case sales which was in effect during January 1951. If you were not selling the item during January 1951, use the percentage differential of the item in the same category (as defined in section 60 (a)) which had the highest percentage differential in effect for any of the items in that category during January 1951.

ARTICLE IX—"ON-PREMISE LICENSEES"

SEC. 68. *Ceiling prices for "on-premise licensees".* This section applies to you if you are an "on-premise licensee" selling an item of imported or domestic packaged distilled spirits or wines for off-premise consumption. In that case you are to determine your ceiling prices, for those sales of that item which are not covered by CPR 11, as a retailer under the provisions of this supplementary regulation which apply to retailers. For purposes of those provisions of this supplementary regulation which apply to retailers, therefore, an "on-premise licensee", to the extent that his sales are not covered by CPR 11, is considered a retailer.

ARTICLE X—GENERAL PROVISIONS

SEC. 70. *When ceiling prices go into effect for sellers in price-posting States.* If you are a seller of imported or domestic packaged distilled spirits or wines who is required, by State or local statute, ordinance, regulation, order or other official action of a State or local authority, to file, post or give notice of your price for any item, and such a requirement prevents you from placing a ceiling price determined under this supplementary regulation into effect on the date otherwise specified in this supplementary regulation, you are to place that ceiling price into effect on the next earliest date (after that specified date) permitted under the State or local law. You must, of course, file, post, or give notice of the ceiling price for the item at the first opportunity provided under the State or local law after determination of that ceiling price under this supplementary regulation. If you are redetermining your ceiling price under either section 26, section 35 (c), or section 63 of this supplementary regulation, you must do so on the basis of your "cost of acquisition" or "elements of cost" (as the case may be) incurred in connection with the last bona fide customary purchase of the item made by you before the next filing, posting or notice date prescribed by the State or local law.

SEC. 71. *How you must post your prices to consumers.* This section applies to you if you sell imported or domestic packaged distilled spirits or wines to consumers. It does not, however, apply to your sales to consumers of a full unopened case of an item nor to your prices for such sales. In addition, it does not apply at all to monopoly States which sell to consumers.

(a) If this section applies to you, you must, for each of your places of business at which you make sales to consumers, comply with one of the methods stated in this section for notifying those consumers that the prices you charge do not exceed your ceiling prices. You must use the same method of notification in each of your places of business.

(b) The Director of Price Stabilization, or any person to whom he delegates authority, may, by order, require the use of a particular method stated in this section by the sellers in any area he may specify.

METHOD NO. 1—MARKING EACH ITEM

When or before delivering an item to a consumer, you shall mark on the item in plainly visible letters and figures:

(1) Your name and address, or if the number of your license or permit to sell to consumers distinguishes it from all others issued by the same authority the number of that license or permit, and *either*

(2) Your selling price for the item to consumers (exclusive of retail sales tax), and a statement that the price is your ceiling price or less for the item (exclusive of retail sales tax), *or*

(3) The words:

"OPS price $——— (insert selling price exclusive of retail sales tax)." The selling price you insert may not, of course, exceed your ceiling price for sale of the item to consumers.

METHOD NO. 2—FURNISHING SALES SLIPS OR RECEIPTS

When or before delivering an item to a consumer, you must hand the purchaser a sales slip or receipt stating in plainly visible letters and figures:

(1) Your name and address, and

(2) The date of sale, and

(3) The brand name, package size and number of packages of the item sold the purchaser, and

(4) The selling price per package (exclusive of retail sales tax) charged by you for the item.

In addition, you must, in at least one place readily visible to consumers making purchases in your place of business, post and maintain a legible sign reading as follows:

"Prices charged in this store to consumers are our OPS ceiling prices or less (exclusive of retail sales tax)."

METHOD NO. 3—PRICE POSTING

You may select either the method prescribed in paragraph (a) below, or the method prescribed in paragraph (b) below.

(a) Exhibit, in at least one place readily visible to consumers making purchases in your place of business, a list stating in legible letters and figures:

(1) Each item you have for sale to consumers.

(2) Your selling price per package to them for each item listed (exclusive of retail sales tax).

(3) That those selling prices are your ceiling prices or less for sales to consumers (exclusive of retail sales tax).

(b) Exhibit your selling price or your ceiling price (exclusive of retail sales tax) for each item you have for sale to consumers, in plainly visible figures, on the shelf, bin, rack or other hold of the item. In addition, you must, in at least one place readily visible to consumers making purchases in your place of business, post and maintain a legible sign reading as follows:

"Prices posted in this store are our OPS ceiling prices or less to consumers (exclusive of retail sales tax)."

SEC. 72. *Special definitions.* *Cost of acquisition.* (a) "Cost of acquisition" means the total of:

(1) The gross price per case for the item shown on the invoice received from the supplier (so long as that gross price does not exceed the supplier's per case ceiling price) less (i) all discounts or allowances you took or could have taken, except "promotional discounts" (as defined in paragraph (b) of this definition), and (ii) all United States, State and local taxes (other than excise taxes), fees, and charges included in that invoice price;

(2) All transportation charges (defined in section 3.3 of the BABR) applicable to the particular item and actually incurred by you to transport the item from the supplier's customary shipping point to your customary receiving point, to the extent that those charges are not already included in the invoice price; and

(3) All United States, State and local excise taxes and United States customs duties applicable to the particular item and actually incurred by you, to the extent that those taxes and duties are not already included in the invoice price; and

(4) In the case of an imported item the costs actually incurred by you to withdraw that item from customs custody, to the extent that those costs are not already excluded in the invoice price.

(b) For purposes of this definition of "cost of acquisition", a "promotional discount" is a temporary reduction in the price of an item by your supplier, as explained in subparagraphs (1) and (2) below:

(1) *What you must regard as a "promotional discount" in calculating any markup factor.* If the price you paid your supplier of an item, for that particular purchase which you are using in any computation of a markup (or average markup) factor under this supplementary regulation, was reduced by a temporary promotional, special, advertising or similar discount, and you did not, in turn, reduce the item's selling or offering price (that you are using to compute that markup factor) by the full dollars and cents amount of the discount, you may not deduct from the "cost of acquisition" you are using in figuring the markup factor any amount of the discount you failed to deduct from that selling price. In other words, the amount of the discount that you did not deduct from the item's selling or offering price you are using to compute the markup factor must be considered a "promotional discount" within the meaning of subparagraph (a) (1) (i).

Example: In computing your markup for an item under section 21, you determine that your highest selling price for sale of the item to the particular class of purchaser during the "base period" was $45 per case. The price you paid for the last customary purchase of that item before June 1, 1950, was $35. That price was $3 less than the regular price of $38 because you were given a $3 promotional discount on the item. If you use $45 as your "base period" selling price for purposes of computing the item's markup, you may not use $35 as the "cost of acquisition", but must use $38 as the "cost of acquisition." If, however, you use $43 as your "base period" selling price you may use $36 as your "cost of acquisition." And, if you use $42 as your "base period" selling price, you may deduct the full $3 discount from cost and use $35 as your "cost of acquisition."

(2) *What you may regard as a "promotional discount" in applying your markup factor to current "cost of acquisition."* After January 1, 1952, or such earlier effective date as you select (pursuant to section 80), you may not regard a reduction in price as a "promotional discount" unless your supplier notifies you in writing (i) of the length of time that price reduction is to be in effect, and (ii) that the reduction is a "promotional discount", "special discount", "advertising discount" (or some similar term). In addition, if the discount or discounts given to you by your supplier on any one item are in effect (or if the written notifications you receive from your supplier indicate that the discount or discounts on that item will be in effect) for more than 92 days either during the first six months (January 1 through June 30) or the second six months (July 1 through December 31) of any calendar year, the reduction that is presently in effect (if any) and the announced reduction may not be regarded as "promotional discounts" and you must lower your "cost of acquisition" by the amount of those discounts.

Individual container cost. If you are a retailer your "individual container cost" for a particular purchase of an item means your "cost of acquisition" per case (defined above) for that purchase, divided by the number of containers of the item customarily packed in a case by your supplier. If the particular purchase was of less than a full case, your "individual container cost" for that purchase is figured by determining the "cost of acquisition" per case (defined above) that you would have incurred if that purchase had been of a full case (at your supplier's selling price per case then in effect); then dividing that "cost of acquisition" by the number of containers of the item customarily packed in a case by your supplier.

Item. "Item" means an imported or domestic packaged distilled spirit or wine of a particular brand, type, and container size.

SEC. 80. *When this supplementary regulation becomes effective.* The effective date of this supplementary regulation for all of your items is January 1, 1952. You may, however, select any earlier effective date between October 31, 1951, and January 1, 1952, for any or all of your items, but you may not sell any item (covered by this supplementary regulation) on and after January 1, 1952, unless you have calculated your ceiling price for that item under this supplementary regulation. In addition, you may not, on and after January 15, 1952, sell any item covered by this supplementary regulation if you are required (by the section under which the ceiling price for that item is determined) to have in your records an appropriate OPS Form relating to that item and you have not, by January 15, 1952, filled out that form and placed it in your files.

NOTE: The record-keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 31, 1951.

[F. R. Doc. 51-13275; Filed, Oct. 31, 1951; 3:50 p. m.]

[General Ceiling Price Regulation, Amendment 23]

GENERAL CEILING PRICE REGULATION

EXCISE, SALES OR SIMILAR TAXES

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., Pub. Law 96, 82d Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. F. 738), this amendment to the General Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATION

The Revenue Act of 1951 recently enacted by Congress makes several changes in excise taxes. In some instances the tax has been decreased and in others it has been increased, and, in addition, new taxes have been imposed and previous taxes eliminated. These changes require revision of section 20 of the GCPR relating to excise taxes. At the manufacturing level, a manufacturer may separately state and collect the amount of any increase or new tax. Naturally, if he has previously stated and collected an excise tax which is now reduced, he will only state and collect the reduced amount. Likewise, in the case of elimination of an excise tax, he will no longer state and collect it. Where a manufacturer has previously included the excise tax in his ceiling price, he must reduce his ceiling price to reflect the appropriate amount of any reduction or elimination of the tax, and he may increase his ceiling price to reflect any increase in the tax. There is one exception—that is a manufacturer of tobacco products is not required to decrease his ceiling price to reflect the reduction of the excise tax. This exception is being made as a temporary measure pending completion of studies of the tobacco industry which will include consideration of how the manufacturers' excise tax should be treated. In the case of a new excise tax, a manufacturer may increase his ceiling price to reflect the amount of the new tax.

In the past, excise taxes imposed on manufacturers and passed on by them have, to a substantial extent, been considered by retailers and wholesalers to be part of their costs of the acquisition of the commodities and they have taken their markups on those costs. In fact, in many instances, the manufacturer has not even stated the tax separately from his price and hence the wholesaler or retailer has not known what the tax on the commodity was. It is essential that the price regulations permit the tax changes to be reflected since in many cases the increases in the taxes or the new taxes would create great hardship on wholesalers and retailers if they were compelled to pay them and were not permitted to pass them on. On the other hand, where the taxes have been decreased or withdrawn, in general, it is equally clear that those tax savings should be passed on to the consumer.

The evidence clearly points to a widespread practice of applying markup to total cost including excise tax. Section 402 (k) of the Defense Production Act of 1950, as amended (known as the Herlong Amendment), provides in part: "No rule, regulation, order or amendment thereto shall hereafter be issued under this title, which shall deny to sellers of materials at retail or wholesale their customary percentage margins over costs of the materials during the period May 24, 1950, to June 24, 1950, * * *." This amendment to the GCPR and the accompanying amendment to Supplementary Regulation 29 permitting this practice of applying markup to total cost including excise tax to be perpetuated, are consistent with the provisions of the Herlong Amendment. For those commodities where it is known that in general manufacturers' excise taxes were reflected in wholesale and retail prices only in the exact amount of the tax (for example, photographic apparatus, film and equipment [except private brand]), that method of tax reflection is being continued. With respect to malt beverages, the dollars-and-cents "pass through" of increases provided by section 11 (c) of the GCPR is not being changed pending completion of OPS studies of the malt beverage industry.

No new report is required, but the record keeping provisions of the General Ceiling Price Regulation apply to the new ceiling prices established under section 20, as amended.

An amendment to Ceiling Price Regulation 22 of a similar nature is being issued simultaneously with this amendment, so as to give the Revenue Act of 1951 a uniform effect on manufacturers presently pricing under either regulation.

The nature of this amendment has rendered formal consultation with industry representatives, including trade association representatives, impracticable, but consultation has been had with and consideration has been given to the recommendations of members of the affected industries.

AMENDATORY PROVISIONS

The General Ceiling Price Regulation is amended in the following respects:

1. The second unnumbered paragraph of paragraph (a) of section 6 is amended by changing the first sentence to read as follows: "Once you have determined your ceiling prices under this section you may not redetermine them, except as provided in section 20 of this regulation."

2. Section 20 is amended to read as follows:

SEC. 20. *Excise, sales or similar taxes*—(a) *Tax paid as such by manufacturer, wholesaler or retailer, where the tax is separately stated and collected.* In addition to your ceiling price, you may collect the amount of any excise, sales or similar tax paid by you as such if, during the base period you stated and collected such tax separately from your selling price. In the case of an increase in any excise, sales or similar tax or any new such tax, which is not effective until after January 26, 1951, you may, in addition to your ceiling price, state separately and collect the amount of such increase or new tax actually paid as such by you, if not prohibited by the tax law. You must in all such cases state separately the amount of the tax.

(b) *Tax paid as such by wholesaler or retailer, where the tax is not separately stated.* If you are a wholesaler or a retailer, and after January 26, 1951, the amount of any excise, sales or similar tax paid as such by you and included in your ceiling price is reduced or eliminated, you must reduce your ceiling price to reflect the appropriate amount of such reduction or elimination. If after January 26, 1951, any such tax is increased or any such tax is newly imposed, you may increase your ceiling price to reflect the appropriate amount of such increase or new tax, and you may include the amount in your selling price, if not prohibited by the tax law.

(c) *If you are a manufacturer and the tax is included in your selling price.* If you are a manufacturer (except a manufacturer of tobacco products), and after January 26, 1951, the amount of any excise, sales or similar tax which is included in your ceiling price is reduced or eliminated, you must reduce your ceiling price to reflect the appropriate amount of such reduction or elimination. If you are a manufacturer (including a manufacturer of tobacco products), and after January 26, 1951, any such tax is increased, you may increase your ceiling price to reflect the appropriate amount of the increase paid as such by you, if the former amount of such tax was included in your ceiling price. In the case of any new excise, sales or similar tax which is not effective until after January 26, 1951, you may increase your ceiling price to reflect the appropriate amount of such new tax paid as such by you. Ceiling prices redetermined under this paragraph replace your former ceiling prices for all purposes of this regulation including use under section 4 of this regulation to determine the ceiling price of a new commodity. If you have otherwise complied with the reporting requirements of this regulation, no new report need be filed of a ceiling price redetermined under this paragraph.

(d) *Where net cost includes changed or new excise tax.* If you are a wholesaler or retailer and the net invoice cost of a commodity purchased by you for resale is changed by reason of the imposition or elimination of or increase or decrease in a manufacturer's excise tax, you recalculate your ceiling price under Supplementary Regulation 29, except for those commodities covered by paragraph (e) of this section.

(e) *Commodities for which only exact change in excise tax may be reflected in ceiling price.* If you are a wholesaler or retailer of the following commodities:

(1) Malt beverages,
(2) Tobacco products,
(3) Photographic apparatus, film and equipment (except private brands),

you may increase your ceiling price by the exact amount of any increase in or new manufacturer's excise tax reflected on the invoice to you; and except for tobacco products you must decrease your ceiling price by the exact amount of the decrease in or elimination of any such tax reflected on the invoice to you. Ex-

cept for malt beverages and tobacco products, you must in all such cases on sales to sellers for resale state separately the amount of the tax.

(f) *Rounding taxes.* If a change occurs in an excise, sales or similar tax paid by you, or if the net invoice cost paid by you for a commodity purchased by you for resale changes by reason of the imposition of or increase in a manufacturer's excise tax, and your resulting cost per unit of the commodity you sell is not a round amount, you shall reflect any fraction of a cent as follows:

(1) On sales of one unit of that commodity, at one time to one purchaser, you shall drop the fraction of a cent if less than a half cent and increase the fraction to the nearest higher cent if a half cent or more.

(2) On sales of more than one unit of that commodity at one time to one purchaser, you shall multiply the exact amount of the tax change (including any fraction) per unit you sell by the number of the units you sell at that time to that purchaser, and shall drop any resulting fraction of a cent if less than a half cent and increase any resulting fraction of a cent to the nearest higher cent if a half cent or more.

Example: Your increased tax on a case of beer containing 24 bottles is 7.2 cents, so your increased cost per bottle is 7.2 cents divided by 24 bottles, or 3/10 cent. If you sell one bottle of beer, your tax increase is less than ½ cent and therefore you may not increase your ceiling price. If you sell three bottles of beer, your tax increase is 3 times 3/10 cent and therefore you may increase your ceiling price for all three bottles of beer sold at one time to one purchaser by 1 cent.

(g) *Special rule for mail order establishments.* If you operate a mail order establishment you are not required to observe the pricing rules of this section as to any mail order sales of commodities covered by any of your catalogs, booklets, circulars, flyers or other forms of printed price lists which were printed before November 1, 1951. Your ceiling prices for such sales continue to be those established pursuant to the other sections of this regulation for so long as the printed price lists remain in effect except that:

(1) You may recalculate your ceiling prices for any commodity on which there is a new manufacturer's excise tax as soon as that tax is reflected in the net invoice cost of the commodity to you, and

(2) You may recalculate your ceiling prices for any commodity in the following groups of commodities when an increase in a manufacturer's excise tax is reflected in the net invoice cost of the commodity to you if you also recalculate your ceiling prices for the commodities in the group on which a decrease in or elimination of the manufacturer's excise tax is reflected in the net invoice cost of the commodity to you:

(i) Photographic apparatus, film and equipment.

(ii) Sporting goods.

3. Section 22 is amended by changing the definition of the term "net invoice cost" to read as follows:

Net invoice cost. This term refers to your invoice cost less any discount or allowance you took or could have taken. It does not include separately stated charges such as freight, taxes, etc., except that manufacturers' excise taxes other than those on commodities listed in section 20 (e) of this regulation may be included.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This amendment shall become effective November 1, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 31, 1951.

[F. R. Doc. 51-13276; Filed, Oct. 31, 1951; 3:50 p. m.]

[General Ceiling Price Regulation, Amendment 5 to Supplementary Regulation 29]

GCPR, SR 29—CEILING PRICES FOR CERTAIN SALES AT RETAIL AND AT WHOLESALE

CHANGES TO PERMIT REFLECTION OF EXCISE TAX MODIFICATIONS

Pursuant to the Defense Production Act of 1950 as amended, Executive Order 10161 (15 F. R. 6105) and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 5 to Supplementary Regulation 29 to the General Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment to Supplementary Regulation 29 is being issued simultaneously with an amendment to the GCPR which permits the reflection of modifications in manufacturers' excise taxes in ceiling prices. The reasons for the issuance of this amendment are set forth in the statement of considerations accompanying the amendment to the GCPR.

AMENDATORY PROVISIONS

1. Section 1 is amended by adding at the end thereof a new paragraph to read as follows:

This regulation is also used to reflect increases or decreases in wholesalers' or retailers' costs occasioned by changes in manufacturers' excise taxes, except for commodities listed in Section 20 (e) of the GCPR.

2. The head note and text of section 4 and paragraphs (a) and (b) are amended to read as follows:

SEC. 4. *Changes in wholesale and retail ceiling prices to reflect supplier's price changes permitted by certain manufacturers' regulations or certain excise tax changes.* If you are a wholesaler or retailer buying from a manufacturer who has changed his price for a commodity pursuant to Ceiling Price Regulation 22 (Manufacturers' General Ceiling Price Regulation) or other similar manufacturers' regulations enumerated in section 1 of this regulation or by reason of such changes in manufacturers' excise taxes as are referred to in section 1 of this regulation, you determine your ceiling price under this section.

(a) *Increases.* If your supplier has increased his price pursuant to an action listed in section 1 of this regulation, you may recalculate your ceiling price for sale of that commodity when purchased from that supplier after the increase is put into effect.

(b) *Decreases.* If your supplier has decreased his price for a commodity and all or any part of that decrease was made pursuant to an action listed in section 1 of this regulation, you must recalculate your ceiling price for sale of that commodity purchased from that supplier after the decrease is put into effect. Where the price to you is decreased, you must assume that the decrease was made pursuant to an action listed in section 1 of this regulation unless you are informed in writing by your supplier that no part of the decrease is required by an action listed in section 1 of this regulation.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

This amendment shall become effective on the 1st day of November 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 31, 1951.

[F. R. Doc. 51-13277; Filed, Oct. 31, 1951; 3:51 p. m.]

[Ceiling Price Regulation 22, Amendment 2 to Supplementary Regulation 15]

CPR 22—MANUFACTURERS' GENERAL PRICE REGULATION

SR 15—STERILE CANNED MEAT AND DRY SAUSAGE

CHANGE IN MANDATORY FILING DATE

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 2 to Supplementary Regulation 15, Ceiling Price Regulation 22, is hereby issued.

STATEMENT OF CONSIDERATIONS

The Office of Price Stabilization is reexamining the method of establishing ceiling prices for sterile canned meat prescribed in Ceiling Price Regulation 22 and Supplementary Regulation 15 to CPR 22. Pending a final determination on this question, the present mandatory filing date contained in Supplementary Regulation 15 to CPR 22 is extended from November 1, 1951 to December 17, 1951.

AMENDATORY PROVISIONS

Section 5 of Supplementary Regulation 15 to Ceiling Price Regulation 22 is amended to read as follows:

SEC. 5. *Redetermination of ceiling prices.* You must redetermine your ceiling price for each item of sterile canned meat or dry sausage sold by you in accordance with the provisions of CPR 22 and of this supplementary regulation. You must mail an amended OPS Public Form 8 by December 17, 1951. Until De-

cember 17, 1951, your ceiling price shall be that heretofore determined under CPR 22 or, if you have no ceiling price for an item of sterile canned meat or dry sausage effective under CPR 22, your ceiling price for that item shall be that determined under the General Ceiling Price Regulation. On and after December 18, 1951, your ceiling price for an item of sterile canned meat or dry sausage shall be the ceiling price determined pursuant to CPR 22 and this supplementary regulation.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This amendment shall be effective November 1, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

NOVEMBER 1, 1951.

[F. R. Doc. 51-13300; Filed, Nov. 1, 1951; 11:54 a. m.]

[General Interpretation 4]

GEN. INT. 4—COLLECTION OF STATE OR LOCAL GROSS INCOME OR GROSS RECEIPTS TAXES IN ADDITION TO CEILING PRICES

A number of sellers have inquired as to the application of section 402 (j) of the Defense Production Act of 1950, as amended, to the Indiana Gross Income Tax. Briefly, this section provides that a seller may, in certain cases, collect in addition to his ceiling price an amount equal to the taxes which he must pay under state or local gross income or gross receipts taxes.

The inquiries relate primarily to:

(1) The method of computing the amount of tax under section 402 (j);

(2) The amount which may be collected in addition to ceiling prices where the tax liability involves a fraction of a cent; and

(3) The regulations which already give effect to the provisions of section 402 (j).

PARAGRAPH 1. *Method of computing amount of tax under section 402 (j).* Unless a ceiling price regulation already takes into account the gross income or gross receipts tax, as indicated in paragraph 3 of this interpretation, a seller may collect in addition to the ceiling price the amount of such tax "for which the transaction makes him liable." In order to determine the amount which may be collected in addition to the ceiling price, the seller applies the tax rate involved to the total selling price of the transaction. This method of calculation gives full effect to the intention and purpose of section 402 (j) and permits the seller, subject to the one-half cent rule contained in that section, to collect an amount equivalent to his tax liability under the state or local tax.

Example: A customer purchases a total of $4.50 worth of groceries. The grocer would be required to include this amount in computing the Indiana gross income tax at a tax rate of ⅜ of 1%. He determines the amount which he may collect in addition to the amount of the sale by multiplying $4.50 by ⅜ of 1%, which equals 2.8 cents. He may therefore collect an additional 3 cents, or a total of $4.53.

If this transaction consists of the purchase of, for example, five different articles, each costing 90 cents, the seller cannot split the transaction, separately compute a tax of 1 cent on each article, and thereby collect 5 cents instead of 3 cents in addition to the $4.50 sales price.

PAR. 2. *Treatment of fractions of a cent.* Where the total amount which may be collected in addition to ceiling prices involves a fraction of a cent, section 402 (j) provides that the fraction "shall be disregarded unless it amounts to one-half cent or more." The fraction may, however, be increased to the nearest higher cent if it amounts to one-half cent or more. Thus, if the tax calculated amounts to ⅜ of a cent, then section 402 (j) prohibits its collection in addition to the ceiling price. On the other hand, if the tax amounts to one-half cent, a seller may collect a full cent in addition to the ceiling price, and if it amounts to 1½ cents he may add a full two cents.

PAR. 3. *Regulations which already give effect to section 402 (j).* Congress intended, under Section 402 (j), that:

The amounts of such taxes shall not be added when the ceiling prices already take into account the gross receipts and gross income taxes. (Conf. Rep. No. 770, S. 1717, 82nd Cong., 1st Sess., p. 25).

Ceiling prices which already take such taxes into account include those established under such regulations as the GCPR, which establishes ceiling prices at the actual prices, including all taxes, charged by a seller during the base period, and CPR 7 (Retail Ceiling Prices for Certain Consumer Goods) which determines ceiling prices by application of the customary mark-up reflected by the prices (giving effect to all taxes) which the seller had actually used during the base period.

Therefore, the seller may not collect any state or local gross receipts or gross income tax in addition to the ceiling price where such ceiling price is established under the GCPR, CPR 7, CPR 31, CPR 34, CPR 61, or a similar regulation. On the other hand, the amount of tax may be collected in addition to ceiling prices where such ceiling prices are established under CPR 14, CPR 15, CPR 16, CPR 24, CPR 25, CPR 26, or a similar regulation.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

HAROLD LEVENTHAL,
Chief Counsel,
Office of Price Stabilization.

NOVEMBER 1, 1951.

[F. R. Doc. 51-13301; Filed, Nov. 1, 1951; 11:54 a. m.]

Chapter VI—National Production Authority, Department of Commerce

[NPA Order M-1, Direction 3, as amended November 1, 1951]

M-1—IRON AND STEEL

DIR. 3—ORDER ACCEPTANCE; SET-ASIDE CANCELLATION

This direction, as amended, is found necessary and appropriate to promote the national defense and is issued pursuant to the authority granted by the Defense Production Act of 1950, as amended. In the formulation of this direction as amended, there has been consultation with industry representatives and consideration has been given to their recommendations.

This amendment affects Dir. 3 as amended September 5, 1951, by deleting the percentage and time restrictions which were applicable with respect to a steel producer's acceptance of orders. It sets forth other requirements for steel producers, as more fully summarized in section 1. As so amended, Dir. 3 to NPA Order M-1 is revised in its entirety to read as follows:

Sec.
1. What this direction does.
2. Acceptance of orders.
3. Confirmation or rejection of orders.
4. Opening of books.
5. Set-aside cancellation.
6. NPA assistance in placing orders.

AUTHORITY: Sections 1 to 6 issued under sec. 704, 64 Stat. 816, Pub. Law 96, 82d Cong.; 50 U. S. C. App. Sup. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 96, 82d Cong.; 50 U. S. C. App. Sup. 2071; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61; secs. 402, 405, E. O. 10281, Aug. 28, 1951, 16 F. R. 8789.

SECTION 1. *What this direction does.* The purpose of this direction is to preserve the established flow of steel products and to minimize customer relationship disruptions by permitting steel producers to accept or reject certain authorized controlled material orders. It requires steel producers to notify prospective purchasers as to acceptance or rejection of tendered orders promptly. It requires steel producers to open their books for the acceptance of orders within prescribed times. It continues the set-aside cancellation and specifies the purchase orders which steel producers may accept.

SEC. 2. *Acceptance or orders.* (a) A steel producer shall accept only the following classes of purchase orders: (1) Authorized controlled material orders; (2) orders which he is required to accept pursuant to NPA directives; (3) orders from steel distributor customers for proposed shipments pursuant to NPA Order M-6, as amended, or NPA Order M-6A, as now written or as hereafter amended; and (4) orders from converter customers for proposed shipments pursuant to NPA Order M-1, as now or hereafter amended. He shall accept the purchase orders mentioned in the preceding sentence for each product until his order books are filled for that product for a particular month, and pursuant to and in accordance with appropriate NPA orders or regulations. However, with respect to authorized controlled material orders, each steel producer shall have the option (subject to the provisions of paragraph (b) of this section) of determining which authorized controlled material orders or portions thereof he will accept and schedule for delivery without regard to dates of receipt of such orders: *Provided, however,* That no steel producer shall reject any authorized controlled material orders bearing allotment symbols "A", "B", "C", or "E" unless his order

books for a particular product are filled for that product for a particular month.

(b) Within the 15-day period immediately preceding the expiration of lead times, a steel producer shall accept and schedule for production all authorized controlled material orders offered to him until his order books for a particular product are filled for that product. During such 15-day period such orders shall be scheduled for production with precedence given to the orders received first.

(c) A steel producer's books shall be deemed filled for a particular month when he has accepted orders up to the tonnage of each product authorized for production by him under his production directive for that month.

SEC. 3. *Confirmation or rejection of orders.* A steel producer shall, after receipt of purchase orders tendered to him, promptly accept or reject all such orders. Receipt of an order shall not be deemed to have occurred until the order is received at the place where the steel producer usually processes such order. Upon such acceptance or rejection, he shall immediately notify, in writing or by telegram, the person who tendered the order of such acceptance or rejection. For the purpose of the first sentence of this section, the word "promptly" shall be deemed to mean as quickly as possible, but in no event later than 13 consecutive calendar days after receipt, unless circumstances beyond the control of the steel producer shall render it impracticable to give notice as aforesaid, in which event the notice shall be given as quickly as possible thereafter. This section is intended to give those persons whose orders have been rejected an opportunity to place their orders with other producers or distributors.

SEC. 4. *Opening of books.* (a) Each steel producer shall open his order books for the purpose of accepting purchase orders for the first calendar quarter of 1952 on the effective date of this direction.

(b) Each steel producer shall open his order books for the purpose of accepting purchase orders for the second calendar quarter of 1952 and for each calendar quarter thereafter in accordance with the following schedule:

(1) For steel products with a 45-day lead time, the steel producer's books shall be opened for acceptance of purchase orders not later than 90 days prior to the first day of the quarter.

(2) For steel products with a 60-day lead time, the steel producer's books shall be opened for acceptance of purchase orders not later than 105 days prior to the first day of the quarter.

(3) For steel products with a 75-day lead time, the steel producer's books shall be opened for acceptance of purchase orders not later than 120 days prior to the first day of the quarter.

(4) For steel products with a 90-day lead time, the steel producer's books shall be opened for acceptance of purchase orders not later than 135 days prior to the first day of the quarter.

(5) For steel products with a 105-day lead time, the steel producer's books shall be opened for acceptance of purchase orders not later than 150 days prior to the first day of the quarter.

(6) For steel products with a 120-day lead time, the steel producer's books shall be opened for acceptance of purchase orders not later than 165 days prior to the first day of the quarter.

(c) With respect to the second calendar quarter of 1952, each steel producer shall open his books for steel products with a 105-day and 120-day lead time on the effective date of this order.

SEC. 5. *Set-aside cancellation.* As of September 17, 1951, all percentages applying to steel mill products as set forth in columns (1), (2), and (3) in part C of Table I of NPA Order M-1, as amended, were cancelled. Such cancellation shall remain in full force and effect.

SEC. 6. *NPA assistance in placing orders.* Any person who is unable to place an authorized controlled material order due to the provisions of this direction should apply to the NPA, Ref: M-1, Dir. 3, specifying the producers who have rejected the order. NPA will arrange to assist him in locating other sources of supply.

This direction shall take effect on November 1, 1951.

NATIONAL PRODUCTION AUTHORITY,
By JOHN B. OLVERSON,
Recording Secretary.

[F. R. Doc. 51-13316; Filed, Nov. 1, 1951; 12:09 p. m.]

[NPA Order M-88]

M-88—ALUMINUM DISTRIBUTORS

This order is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this order there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations.

Sec.

AUTHORITY: Sections 1 to 14 issued under sec. 704, 64 Stat. 816, Pub. Law 96, 82d Cong.; 50 U. S. C. App. Sup. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 96, 82d Cong.; 50 U. S. C. App. Sup. 2071; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61.

SECTION 1. *What this order does.* The purpose of this order is to provide means whereby aluminum distributors, as defined in this order, may obtain replacement of stock. It permits distributors to accept and fill orders for aluminum controlled materials although they are not authorized controlled material orders, and specifies a tonnage limitation and item limitation for acceptance of authorized controlled material orders by distributors. It authorizes distributors to place authorized controlled material orders with producers, and supplements CMP Regulation No. 4. It supersedes the provisions of NPA Order M-5 relating to distributors.

SEC. 2. *Definitions.* As used in this order: (a) "Person" means any individual, corporation, partnership, association, or any other organized group of persons, and includes any agency of the United States Government or of any other government.

(b) "Aluminum" means only the following aluminum wrought forms and shapes:

Rolled bar, rod, wire, structural shapes.
Extruded bar, rod, shapes, tubing (including drawn and welded tubing).
Sheet, plate, foil (including strip).
Powder (atomized or flake, including paste).
Pig or ingot, granular or shot.

(c) "Distributor" means any person who is assigned an AM 4-digit number in the 9000 series, and who is regularly engaged in the business of stocking aluminum at a location regularly maintained by him for such purpose, for sale or resale, in the form or shape in which received, or after performing such operations as cutting to length, slitting, sheering to size or shape, or sorting and grading. A person who, in connection with any sale from his stock, bends, punches, or performs any fabricating or processing operation designed to prepare aluminum for final use or assembly, is not a distributor with respect to such sale; and a person who, in connection with any purchase of aluminum for resale, does not take physical delivery of the material into his own stock at a location regularly maintained by him for such purpose shall not be deemed a distributor with respect to such resale.

(d) "Producer" means any person producing aluminum in any one or more of the forms or shapes listed in paragraph (b) of this section.

(e) "Base period" means the calendar year 1950.

(f) "AM number" means the allotment symbol AM together with the number which is assigned by NPA to each person who produces, smelts, fabricates, distributes, or sells aluminum.

(g) "NPA" means the National Production Authority.

SEC. 3. *Assignment and use of AM numbers.* (a) AM numbers in the 9000 series are assigned by NPA upon application in writing to any person who obtains, directly from a domestic aluminum producer, aluminum wrought products for resale at a location regularly maintained for that purpose, and who during the base period conducted a regular and continuing course of business as

an aluminum distributor. AM numbers are not assigned (1) to those distributors who have made only occasional or accommodation sales or purchases, or (2) to those distributors who do not acquire their aluminum from a domestic aluminum producer even though they regularly purchase aluminum wrought products for resale in the form in which received at a location regularly maintained for that purpose.

(b) Any distributor who obtains aluminum directly from an aluminum producer is required to use the AM number assigned to him by NPA, in the manner set forth in section 5 of this order, whenever he purchases or receives delivery of aluminum.

SEC. 4. *Distributors who operate more than one warehouse.* Any distributor who operates more than one warehouse may, for the purpose of this order, elect to consider all warehouses operated by him as one warehouse, or may treat each such warehouse as a separate distributor.

SEC. 5. *How a distributor obtains aluminum.* (a) In each calendar month commencing with November 1951, a distributor may place orders with an aluminum producer for the same quantity of each form and shape of aluminum which he delivered during the preceding month, from his stock of aluminum purchased from a domestic producer, to fill authorized controlled material orders, orders which he is permitted to accept under the provisions of section 7 of this order, or orders which he has been directed to fill by NPA. Such orders must bear the distributor's AM number and the certification required by section 9 of this order.

(b) In the event a distributor does not sell a sufficient quantity of forms or shapes during any single month to warrant a mill-rolling of that form or shape by the producer, he may accumulate the orders he is authorized to place by this order for that particular form or shape for a period not to exceed three calendar months. Orders which are accumulated in accordance with this paragraph may be considered to have been deliveries "during the preceding month" for the purposes of paragraph (a) of this section.

(c) A delivery order bearing the distributor's AM number and the certification required by section 9 of this order is hereby designated an authorized controlled material order for the purpose of all CMP regulations.

SEC. 6. *Limitations on acceptance of distributors' orders by aluminum producers.* (a) An aluminum producer need not accept an order bearing the distributor's AM number and the certification required by section 9 of this order if the distributor placing the order did not regularly purchase aluminum from such producer during the base period.

(b) An aluminum producer need not accept an order bearing the distributor's AM number and the certification required by section 9 for any form or shape of aluminum which the distributor placing the order did not purchase from the producer during the base period.

(c) If, due to the limitations of this section, any order of a distributor is rejected by a producer, the distributor should apply to the National Production Authority, Washington 25, D. C., Ref: M–88, specifying the aluminum producer that refused to accept the order. NPA will assist him in locating sources of supply.

SEC. 7. *Acceptance of orders which are not authorized controlled material orders.* Subject to the limitations provided in section 8 of this order, a distributor may accept orders from all persons who have no authorized production schedule or allotment, and who are not entitled to place an authorized controlled material order under any other order or regulation of NPA, for shipment each month of a quantity of aluminum not to exceed, in the aggregate, 5 percent of his total sales from stock during the previous month.

SEC. 8. *Rejection of orders by distributors.* (a) Unless specifically directed by NPA, no distributor shall be required to accept any order calling for delivery to any one person at any one destination for any one month, and regardless of gages, alloys, sizes, or shapes, of more than 1,000 pounds of aluminum sheet or plate, more than 300 pounds of aluminum wire, rod, or bar, or more than 300 pounds of aluminum tubing, extrusions, or structural shapes.

(b) A distributor may accept an order from another distributor, but is not required to unless specifically directed to by NPA.

(c) NPA from time to time may earmark particular aluminum products in the inventory of any aluminum distributor for special treatment by such distributor. Any such earmarking shall be accomplished by the issuance by NPA of published schedules under this order or by directives to specified distributors. Such schedules or directives may provide, among other things, that the aluminum products so earmarked shall be held by the aluminum distributor solely for sale to persons designated by an agency of the United States Government. Such schedules or directives may contain such other provisions particularly applicable to such earmarked stock as NPA may deem appropriate. All provisions of any schedule or directive shall be deemed to be incorporated into and made a part of this order as of the effective date of the schedule, or directive, or amendment thereto, as the case may be. In the event of any inconsistency between a schedule or directive and this order, the provisions of the schedule or directive shall govern. Schedules or directives may be issued or amended at any time and from time to time, and shall remain in full force and effect until individually amended, superseded, or revoked.

SEC. 9. *Certification.* Any order for aluminum placed by a distributor pursuant to this order with an aluminum producer bearing the allotment symbol AM shall contain a certification in substantially the following form:

Certified under CMP Regulation No. 1 and NPA Order M–88

This certification shall be signed as set forth in NPA Reg. 2, and will constitute a representation to the person with whom the order is placed and to NPA that the purchaser is authorized to use the AM number under the provisions of this order to obtain the material so ordered.

SEC. 10. *Applicability of other regulations and orders.* (a) This order supersedes section 5 of NPA Order M–5.

(b) Except as provided in paragraph (a) of this section, nothing contained in this order shall be construed to relieve any person from the obligations of complying with such limitations as may be contained in any other applicable NPA regulation or order or of any order or regulation of any other competent authority.

SEC. 11. *Records and reports.* (a) Each person participating in any transaction covered by this order shall retain in his files, for at least 2 years, records of receipts, deliveries, inventories, and use, in sufficient detail to permit an audit that determines for each transaction that the provisions of this order have been met. This does not specify any particular accounting method, nor does it require alteration of the system of records customarily maintained, provided such records supply an adequate basis for audit. Records may be retained in the form of microfilm or other photographic copies instead of the originals by those persons who have or who may maintain such microfilm or other photographic records in the regular and usual course of business.

(b) All records required by this order shall be made available at the usual place of business where maintained for inspection and audit by duly authorized representatives of NPA.

(c) Persons subject to this order shall make such records and submit such reports to NPA as it shall require, subject to the terms of the Federal Reports Act of 1942 (5 U. S. C., 139–139F).

(d) Each distributor shall file a report on Form NPAF–122 with the Bureau of Census not later than the tenth day of each month following the month covered by the report.

SEC. 12. *Applications for adjustment or exception.* Any person affected by any provision of this order may file a request for adjustment or exception upon the ground that his business operation was commenced during or after the base period, that any provision otherwise works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry, or that its enforcement against him would not be in the interest of the national defense or in the public interest. In examining requests for adjustment which claim that the public interest is prejudiced by the application of any provision of this order, consideration will be given to the requirements of the public health and safety, civilian defense, and dislocation of labor and resulting unemployment that would impair the defense program. Each such request shall be in writing, in triplicate, and shall set forth all pertinent facts and the na-

ture of the relief sought, and shall state the justification therefor.

SEC. 13. *Communications.* All communications concerning this order shall be addressed to the National Production Authority, Washington 25, D. C., Ref: M-88.

SEC. 14. *Violations.* Any person who willfully violates any provision of this order or any other NPA order or regulation, or who willfully conceals a material fact or furnishes false information in the course of operation under this order is guilty of a crime and, upon conviction, may be punished by fine or imprisonment or both. In addition, administrative action may be taken against any such person to suspend his privilege of making or receiving further deliveries of materials or of using facilities under priority or allocation control and to deprive him of further priorities assistance.

NOTE: All reporting and record-keeping requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This order shall take effect on November 1, 1951.

NATIONAL PRODUCTION AUTHORITY,
By JOHN B. OLVERSON,
Recording Secretary.

[F. R. Doc. 51-13315; Filed, Nov. 1, 1951; 12:09 p. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commerce

PART 10—UNIFORM SYSTEM OF ACCOUNTS FOR STEAM ROADS

TRAIN SWITCHING LOCOMOTIVE-MILES

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 15th day of October A. D. 1951.

The matter of the rules governing the classification of locomotive-miles being under consideration;

It is ordered, That the order issued under date of September 18, 1941, in the matter of classification of train-miles, locomotive-miles, and car-miles for steam roads (49 CFR 10.800-10.825) be, and it is hereby modified, effective January 1, 1952, by addition to the text of Account No. 815 (49 CFR 10.815) as set forth below.

It is further ordered, That a copy of this order and attachment shall be served upon all steam railroads subject to the provisions of the Interstate Commerce Act, and upon every receiver, trustee, executor, administrator, or assignee of any such steam railroad, and notice of this order shall be given to the general public by depositing a copy thereof in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

(Sec. 12, 24 Stat. 383, as amended; 49 U. S. C. 12)

Objections may be filed. Any interested party may on or before November 30, 1951, file with the Commission a written statement of reasons why the said modification should not become effective as provided above. Unless otherwise ordered, after consideration of such objections, the said modifications shall become effective as herein ordered.

By the Commission, Division 1.

[SEAL] W. P. BARTEL,
Secretary.

In § 10.815 *Train switching locomotive-miles* (Account 815), add the following sentences to the text of this account: "Include such items as switching at industry tracks, team tracks, freight house tracks, and interchange tracks; picking up or leaving cars en route; switching out bad order cars, weighing cars, making up or breaking up train at points where no yard service is maintained. No time should be included representing delays that may occur after yard switching has been completed such as waiting for a train order, held up account of meeting with a train in opposite direction, waiting for waybills or other time lost due to conditions other than actual train switching."

[F. R. Doc. 51-13197; Filed, Nov. 1, 1951; 8:47 a. m.]

TITLE 29—LABOR

Chapter V—Wage and Hour Division, Department of Labor

PART 522—EMPLOYMENT OF LEARNERS

Correction

In F. R. Doc. 51-12624, appearing at page 10733 of the issue for Saturday, October 20, 1951, the following changes should be made:

1. The section number "§ 552.42 *Learner occupations*" should read "§ 522.42 *Learner occupations*".

2. The seventh line from the top of the first column on page 10735 should read "to pairing (Class II) may not be em-".

3. In § 522.46 (c) (2), the word "(retaining)" should read "(retraining)."

PART 695—HOMEWORKERS IN INDUSTRIES IN THE VIRGIN ISLANDS

MINIMUM PIECE RATE SCHEDULES FOR HANDMADE STRAW GOODS, AND DOLL INDUSTRIES

On September 29, 1951 (16 F. R. 10001) proposed amendments to the regulations contained in this part were published in the FEDERAL REGISTER and interested parties were given 15 days within which to submit data, views, or arguments pertaining thereto.

The amendments are designed to clarify the kind of homework which is subject to the regulations and to add 2 new minimum piece rate schedules to the regulations, relating to the handmade straw goods industry and to the doll industry.

No objections to any of the proposed amendments have been received.

Accordingly, pursuant to authority under section 6 (a) (2) of the Fair Labor Standards Act of 1938, as amended, the proposed amendments to this part published in the FEDERAL REGISTER on September 29, 1951 (16 F. R. 10001-10002) are hereby adopted. Such amendments as set forth below shall become effective November 26, 1951, in order that the new minimum piece rates shall go into effect simultaneously with the new minimum hourly rates provided in the wage order for industries in the Virgin Islands.

1. Amend § 695.2 to read as follows:

§ 695.2 *Definitions.* (a) The meaning of the terms "person", "employer", "employee", "goods" and "production" as used in this part is the same as in the Fair Labor Standards Act of 1938, as amended.

(b) "Homeworker", as used in this part, means any employee employed or suffered or permitted to perform homework for an employer.

(c) "Homework", as used in this part, means the production by any person in or about a home, apartment, tenement, or room in a residential establishment, of goods for an employer who suffers or permits such production, regardless of the source (whether obtained from an employer or elsewhere) of the materials used by the homeworker in such production: *Provided,* That such work is not performed under the constant and direct supervision of an employer or of a responsible supervisor and under such conditions that accurate records of hours worked are maintained or can readily be maintained.

(d) "Operation" means any work or any process other than the distribution of goods to or collection of goods from homeworkers.

2. Amend § 695.12 by adding two new piece rate schedules, designated as Schedules B and C, as follows:

SCHEDULE B—PIECE RATE SCHEDULE FOR THE HAND-MADE STRAW GOODS INDUSTRY IN THE VIRGIN ISLANDS[1]

Design No.	Description of design	Piece rate (based on hourly rate of 15 cents)	Unit
	Hand-weaving straw braid from "bull palm":		
17	Natural color, 1" wide (splitting and weaving)	$0.031	Per yd. of braid.
18	Natural and three colors (splitting, dyeing, and weaving)	.045	Do.
19	Hand-weaving straw braid from "silk palm"	.038	Do.
	Beach hat (sewing):		
20	Stock No. 75	.19	Per hat.
21	Stock No. 76	.15	Do.
22	"Angela" hat, stock No. 80 (sewing)	.09	Do.
23	Cowgirl hat, stock No. 83 (sewing)	.15	Do.
24	Frilled hat, stock No. 84 (sewing)	.15	Do.
25	Scarlett hat, stock No. 85 (sewing)	.32	Do.
26	Garden hat, stock No. 86 (splitting, weaving, and sewing)	.83	Do.
27	Farmer hat, stock No. 87 (sewing)	.30	Do.
28	Child's bonnet, stock No. 90 (sewing)	.18	Do.
29	Jockey cap, stock No. 113 (sewing)	.15	Do.
30	Frenchman hat, 4½" crown, 3½" brim, "silk palm" braid ½" wide (sewing).	.75	Do.
	Hula skirt (splitting, dyeing, weaving, and sewing):		
31	Stock No. 108	.45	Per skirt.
32	Stock No. 109	.60	Do.
33	Stock No. 110	.75	Do.
34	Handbag, stock No. 43 (splitting, weaving, and sewing)	.68	Per bag.
35	"Valentine" purse, stock No. 51 (weaving, and sewing)	1.28	Per purse.
	WAC style bag (weaving and sewing):		
36	Plain, stock No. 52	1.05	Per bag.
37	Embroidered, stock No. 52E	1.20	Do.
	Shopping bag (sewing):		
38	Stock No. 92	.15	Do.
39	Stock No. 93	.20	Do.
40	Stock No. 94	.23	Do.
41	Stock No. 96	.23	Do.
42	Stock No. 104	.45	Do.
43	"Eugenie" bag, stock No. 99 (sewing)	.19	Do.
	Shoulder bag (sewing):		
44	Stock No. 100	.15	Do.
45	Stock No. 101	.30	Do.
46	Thermos bag, stock No. 102 (sewing)	.15	Do.
47	Lunch bag, stock No. 103 (sewing)	.11	Do.
48	Knitting bag, cylindrical shape, 7" x 14", shoulder strap and cover (sewing)	.30	Do.
49	"Dorothy" handbag, stock No. 117 (splitting and weaving)	1.35	Do.
50	Children's "Mafolie" bag, stock No. 119 (splitting and weaving)	.11	Do.
51	Picnic basket, stock No. 3 (splitting, weaving, and sewing)	.30	Per basket.
52	Hat box, stock No. 5 (splitting, weaving, and sewing)	1.05	Per box.
53	Sewing basket, stock No. 9 (splitting and weaving)	.15	Per basket.
	Wood basket (splitting, weaving, and sewing):		
54	Stock No. 31	.23	Do.
55	Stock No. 33	.30	Do.
	Floor mat (splitting, dyeing, weaving, and sewing):		
56	Stock No. 20	.21	Per mat.
57	Stock No. 23	.33	Do.
58	Stock No. 27	.56	Do.
	Hearth broom (tying leaves):		
59	Stock No. 120	.08	Per broom.
60	Stock No. 121	.11	Do.
61	Stock No. 121A	.19	Do.
62	Stock No. 121B	.23	Do.
	Round table mat, stock No. WR 1/5 (peeling and weaving):		
63	8 inches	.38	Per mat.
64	10 inches	.45	Do.
65	12 inches	.60	Do.
	Glass holder (peeling and weaving):		
66	Stock No. WR11	.23	Per holder.
67	Stock No. WR12	.34	Do.
68	Napkin ring, stock No. WR15 (peeling and weaving)	.19	Per ring.
69	Sewing basket, stock No. WR17 (peeling and weaving)	.90	Per basket.
	Picnic basket (peeling and weaving):		
	Stock No. H-2:		
70	Open	2.10	Do.
71	Covered	2.55	Do.
	Stock No. H-3:		
72	Open	2.20	Do.
73	Covered	2.70	Do.
	Stock No. H-10:		
74	Open	2.30	Do.
75	Covered	2.85	Do.
	Stock No. H-11:		
76	Open	2.40	Do.
77	Covered	3.00	Do.

[1] Piece rates based upon time tests conducted on products handled by the Virgin Islands Cooperative, Inc., of St Thomas. The stock numbers are those used by the company.

SCHEDULE C—PIECE RATE SCHEDULE FOR THE DOLL INDUSTRY IN THE VIRGIN ISLANDS[1]

Design No.	Description of design	Piece rate based on hourly rate of 45 cents	Unit
	Native rag doll, man or woman (cutting cloth, sewing, and dressing doll):		
79	6 inches	$0.45	Per doll.
80	10 inches	.90	Do.

[1] Piece rates based upon time tests conducted on dolls handled by the Virgin Islands Cooperative, Inc., of St. Thomas.

Signed at Washington, D. C., this 26th day of October 1951.

WM. R. MCCOMB,
Administrator,
Wage and Hour Division.

[F. R. Doc. 51-13178; Filed, Nov. 1, 1951; 8:45 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 3—VETERANS' CLAIMS

PART 4—DEPENDENTS AND BENEFICIARIES CLAIMS

MISCELLANEOUS AMENDMENTS

1. In Part 3, the title and paragraph (a) of § 3.30 are amended to read as follows:

§ 3.30 *Written testimony to be cerfied and oral testimony to be under oath; administration of oaths by employees.* (a) All written testimony, whether lay or medical, submitted by or in behalf of a claimant in support of service-connection as proof that the claimant is entitled to such benefits, will be duly certified. For the purpose of establishing service-connection, the physical examination reports, clinical records, and transcript of records received from State, county, municipal, and recognized private institutions and contract hospitals, referred to in § 3.216 (c) must also be certified. This requirement of certification prevails whether the report, record, or transcript is submitted at the instance of the claimant or in his behalf or pursuant to Veterans' Administration requests. Claimants, their legal representatives, and witnesses in their behalf, appearing before any rating or appellate body for the purpose of presenting oral testimony, will be truly sworn.

* * * * *

2. In § 3.59, paragraph (c) is amended to read as follows:

§ 3.59 *Active service under Public No. 2, 73d Congress.* * * *

(c) The period of active service of the members of the regular components of the Philippine Commonwealth Army while serving with the Armed Forces of the United States will be from the date certified by the Philippines Command, U. S. Army, as the date of enlistment or the date of report for active duty, whichever is the later, to the date of release from active duty, discharge, death, or June 30, 1946, whichever is the earlier. The release from active duty will include (1) leaving one's organization in anticipation of or due to the capitulation; (2) escape from a prisoner-of-war status; (3) parole by the Japanese from a prisoner-of-war status; (4) beginning of missing-in-action status, except where the factual recitation of the service department establishes that the veteran at the time he was so reported was actually in active service with his unit, or under the provisions of section 5, Public Law 490, 77th Congress, as amended, death is presumed to have occurred while the veteran's name

was carried in such status; (5) the capitulation on May 6, 1942, except that periods of recognized guerrilla service or periods of service in units which continued organized resistance against the Japanese prior to formal capitulation will be considered as a return to active duty for the period of such service. The active service of members of the irregular forces, "guerrillas," will be that period covered by the certification of the United States Army Philippines Command.

3. In § 3.61, paragraph (a) is amended to read as follows:

§ 3.61 *Validity of enlistment a prerequisite to entitlement*—(a) *Fraudulent enlistments involving other than concealment of minority.* With the exception of illegal enlistments, that is, those in which the individual lacks legal capacity to contract, contracts of enlistment fraudulently procured by enlisted persons are generally voidable rather than void. Such voidable contracts fall into two categories, (1) those prohibited by statute (the enlistment of a deserter or one who has been convicted of a felony—10 U. S. C. 622) and (2) those enlistments fraudulently entered into which do not fall within the foregoing statutory prohibition but serve as the basis of avoidance of the contract and the granting of an undesirable discharge. Contracts of enlistment falling within the purview of subparagraph (1) of this paragraph which are affirmatively voided by the service department confer no entitlement to compensation or pension, notwithstanding it be established the disability was incurred while actually performing service pursuant to the enlistment which subsequently was avoided. In such cases the granting of an undesirable discharge, upon discovery of the fraud, operates as an affirmative avoidance of the contract by the service department and renders such contract void from its inception. For example, a veteran in desertion who reenlisted and served honorably is not barred from pension, if otherwise entitled by reason of his honorable service, unless the reenlistment was affirmatively voided by the service department. Hence, where there was no legal capacity to contract as in the case of an insane person and where the enlistment of one prohibited by statute from enlisting is rescinded for fraud in such enlistment, a valid enlistment contract may not be said to have been in existence for compensation and pension purposes. As to contracts of enlistment within the purview of subparagraph (2) of this paragraph, the contracts are valid from the date of entry upon active duty to the date of voidance by the service department and may serve as bases of entitlement to pension (War or Pub. Law 28/82 service), and to disability compensation for disability incurred or aggravated during such service provided the discharge or release from active service is held to be under other than dishonorable conditions. Generally, discharge for concealment of a condition which would have prevented enlistment will be held to be under dishonorable conditions.

* * * * *

4. In § 3.86, a new paragraph (d) (3) is added and paragraphs (h) and (j) are amended as follows:

§ 3.86 *Chronic and tropical diseases under Public No. 2, 73d Congress, as amended.* * * *

(d) * * *

(3) The disease of endobronchial tuberculosis is considered pulmonary in nature and if manifested in an active state within the presumptive period provided for tuberculosis, pulmonary, minimal, under Public Law 573, 81st Congress, service connection pursuant to the cited law is in order under paragraph I (c), Part I, Veterans Regulation 1 (a), with the graduated ratings under Extension 6, Schedule for Rating Disabilities, 1945 Edition, for application on attainment of arrest.

* * * * *

(h) Where service-connection is granted under paragraph I (c), Part I, Veterans Regulation 1 (a), as amended, the effective date of evaluation of disability will be in accordance with § 3.148 (a), and when claim is filed more than 1 year after date of separation from active wartime service or after 1 year prior to which a disability must have been incurred (or 3 years as to pulmonary tuberculosis), as provided in Veterans Regulation 1 (a), as amended, whichever is the earlier, notation will be made of the items of evidence showing the existence of the disease within the 1-year period (or 3 years as to pulmonary tuberculosis): *Provided,* That as to bronchiectasis, calculi of the kidney, bladder, or gall bladder, cirrhosis of the liver, coccidioidomycosis, osteomalacia, Raynaud's disease, scleroderma, tumor of the peripheral nerves, peptic ulcers (gastric or duodenal), and the tropical diseases, resultant disorders or diseases originating because of therapy administered in connection with such diseases or as a preventative thereof, listed in paragraph (b) of this section, service-connected under paragraph I (c), Part I, Veterans Regulation 1 (a), as amended, the evaluation will not be prior to June 24, 1948: *Provided further,* That as to active pulmonary tuberculosis service-connected under paragraph I (c), Part I, Veterans Regulation 1 (a), as amended by Public Law 573, 81st Congress, the evaluation will not be prior to June 23, 1950.

* * * * *

(j) The effective date of an award based upon the foregoing provisions will be in accordance with § 3.212: *Provided,* That no award for bronchiectasis, calculi of the kidney, bladder or gall bladder, cirrhosis of the liver, coccidioidomycosis, osteomalacia, Raynaud's disease, scleroderma, tumors of the peripheral nerves, peptic ulcers (gastric or duodenal), service-connected under paragraph I (c), Part I, Veterans Regulation 1 (a), as amended, or the tropical diseases and resultant disorders or diseases originating because of therapy administered in connection with such diseases or as a preventive thereof, listed in paragraph (b) of this section, service-connected under paragraph I (c), Part I, or paragraph I (d), Part II, Veterans Regulation 1 (a), as amended, shall be effective prior to June 24, 1948: *Provided further,* That no award for active pulmonary tuberculosis service-connected under paragraph I (c), Part I, Veterans Regulation 1 (a), as amended by Public Law 573, 81st Congress, shall be made effective prior to June 23, 1950.

5. Section 3.213 is amended to read as follows:

§ 3.213 *Effective dates of awards pursuant to Part III, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12).* Awards pursuant to Part III, Veterans Regulation 1 (a), as amended, will be effective as of the date of the receipt of a claim or the date upon which permanent total disability arose, whichever is the later. When a claim under the cited Regulation has been finally denied but a subsequent report of physical examination made by a full-time, part-time, or designated (or fee-basis) physician of the Veterans' Administration in connection with compensation, pension, or treatment pursuant to proper authority, issued either prior or subsequent to treatment, or an examination report or record within the purview of § 3.216 (c), shows permanent and total disability, such report of examination, hospitalization, or record constitutes an informal claim to reopen. Where the examination or hospitalization was at Veterans' Administration expense, the date of examination or admission to the hospital is the effective date of the award, if otherwise in order. However, where the examination or hospitalization is not at Veterans' Administration expense, the effective date of benefits will be the date of receipt by the Veterans' Administration of the report of hospitalization or examination constituting the claim to reopen, if otherwise in order.

6. In § 3.216, paragraphs (a) and (c) are amended to read as follows:

§ 3.216 *Application for increase based upon changed physical condition.* * * *

(a) *Increase based upon report of physical examination or hospitalization.* Where an increase in disability of a veteran on the disability compensation rolls or formerly on such rolls but whose award has been terminated because the disability is "less than 10 or 0 percent" in degree is shown by an official report of physical examination made by a full-time, part-time, or designated (or fee-basis) physician of the Veterans' Administration in connection with compensation, pension, or treatment pursuant to proper authority, issued either prior or subsequent to treatment, or by a report or record within the purview of paragraph (c) of this section, the report of physical examination, hospital report, or record will be accepted as a claim for increase. When a claim has been finally disallowed for the reason that the service connected condition was not 10 percent disabling in degree, an examination or hospital report as described in this paragraph is acceptable as an informal claim to reopen. Where the examination or hospitalization was at Veterans' Administration expense, the date of examination or admission to the hospital is the effective date of the increased or

reopened award, if otherwise in order. However, where the examination or hospitalization is not at Veterans' Administration expense, the effective date of the increase or reopening will be the date of receipt by the Veterans' Administration of the examination or hospitalization report, if otherwise in order.

* * * * *

(c) *Physical examination reports, clinical records, and transcripts of records received from State, county, municipal, and recognized private institutions and contract hospitals.* Generally, physical examination reports, clinical records, and transcripts of records from State, county, Municipal, and recognized private institutions and contract hospitals relative to veterans will be accorded the same consideration for the purpose of rating claims for compensation or pension as though the records were received from a Veterans' Administration field station. These records, however, must present the essentials upon which ratings are to be founded, that is, the disabling conditions must be adequately identified; sufficient findings must be reported to permit proper evaluation of the condition, and they must be certified by chief medical officers or their physician designates. As to private institutions, the hospitals listed in the hospital number of "The Journal" of the American Medical Association (usually published in April of each year) and followed by the symbol consisting of a shaded triangle are recognized. This symbol indicates that the hospital has been approved by the American College of Surgeons as meeting unconditionally its minimum requirements for general standardization. If the name of the private hospital at which the veteran was examined or treated does not appear on the approved list, the chief medical officer or his physician designate will be requested to advise whether the hospital meets the minimum requirements for the care and treatment of Veterans' Administration patients and for hospital facilities as prescribed in current directives of the department of medicine and surgery. Depending upon the advice of the chief medical officer or his physician designate, the report will be accepted or corroborative examination by the Veterans' Administration requested. It is to be understood that such records, in those instances where maintenance is not at the expense of the Veterans' Administration, should not be accepted as claims for increase if they are routinely submitted, but only where there is an indication that they are being submitted for the purpose of claiming increased benefits. Even when submitted for such purpose, where the hospitalization is not at Veterans' Administration expense, the effective date of benefits will be the date of receipt by the Veterans' Administration of the report of hospitalization constituting the claim for increase or to reopen.

7. In § 3.296, paragraph (b) is amended to read as follows:

§ 3.296 *Concurrent payment of benefits to same person.* * * *

(b) Where a person is entitled to compensation from the Bureau of Employees' Compensation based upon disability due to service in the Armed Forces, and is also entitled based upon service in the Armed Forces to compensation or pension under the laws administered by the Veterans' Administration, he shall elect which benefit he shall receive. Compensation or pension may not be paid in such instances by the Veterans' Administration concurrently with compensation from the Bureau of Employees' Compensation. The foregoing rule is not applicable where the benefit paid by the Bureau of Employees' Compensation is based upon civilian employment. Where the same disability, held by the Bureau of Employees' Compensation to have been incurred in civilian employment, is also the basis of a claim with the Veterans' Administration, the evidence developed by the Bureau of Employees' Compensation will generally rebut the presumption of service connection. Where not thus rebutted, the Bureau of Employees' Compensation should be advised of the award of disability compensation, and they will discontinue payments of their benefit as they hold the two findings to be incompatible. In those cases where retroactive benefits are payable under section 4, Public Law 108, 81st Congress, there shall be subtracted from any benefit which such Reserve personnel, or the dependents of such deceased Reservists, may be eligible to receive under such act such benefits as may already have been paid to the particular payee by either the Veterans' Administration or the Department of Labor (Bureau of Employees' Compensation).

* * * * *

8. In Part 4, § 4.192 (c) is amended to read as follows:

§ 4.192 *Payment of burial expenses of deceased war veterans and veterans of the regular establishment.* * * *

(c) *Peacetime service; death on or after October 5, 1940.* When a veteran discharged from the Army, Navy, Marine Corps, or Coast Guard for disability incurred in lines of duty, or a veteran of the Army, Navy, Marine Corps, or Coast Guard in receipt of compensation for service-connected disability or a veteran of the Philippine Army within the purview of § 4.195 (a) (3) dies after discharge and on or subsequent to October 5, 1940, a sum not to exceed $150 (150 Philippine pesos in cases covered by § 4.195 (a) (3)) may be allowed for burial and funeral expenses and transportation of the body to the place of burial.

* * * * *

(Secs. 5, 43 Stat. 608, as amended, sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9; 38 U. S. C. 11a, 426, 707)

This regulation is effective November 2, 1951.

[SEAL] O. W. CLARK,
Deputy Administrator.

[F. R. Doc. 51-13176; Filed, Nov. 1, 1951; 8:45 a. m.]

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

PART 1—PRACTICE AND PROCEDURE

In the matter of amendment of Part 1 of the rules of the Commission, Subpart D and G, by the addition of a footnote thereto relating to the consideration of applications in the light of the North American Regional Broadcasting Agreement, Washington, 1950, and the existing relationship in the field of standard broadcasting between the United States and other North American countries.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 25th day of October 1951;

The Commission having under consideration the footnote to § 3.28 (b) of its rules, adopted by it on this date, concerning the consideration of applications for standard broadcast assignments in the light of the North American Regional Broadcasting Agreement (NARBA), Washington, 1950, and the existing relationship in the field of standard broadcasting between the United States and other North American countries; and

The Commission having concluded that the effective implementation of the policy stated in the said footnote to § 3.28 (b) requires adoption at this time of the special provisions of a procedural nature set forth below with respect to the consideration of applications for standard broadcast station assignments;

It is ordered, Pursuant to authority contained in sections 4 (i) 301, and 303 of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act, that effective immediately Part 1 of the rules of the Commission, Subparts D and G, are amended by the addition thereto of the following footnote:

[6] Special provisions respecting procedure for consideration of applications for standard broadcast station assignments pending action with respect to ratification and entry into force of the North American Regional Broadcasting Agreement (NARBA), Washington, 1950, and in the light of the existing relationship in the field of standard broadcasting between the United States and other North American countries.

1. The special procedural provisions set out below with respect to the consideration of applications for standard broadcasting station assignments are adopted in order to take into account the policy set out in the note to § 3.28 (b) of the rules of the Commission. That note has reference to consideration by the Commission of applications for standard broadcast station assignments in the light of provisions of the North American Regional Broadcasting Agreement, Washington, 1950, referred to herein as NARBA, and the existing relationship in the field of standard broadcasting between the United States and other North American countries. The procedure set forth below is applicable to all applications before the Commission for standard broadcast station assignments except those already being held in a pending status in connection with Dockets Nos. 6741 and 8333.

APPLICATIONS INCONSISTENT WITH NARBA OR WHICH WOULD CAUSE OBJECTIONABLE INTERFERENCE TO STATIONS IN NORTH AMERICAN COUNTRIES NOT SIGNATORY TO THE NARBA

2. *Applications not in hearing status.* (a) Whenever it appears with respect to an application not in hearing status that a grant thereof would be inconsistent with the NARBA or that the operation proposed therein would cause objectionable interference to a station in a North American country not signatory to the NARBA, such application shall, by action of the Secretary upon advice of the Chief of the Broadcast Bureau, be placed in the pending file and, except as provided herein, shall not receive further consideration or action pending modification of the policy set forth in the above-mentioned note to § 3.28 (b) of the Commission rules. Where it appears that any such application is mutually exclusive with an application or applications, the grant of which would not be inconsistent with the NARBA and would not result in objectionable interference to any station in a North American country not signatory to the NARBA, such application will be designated for hearing in consolidation with the application or applications with which it is in conflict. In such cases, the question of consistency with the NARBA or objectionable interference to stations in North American countries not signatory to the NARBA shall be made a matter of issue in the hearing.

3. *Applications in hearing status.* (a) Whenever it appears with respect to any application which has been designated for hearing by itself or with respect to all of the applications in any consolidated proceeding that a grant of the application or applications involved would be inconsistent with the NARBA or would result in objectionable interference to a station in a North American country, not signatory to the NARBA, and where the hearing involved has not been commenced, such application or applications will be removed from the hearing docket and placed in the pending file. Where the hearing involved has been commenced, such application or applications will be placed in the pending file, but will not be removed from the hearing docket. Such action shall be by order and may be taken by the Commission upon its own motion or by the Motions Commissioner upon motion of any party to the proceeding or of the Chief of the Broadcast Bureau.

(b) Whenever it appears with respect to one or more but not all of the applications in any consolidated proceeding that a grant of such application or applications would be inconsistent with the NARBA or would result in objectionable interference with stations in a North American country not signatory to the NARBA and where consistency with the NARBA or interference to foreign stations is not already a matter at issue in the proceeding, the notice of hearing will be amended to include an appropriate issue and if the record has been closed it will be reopened for the purpose of taking testimony with respect to such issue. Such action will be taken by the Commission upon its own motion or upon motion of any party to the proceeding or the Chief of the Broadcast Bureau.

(c) In any proceeding in which after the hearing has commenced it becomes necessary to place the applications involved in the pending file or to add, with respect to any application or applications, an issue concerning consistency with the NARBA or interference to foreign stations the applicants concerned will, notwithstanding the status of the proceeding and the provisions of § 1.365 (a) of the Commission rules, be afforded a reasonable opportunity to amend for the purpose of achieving consistency with the NARBA and eliminating interference to foreign stations.

(d) In any proceeding in which there is an issue concerning consistency with the NARBA or interference to foreign stations the presiding officer will include in his decision a finding upon this issue. However, neither the presiding officer nor the Commission will take this factor into account in arriving at a determination whether the grant of any application in the proceeding would serve the public interest. The presiding officer and the Commission will adhere to the policy outlined below in taking final or intermediate action upon the applications involved in such proceedings.

(i) Applications will be granted where such action would not be inconsistent with the NARBA, would not result in interference to a station in a North American country not signatory to the NARBA, and would otherwise be in the public interest,

(ii) Applications will be denied (*a*) which are mutually exclusive with an application granted in accordance with (i) above; and (*b*) where a denial is required for reasons independent of the question whether grant of application would be consistent with the NARBA or would result in objectionable interference to a station in a North American country not signatory to the NARBA.

(iii) Applications will be placed in the pending file without removal from the hearing docket (*a*) where a grant would be inconsistent with the NARBA or would result in interference to a station in a North American country not signatory to the NARBA but would otherwise be in the public interest; and (*b*) where a denial would be based upon comparative consideration with an application placed in the pending file in accordance with the immediately preceding subdivision (iii) (*a*).

4. *General provisions with respect to applications placed in the pending file.* (a) Whenever any application is placed in the pending file pursuant to paragraphs 2 or 3 above, the applicant concerned will be notified and public notice of the action will be given at the offices of the Commission in Washington, D. C. The Commission will maintain a list of all applications placed in the pending file which list will be available for public inspection. Any interested applicant who believes that an application has been erroneously placed in the pending file may petition the Commission for a review of its action or the Secretary's action. Petitions requesting that an application be placed in the pending file will also be entertained. All petitions filed pursuant to this paragraph must be filed in quintuplicate and be accompanied by an affidavit of a qualified radio engineer setting forth the engineering basis for the petition. Upon receipt of a petition filed in accordance with this paragraph, the Commission will review the action to which the petition is directed and provide opportunity for the submission by interested parties of any further data that may be required for full consideration of the matter.

5. *Applications consistent with the NARBA.* As a matter of general practice, except as provided in the procedure set out above, applications consistent with the NARBA which do not propose operations which would cause interference to stations in North American countries not signatory to the NARBA will be considered and acted upon by the Commission in accordance with its established procedure, even though the NARBA may not yet have entered into force. In particular cases involving applications consistent with the NARBA but in which special considerations of an international nature require that a different procedure be followed, the applicant or applicants involved will be formally advised to that effect.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interprets or applies secs. 301, 303, 48 Stat. 1081, 1082, as amended; 47 U. S. C. 301, 303)

Commissioner Sterling dissented in opinion.[1]

Released: October 26, 1951.

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

[F. R. Doc. 51-13204; Filed, Nov. 1, 1951; 8:49 a. m.]

PART 3—RADIO BROADCAST SERVICES

ASSIGNMENT OF STATIONS TO CHANNELS

In the matter of amendment of Part 3 of the rules of the Commission, § 3.28 (b), by the addition of a footnote to the said section relating to the consideration of applications in the light of the North American Regional Broadcasting Agreement, Washington, 1950, and the existing relationship in the field of standard broadcasting between the United States and other North American countries.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 25th day of October 1951;

The Commission having under consideration the North American Regional Broadcasting Agreement, Washington, 1950, signed by the Government of the United States through its duly authorized representatives on November 15, 1950, subject to ratification, and the existing relationship in the field of standard broadcasting between the United States and other North American countries; and

The Commission having concluded that the grant of applications at this time for assignments which could not be permitted to remain in force under the said North American Regional Broadcasting Agreement would impede the entry into force and effective implementation of the said Agreement in the United States and other countries signatory to the Agreement; that the maintenance of the proper relationship in the field of standard broadcasting between the United States and other countries in the North American Region requires that assignments which could not be permitted to remain in force under the said Agreement, or which would cause objectionable interference to stations in North American countries not signatory to the said agreement, should not be made at this time; that therefore, to make such assignments would be contrary to the public interest; and that the adoption of the policy hereinafter set forth, upon the basis of the above considerations, involves a foreign affairs function within the meaning of section 4 of the Administrative Procedure Act;

It is ordered, Pursuant to authority contained in sections 4 (i), 301, and 303 of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act, that effective immediately Part 3 of the rules of the Commission, § 3.28 (b), is amended by the addition thereto of the following footnote:

[1] Filed as part of the original document.

[9a] Pending action with respect to ratification and entry into force of the North American Regional Broadcasting Agreement, Washington, 1950 (referred to herein as NARBA), no assignment for a standard broadcast station will be made which would be inconsistent with the terms of that agreement.

On an interim basis while protection by countries not signatory to the NARBA continues for assignments in the United States, no assignment for a standard broadcast station will be made which would cause objectionable interference to a duly notified station in a North American country which is not signatory to the NARBA (i. e., Mexico and Haiti). For purposes of this paragraph, interference will in general be determined, in accordance with the engineering standards in use at the time of the expiration of the Interim Agreement (Modus Vivendi), Treaties and Other International Acts Series 1553. In particular, the existence or absence of interference resulting from skywave signal transmission will be determined by the use of Figures 1 and 6 (a) of the Commission Standards of Good Engineering Practice Concerning Standard Broadcast Stations, and the "50 per cent exclusion" method of calculating RSS interference described in Part 1 of the above Standards. Figure 1 will be utilized in connection with curve #1 of Figure 6 (a) in the determination of 50 percent skywave signals. Figure 1, corrected for radiation at angles above the horizontal by the use of curve #1 of Figure 6 (a), will be used with the highest value of antenna radiation occurring at any pertinent angle between the limits described by curves #4 and #5 of Figure 6 (a) in the determination of 10% skywave signals. The Mexican and Haitian stations considered to be duly notified will be those notified and accepted in accordance with past agreements, and those subsequently notified in substantial accordance with the procedures and understandings that have pertained thus far.

Engineering standards now in force domestically differ in some respects from those specified for international purposes and must be observed in appropriate cases. For example, the engineering standards specified for international purposes will be used to determine (1) the extent to which interference might be caused by a proposed station in the United States to a station in another North American country and (2) whether the United States should register an objection to any new or changed assignment notified by another North American country. The domestic standards in effect in the United States will be used to determine the extent to which interference exists or would exist from a foreign station where the value of such interference (1) enters into a calculation of the service to be rendered by a proposed operation in the United States or (2) enters into the calculation of the permissible interfering signal from one station in the United States towards another United States station.

In general, an application for a standard broadcast station assignment the grant of which would be consistent with provisions of the NARBA and would not cause objectionable interference to a duly notified station in a North American country not signatory to the NARBA, will be considered and acted upon by the Commission in accordance with the established procedure for action upon such applications even though the NARBA may not yet have entered into force. However, in particular cases such applications may also present considerations of an international nature which require that a different procedure be followed. In such cases the procedure to be followed will be determined by the Commission in the light of the special considerations involved.

Special provisions of a procedural nature respecting the consideration of applications for standard broadcast station assignments pending action with respect to ratification and entry into force of NARBA, 1950, and respecting the consideration of applications the grant of which would cause objectionable interference to duly notified stations in countries not signatory to the NARBA, are set out in a note to Part 1 of the rules of the Commission, Subparts D and G.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interprets or applies secs. 301, 303, 48 Stat. 1081, 1082, as amended, 47 U. S. C. 301, 303)

Commissioner Sterling dissented in opinion.[1]

Released: October 26, 1951.

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

[F. R. Doc. 51-13190; Filed, Nov. 1, 1951; 8:46 a. m.]

[Docket No. 10049]

PART 51—OCCUPATIONAL CLASSIFICATION AND COMPENSATION OF EMPLOYEES OF CLASS A AND CLASS B TELEPHONE COMPANIES

In the matter of revision of Part 51 of the Commission's rules and regulations; applicable to Class A and Class B Telephone Companies; Docket No. 10049.

On August 29, 1951, the Commission adopted a notice of proposed rule making looking toward the revision of Part 51 of the Commission's rules and regulations. That notice was published in the FEDERAL REGISTER (16 F. R. 9170) in accordance with section 4 (a) of the Administrative Procedure Act. Interested persons were required to file comments with the Commission on or before September 28, 1951. Persons who desired to file answers or further comments in response to comments filed by the September 28th date were required to do so on or before October 12, 1951.

The Commission received comments from the Communications Workers of America, affiliated with CIO (hereinafter referred to as CWA-CIO), and from the United States Independent Telephone Association (hereinafter referred to as USITA). The American Telephone and Telegraph Company (hereinafter referred to as AT&T) filed a statement on behalf of the Bell System in reply to the original comments filed by CWA-CIO. None of the parties submitting comments have requested oral argument thereon, and such comments do not appear to warrant oral argument.

CWA-CIO suggested that § 51.36 (b) be revised to exclude from subparagraph (b) (1) those supervisors, service assistants, and instructors not performing management and/or supervisory functions and that subparagraph (b) (4) of that section be revised to include the employees excluded from subparagraph (b) (1). AT&T replied to CWA-CIO's original comments, concurring in the suggestion that § 51.36 (b) (1) be revised but proposing that the employees excluded from § 51.36 (b) (1) be included in a separate grouping rather than including them in the group in § 51.36 (b) (4). The Bureau of Labor Statistics has indicated approval of the proposed segregation of these data.

1. Accordingly, § 51.36 (b) is modified as follows:

a. Paragraph (b) (1) is revised to read as follows:

(1) *Chief operators.* Include in this group such employees as chief operators (day, evening, night, etc.), assistant chief operators, supervisors performing management functions, chief service observers, and PBX and TWX visiting instructors and other instructors of customers.

b. A new paragraph (b) (2) is inserted reading as follows:

(2) *Service assistants and instructors.* Include in this group service assistants (both operating room and attended paystation), operating room instructors, and all other service assistants and instructors (or supervisors) not performing management functions.

c. Subparagraphs (2), (3), and (4) are redesignated as subparagraphs (3), (4), and (5).

USITA's comments concurred in the proposed rule making, except that USITA suggested that it would be unduly burdensome to require information from all companies each year in this respect when, in their opinion, the information is valuable from a regulatory standpoint only in unusual cases. The results of the recording required by Part 51 are reported in the appropriate schedule of Annual Report Form M applicable to Class A and Class B telephone companies and are furnished to and processed by the Bureau of Labor Statistics. If not required herein, neither this Commission nor the Bureau of Labor Statistics would have a basis for annual data with respect to employment in the telephone industry. Therefore, this suggestion is not adopted.

Since all of the parties are agreed that the proposed modifications are appropriate and neither the presently effective rule nor the proposed rule (without the modification herein) would produce desirable results with respect to the count of employees for the last normal business day of October 1951, these rules should be made effective immediately in order that appropriate data will be available for inclusion in Annual Report Form M for the year 1951.

The proposed revision is issued under authority of sections 4 (i) and 219 of the Communications Act of 1934, as amended.

It is ordered, therefore, That Part 51 (Occupational Classification and Compensation of Employees of Class A and Class B Telephone Companies) of the Commission's rules and regulations, revised, as set out in the appendix attached to the aforementioned notice of proposed rule making, and as modified herein, be, and is hereby adopted, effective immediately as set forth below.

It is further ordered, That Schedules 70C and 71 of Annual Report Form M—Revision of 1951—be, and they are here-

[1] Filed as part of the original document.

by amended to conform to the modification of § 51.36 (b) hereinbefore set forth.

Adopted: October 10, 1951.

Released: October 26, 1951.

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

PART 51—OCCUPATIONAL CLASSIFICATION AND COMPENSATION OF EMPLOYEES OF CLASS A AND CLASS B TELEPHONE COMPANIES

APPLICABILITY

AUTHORITY: §§ 51.1 to 51.39 issued under sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interpret or apply sec. 219, 48 Stat. 1077; 47 U. S. C. 219.

APPLICABILITY

§ 51.1 *Companies subject to the rules in this part.* The rules and regulations in this part apply to Class A and Class B telephone companies as defined in § 31.01–1 of this chapter.

§ 51.2 *Scope of the rules in this part.* (a) The purpose of these rules and regulations is to indicate the manner of classifying and counting employees and to describe other related information which shall be maintained of record.

(b) Companies subject hereto shall record, and report annually to the Commission, the following information with respect to employees, classified according to occupation, as of the last normal business day of October:

(1) Number of employees, male and female separately.

(2) Number of scheduled weekly hours.

(3) Amount of scheduled weekly compensation.

(4) Number of employees classified according to hourly rate of pay.

DEFINITIONS

§ 51.3 *Restrictive use of certain terms.* For the purposes of this part, certain terms are defined as follows:

"Employees" means all persons in the service of the company subject to its continuing authority to supervise and direct the manner of rendition of their service.

"Full-time employees" means those regularly assigned full time.

"General officer" means an officer serving a company in such a capacity as that of chairman of the board of directors (if he is an officer as well as a director), president, vice president, secretary, treasurer, general counsel, and comptroller, or, in the case of those companies that do not have officers bearing the aforesaid titles, the term includes those officers who have the responsibilities normally associated with such titles.

"Hourly rate of pay" means the "scheduled weekly compensation" divided by the "scheduled weekly hours."

"Joint employees" means persons (except general officers) concurrently engaged under a joint arrangement in the service of two or more telephone companies.

"Part-time employees" means those regularly assigned shorter hours than a full-time schedule.

"Scheduled weekly compensation" means the wages scheduled to be paid for "scheduled weekly hours."

"Scheduled weekly hours" means, for the employees included in the count, the number of weekly hours scheduled for the week in which the count is taken.

DATA REQUIRED TO BE MAINTAINED OF RECORD

§ 51.11 *Employees included in the count.* (a) Every person who is an employee of the telephone company, as defined in § 51.3, as of the last normal business day of October shall be included in the count.

(b) Joint employees, except as provided in paragraph (c) of this section, shall be counted by each telephone company involved in a joint service arrangement and shall be represented in its record of the number of employees by a fraction based on the number of telephone companies served. For example, if such an employee is in the service of three telephone companies, each such company shall include him in the number of employees as one-third of an employee. If, however, the entire compensation of an employee concurrently engaged in the service of two or more telephone companies is borne by a single telephone company, he shall be treated as an employee of that company and not as a "joint" employee.

(c) A person employed by and serving two or more telephone companies in the capacity of a general officer but acting independently for each company shall be counted as one employee by each company.

(d) The following employees shall be included:

(1) Full-time and part-time, including temporary, occasional, extra, and similar employees.

(2) Employees who are on paid vacations.

(3) Employees temporarily on leave on account of disability due to accident or sickness.

(e) The following persons shall not be included:

(1) All persons employed by the company as agents and paid exclusively on a commission basis.

(2) Employees on leave of absence or furloughs not paid for by the company.

(3) Pensioners not required to render service.

§ 51.12 *Scheduled weekly hours.* (a) The total number of scheduled weekly hours for employees in each occupational classification set forth in §§ 51.32 to 51.39, inclusive, shall be determined.

(b) These totals shall include the following:

(1) Hours of work of full-time and part-time employees, including temporary, occasional, extra, and similar employees.

(2) Paid vacation and holiday hours.

(3) Hours of employees temporarily on leave on account of disability due to accident or sickness.

§ 51.13 *Scheduled weekly compensation.* (a) The total amount of scheduled weekly compensation for employees in each occupational classification set forth in §§ 51.32 to 51.39, inclusive, shall be recorded.

(b) These totals shall include the following:

(1) Compensation of full-time and part-time employees, including temporary, occasional, extra, and similar employees.

(2) Vacation and holiday pay.

(3) Compensation of employees temporarily on leave due to disability or sickness.

(4) Employee contributions for old age benefits and unemployment insurance, also income tax withholdings and similar deductions.

NOTE: Commissions paid to agents and payments scheduled to pensioners shall not be included.

§ 51.14 *Hourly rate of pay.* Persons in the employ of the company as of the last normal business day in October in occupational classifications outlined in §§ 51.33 to 51.39, inclusive, shall be classified according to their hourly rate of pay. (See Annual Report Form M for appropriate current brackets of hourly rates.)

CLASSIFICATION ON BASIS OF CHARACTER OF SERVICE

§ 51.31 *Basis of classification.* Employees shall be classified with respect to character of service rendered in accordance with the respective classifications shown in §§ 51.32 to 51.39. Where an employee's duties are such as to make him includible in two or more classifications, he shall be counted in the classification most representative of his work or in the classification in which he regularly spends the greater part of his time.

§ 51.32 *Officials and managerial assistants.* (a) Include in this classification employees who are primarily concerned with responsible policy-making, or with planning, supervising, coordinating, or guiding the work activity of others, usually through intermediate supervisors or foremen.

(b) This classification shall be subdivided by Class A companies into groups as follows:

(1) *General and assistant general officers.* Include in this group such em-

ployees as chairman of the board of directors (if he is an officer as well as a director), president, vice-president, secretary, treasurer, general counsel, and comptroller, and all associated assistant general officers such as assistant vice-presidents, assistant secretaries, assistant treasurers, etc. Companies that do not have officers bearing the aforesaid titles shall include those officers who have the responsibilities normally associated with such titles. This group shall also include immediate subordinates of general officers who serve as administrative heads of personnel, public relations, information, or similar subdivisions of the company.

(2) *Other officials and assistants.* Include in this group such employees as general, division, and district managers and assistant managers in the various departments of the company; and sales or directory managers not primarily concerned with staff activities. This group shall also include comparable managerial employees in other departments, such as area auditors, auditors of disbursements, or auditors of receipts.

NOTE: Employees in occupations that embrace supervisory functions of the character exercised by foremen, but that involve limited aspects of policy-making and management shall not be included in this classification but shall be classified as provided in §§ 51.34, 51.35, 51.36, 51.37, or 51.38, as appropriate. Subordinates of employees included in this classification whose supervisory responsibilities relate primarily to technical professional, or staff activities shall be classified as provided in § 51.33.

§ 51.33 *Professional and semi-professional employees.* (a) Include in this classification employees in professional occupations that require for the proper performance of the work either extensive and comprehensive academic study, or experience of such extent and character as to provide an equivalent background, or a combination of such education and experience. Some of the occupations within this classification may necessitate backgrounds with respect to education, training, and experience similar to those for professional occupations but require less initiative or judgment. Employees in such semi-professional occupations deal with less complicated work situations than those in fields which are considered professional. This classification shall also include employees who provide staff assistance which is based on their extensive training and erperience in specialized types of work involved in the telephone business.

(b) This classification shall be subdivided by Class A companies into groups as follows:

(1) *Draftsmen.* Include in this group chief draftsmen as well as all other draftsmen.

(2) *Other professional and semi-professional employees.* Include in this group all accountants, attorneys, and engineers not classified under § 51.32; right-of-way agents, physicians, nurses, editors, laboratory technicians, and all other technical and professional employees; staff specialists, such as tax agents; statisticians; commercial, rate, directory, or sales engineers; and personnel, employment, advertising, training, safety, or methods specialists.

§ 51.34 *Business office and sales employees.* (a) Include in this classification all employees primarily engaged in handling business contacts with the general public by telephone, correspondence, or personal interview with respect to orders involving new or existing telephone services; in providing information or advice concerning such services; or (except for the receipt of payments by cashiers or tellers) in collecting revenues derived therefrom. This classification shall also include employees primarily engaged in the detailed supervision of such activities.

(b) This classification shall be subdivided by Class A companies into groups as follows:

(1) *Supervisors of business office and sales employees.* Include in this group such employees as public office, local, unit, or nonfunctional managers; and business office, sales, or coin telephone supervisors.

(2) *Non-supervising business office and sales employees.* Include in this group such employees as commercial, public office, or service representatives; salesmen; commercial service observers; instructors or coaches; and coin telephone collectors.

NOTE: Clerical employees who assist in the work of sales employees shall not be reported in this classification but shall be classified in § 51.35.

§ 51.35 *Clerical employees.* (a) Include in this classification all employees who primarily transcribe, prepare, transfer, systematize, or preserve written communications or records, together with employees such as cashiers or tellers who receive or disburse funds; office boys or messengers; and others who perform miscellaneous types of office duties. Some of these activities include, in part or in whole, the operation of such mechanical devices as typewriters and bookkeeping, computing, or punch-card machines. This classification shall also include employees primarily engaged in the detailed supervision of such activities.

(b) This classification shall be subdivided by Class A companies into groups as follows:

(1) *Supervisors of clerical employees.* Include in this group such employees as chief clerks (if supervising) and office managers; supervising stenographers or typists; cashiers (if supervising), chief tellers, or paymasters; accounts or toll supervisors; service order supervisors or chief service order clerks; supervisors of payrolls, materials, estimates, vouchers, invoices, or reports and results; and all other supervising clerks.

(2) *Non-supervising clerical employees.* Include in this group clerical employees exclusive of supervisors of clerical forces. This group shall be further subdivided into the following departmental classifications: Commercial Department, Traffic Department, Plant Department, Accounting Department, and All Other Departments. Clerical employees include such employees as stenographers, typists, bookkeepers, bookkeeping machine operators, cashiers, receptionists, paymasters, timekeepers, checkers, office messengers, file clerks, repair service clerks, accounting and auditing clerks, and time clerks.

§ 51.36 *Telephone operators.* (a) Include in this classification all employees primarily engaged in the operation of telephone or teletypewriter switchboards (including official and non-official private branch exchange, public pay station, information, intercept, or telegraph boards, and similar auxiliary switchboard apparatus). This classification shall also include all traffic department employees primarily engaged in making tests or inspections at central offices or on subscribers' premises regarding switchboard service or otherwise investigating or adjusting subscribers' service complaints, and plant or traffic department employees making and recording routine detailed observations of switchboard service. Employees primarily engaged in the detailed supervision of such activities or in the instruction of operators shall also be reported in this classification.

(b) This classification shall be subdivided by Class A companies into groups as follows:

(1) *Chief operators.* Include in this group such employees as chief operators (day, evening, night, etc.), assistant chief operators, supervisors performing management functions, chief service observers, and PBX and TWX visiting instructors and other instructors of customers.

(2) *Servcie assistants and instructors.* Include in this group service assistants (both operating room and attended paystation), operating room instructors, and all other service assistants and instructors (or supervisors) not performing management functions.

(3) *Operators in training.* Include in this group all student or junior operators during their first year of training in switchboard operation.

(4) *Other switchboard employees.* Include in this group such employees as public pay station attendants and service observers.

§ 51.37 *Construction, installation, and maintenance employees.* (a) Include in this classification all employees primarily engaged in the construction, installation, inspection, testing, or repair of central office or subscribers' equipment, or of outside plant, who are in skilled or semi-skilled occupations. This classification shall also include unskilled laborers employed in construction, installation, or maintenance work as well as employees primarily engaged in the detailed supervision of such activities.

(b) This classification shall be subdivided by Class A companies into groups as follows:

(1) *Foremen of telephone craftsmen.* Include in this group all foremen of employees classified under subparagraphs (2), (3), (4), and (5) of this paragraph, such as supervising foremen of construction, installation, or maintenance; wire chiefs or chief switchmen; central office installation, station installation, line, cable placing, cable splicing, or conduit foremen; and foremen of exchange repairmen.

(2) *Central office craftsmen.* Include in this group such employees as central office installers or repairmen, switchmen, framemen, or wiremen; testboardmen, testdeskmen, transmissionmen, or powermen; and central office inspectors. This group shall be further subdivided as follows:

(i) *Testboardmen and repeatermen.* Include in this subdivision employees engaged at central offices in making tests of plant equipment.

(ii) *Repairmen, central office.* Include in this subdivision all employees engaged in the maintenance of central office equipment.

(iii) *All other central office craftsmen.* Include in this subdivision central office craftsmen not counted in subdivisions (i) and (ii) of this subparagraph. Employees receiving training as apprentices in central office construction, installation, and maintenance work shall be included in this subdivision. Employees classified in this subdivision shall be limited to those engaged in skilled or semi-skilled work such as central office installers or inspectors.

(3) *Installation and exchange repair craftsmen.* Include in this group such employees as station or PBX installers, exchange repairmen, installer-repairmen, or combination-men. This group shall be further subdivided as follows:

(i) *PBX and station installers.* Include in this subdivision all employees engaged in installing station or private branch exchange equipment. Central office installers shall not be included in this subdivision but shall be reported under subparagraph (2) of this paragraph.

(ii) *Exchange repairmen.* Include in this subdivision all employees engaged in the maintenance of station or private branch exchange equipment.

(iii) *All other installation and exchange repair craftsmen.* Include in this subdivision all installation and exchange repair craftsmen not counted in subdivisions (i) and (ii) of this subparagraph. Employees receiving training as apprentices in installation and exchange repair work shall be included in this subdivision. Employees classified in this subdivision shall be limited to those engaged in skilled or semi-skilled work.

(4) *Line, cable, and conduit craftsmen.* Include in this group such employees as linemen, linemen-chauffeurs, and toll repairmen or line inspectors; cablemen, cable splicers and helpers, or cable testers, and groundmen; and conduitmen. This group shall be further subdivided as follows:

(i) *Linemen.* Include in this subdivision all employees engaged in aerial work incidental to the construction, modification, or maintenance of aerial plant.

(ii) *Cable splicers.* Include in this subdivision all employees engaged in splicing cables.

(iii) *Cable splicers' helpers.* Include in this subdivision all employees engaged in assisting cable splicers.

(iv) *All other line, cable, and conduit craftsmen.* Include in this subdivision all line, cable, and conduit craftsmen not counted in subdivisions (i), (ii), and (iii) of this subparagraph. Employees receiving training as apprentices in line and conduit work shall be included in this subdivision. Do not include in this subdivision apprentice splicers who shall be classified in subdivision (iii) of this subparagraph. Employees classified in this subdivision shall be limited to those engaged in skilled or semi-skilled work. Unskilled conduit laborers shall be included in subparagraph (5) of this paragraph.

(5) *Laborers.* Include in this group all unskilled laborers employed in construction, installation, or maintenance work.

§ 51.38 *Building, supplies, and motor vehicle employees.* (a) Include in this classification all employees primarily engaged in the maintenance of buildings or offices; in restroom, lunchroom, or similar personal services; in supply services; and in the operation or maintenance of motor vehicles. This classification shall also include employees primarily engaged in the detailed supervision of such activities.

(b) This classification shall be subdivided by Class A companies into groups as follows:

(1) *Foremen of building, supplies, and motor vehicle employees.* Include in this group such employees as supervising foremen of buildings, supplies, or motor vehicles; house service, building maintenance, garage, shop, or supplies foremen; and dining service supervisors.

(2) *Mechanics.* Include in this group non-supervising employees in skilled occupations related to the maintenance of buildings, supplies, and motor vehicles, such as stationary engineers, carpenters, painters, building electricians, plumbers, and garage or shop mechanics.

(3) *Other building service employees.* Include in this group all non-supervising building service employees, exclusive of building mechanics, such as janitors, porters, watchmen, elevator operators, firemen, guards, and non-supervising dining service, restroom, or locker-room employees.

(4) *Other supplies and motor vehicle employees.* Include in this group all non-supervising supplies and motor vehicle employees, exclusive of supplies and motor vehicle mechanics, such as stockmen, yardmen, and garagemen.

§ 51.39 *All other employees, not elsewhere classified.* Include in this classification all employees not classified under §§ 51.32 to 51.38, inclusive.

[F. R. Doc. 51-13189; Filed, Nov. 1, 1951; 8:46 a. m.]

PROPOSED RULE MAKING

CIVIL AERONAUTICS BOARD

[14 CFR Part 4b]

STALLING CHARACTERISTICS

NOTICE OF PROPOSED RULE MAKING

Pursuant to authority delegated by the Civil Aeronautics Board to the Bureau of Safety Regulation, notice is hereby given that the Bureau will propose to the Board an amendment of Part 4b of the Civil Air Regulations as hereinafter set forth.

Interested persons may particpate in the making of the proposed rules by submitting such written data, views, or arguments as they may desire. Communications should be submitted in duplicate to the Civil Aeronautics Board, attention Bureau of Safety Regulation, Washington 25, D. C. All communications received by November 16, 1951, will be considered by the Board before taking further action on the proposed rules. Copies of such communications will be available after November 20, 1951, for examination by interested persons at the Docket Section of the Board, Room 5412, Commerce Building, Washington, D. C.

The currently effective stalling characteristics provisions in the Civil Air Regulations were written with a view to certification of aircraft relatively smaller than many of the large present-day transports. The manufacturing industry at the 1951 annual airworthiness meetings pointed out that the literal application of these provisions to large transports could result in unrealistic and sometimes dangerous testing procedures and therefore requested that consideration be given to their revision. Following the discussions at the annual meeting the Bureau prepared proposed amendments to the stalling characteristics provisions which are being published in the FEDERAL REGISTER as part of the amendments resulting from the annual review and distributed to the industry with CAB Draft Release No. 51-11, dated October 17, 1951. (See proposed amendments §§ 4b.160 through 4b.162 therein.)

During the preparation of Draft Release No. 51-11 the provisions of the proposed amendments were used for the purpose of trial application in connection with the certification tests of a new transport airplane. Experience gained during these tests indicates the need for certain changes in the proposed provisions for stall warning, and for that reason this revised proposal differs from that in Draft Release No. 51-11 with regard to § 4b.162. It is not intended to amend § 4b.161, and therefore that section has been omitted herein, although reference was made to it in Draft Release No. 51-11.

The Bureau has been informed that several new type airplanes will be involved in certification tests within the next few months. In order to facilitate early recommendations to the Board on this problem and possibly to preclude a

needless burden on airplane manufacturers, the Bureau has departed from the usual procedure by distributing these proposals for comment separately from other proposed amendments resulting from the annual review.

It is therefore proposed to amend Part 4b of the Civil Air Regulations as follows:

1. By amending § 4b.160 to read as follows:

§ 4b.160 *Stalling; symmetrical power.* (a) Stalls shall be demonstrated with the airplane in straight flight and in banked turns at 30 degrees, both with power off and with power on. In the power-on conditions the power shall be that necessary to maintain level flight at a speed of 1.6 V_{s_1}, where V_{s_1} corresponds with the stalling speed with flaps in the approach position, the landing gear retracted, and maximum landing weight.

(b) The stall demonstration shall be in the following configurations:

(1) Wing flaps and landing gear in any likely combination of positions,

(2) Representative weights within the range for which certification is sought,

(3) The center of gravity in the most adverse position for recovery.

(c) The stall demonstration shall be conducted as follows:

(1) With trim controls adjusted for straight flight at a speed of 1.4 V_{s_1}, the speed shall be reduced by means of the elevator control until it is steady at slightly above stalling speed; after which the elevator control shall be applied at a rate such that the airplane speed reduction does not exceed one mile per hour per second until the airplane is stalled or, if the airplane is not stalled, until the control reaches the stop.

(2) The airplane shall be considered stalled when, at an angle of attack measurably greater than that of maximum lift, the inherent flight characteristics give a clear indication to the pilot that the airplane is stalled.

NOTE: A nose-down pitch or a roll which cannot be readily arrested are typical indications that the airplane is stalled. Other indications, such as marked loss of control effectiveness, abrupt change in control force or motion, characteristic buffeting, or a distinctive vibration of the pilot's controls, may be acceptable if found in a particular case to be sufficiently clear.

(3) Recovery from the stall shall be effected by normal recovery techniques, starting as soon as the airplane is stalled.

(d) During stall demonstration it shall be possible to produce and to correct roll and yaw by unreversed use of the aileron and rudder controls up to the moment the airplane is stalled; there shall occur no abnormal nose-up pitching; and the longitudinal control force shall be positive up to and including the stall.

(e) In straight flight stalls the roll occurring between the stall and the completion of the recovery shall not exceed approximately 20 degrees.

(f) In turning flight stalls the action of the airplane following the stall shall not be so violent or extreme as to make it difficult with normal piloting skill to effect a prompt recovery and to regain control of the airplane.

(g) In both the straight flight and the turning flight stall demonstrations it shall be possible promptly to prevent the airplane from stalling and to recover from the stall condition by normal use of the controls.

2. By amending § 4b.162 to read as follows:

§ 4b.162 *Stall warning.* Clear and distinctive stall warning shall be apparent to the pilot with sufficient margin to prevent inadvertent stalling of the airplane with flaps and landing gear in all normally used positions, both in straight and in turning flight. It shall be acceptable for the warning to be furnished either through the inherent aerodynamic qualities of the airplane, or by a device which will give clearly distinguishable indications under all expected conditions of flight.

NOTE: A stall warning beginning at a speed 7 percent above the stalling speed is normally considered sufficient margin. Other margins may be acceptable depending upon the degree of clarity and distinctiveness of the warning and upon other characteristics of the airplane evidenced during the approach to the stall.

This amendment is proposed under the authority of Title VI of the Civil Aeronautics Act of 1938, as amended. The proposal may be changed in the light of comments received in response to this notice of proposed rule making.

(Sec. 205 (a), 52 Stat. 984; 49 U. S. C. 425 (a). Interpret or apply secs. 601–610, 52 Stat. 1007–1012; 49 U. S. C. 551–560; 62 Stat. 1216)

Dated: October 29, 1951 at Washington, D. C.

By the Bureau of Safety Regulation.

[SEAL] JOHN M. CHAMBERLAIN,
Director.

[F. R. Doc. 51-13221; Filed, Nov. 1, 1951; 8:52 a. m.]

DEPARTMENT OF LABOR

Wage and Hour Division

[29 CFR Part 545]

HOMEWORKERS IN NEEDLEWORK AND FABRICATED TEXTILE PRODUCTS INDUSTRY IN PUERTO RICO

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that pursuant to authority under section 6 (a) (2) of the Fair Labor Standards Act of 1938, as amended, the Administrator of the Wage and Hour Division, United States Department of Labor, proposes to amend the regulations contained in this part in the following manner:

1. In § 545.2, amend paragraphs (b) and (c) to read as follows:

§ 545.2 *Definitions.* * * *

(b) "Homeworker," as used in this part, means any employee employed or suffered or permitted to perform homework for an employer.

(c) "Homework," as used in this part, means the production by any person in or about a home, apartment, tenement, or room in a residential establishment, of goods for an employer who suffers or permits such production, regardless of the source (whether obtained from an employer or elsewhere) of the materials used by the homeworker in such production; *Provided,* That such work is not performed under the constant and direct supervision of an employer or of a responsible supervisor and under such conditions that accurate records of hours worked are maintained or can readily be maintained.

* * * * *

2. In § 545.14, Schedule B, amend heading, add new minimum piece rates at the end of the schedule and change footnote 1, as follows:

§ 545.14 *Piece rates established in accordance with § 545.10.* * * *

SCHEDULE B-PIECE RATE SCHEDULE FOR THE HANDKERCHIEF AND SQUARE SCARF DIVISION AND THE HOUSEHOLD ART LINEN DIVISION OF THE NEEDLEWORK AND FABRICATED TEXTILE PRODUCTS INDUSTRY IN PUERTO RICO [1]

No.	Operation	Piece rate (based on hourly rate of 30 cents)	Unit of payment
*	* * *	*	* *
	Non-hand-sewing operations		
	Hand-cutting machine-embroidered, shallow, curved scallops:	*Cents*	
187.4	Small, measuring from 5/16" up to, but not including, 5/8", along outside edge.	16	Per dozen scallops.
187.5	Medium, measuring from 5/8" up to, but not including 7/8", along outside edge.	20	Do.
187.6	Large, measuring from 7/8" to, and inclusive of, 1 1/4", along outside edge.	30	Do.

[1] The piece rates apply only to "hand-sewing" operations unless specifically indicated otherwise in the schedule. For description of operations included under "hand-sewing," see definition in applicable section of wage order.

Prior to the final adoption of the above proposed amendments consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing to the Administrator of the Wage and Hour Division, United States Department of Labor, Washington, D. C., or to the Territorial Director of the Wage and Hour Division, United States Department of Labor, Post Office Box 9061, Santurce 29, Puerto Rico within 15 days of publication of this notice in the FEDERAL REGISTER.

Signed at Washington, D. C., this 26th day of October 1951.

WM. R. MCCOMB,
Administrator,
Wage and Hour Division.

[F. R. Doc. 51-13179; Filed, Nov. 1, 1951; 8:45 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[57382]

MINNESOTA

NOTICE OF FILING OF PLAT OF SURVEY

OCTOBER 26, 1951.

Notice is given that the plat of survey of the following described lands, accepted March 1, 1951, will be officially filed in this office effective at 10:00 a. m. on the 35th day after the date of this notice:

4TH P. M., MINNESOTA

T. 56 N., R. 7 W.,
Sec. 32, lots 6, 7, 8 (Islands).
Sec. 33, lot 1 (Island).

The area described aggregates 2.93 acres.

Available information indicates that these islands are made up of solid rock formation, standing out of the water up to 90 feet in height and have very little soil.

No applications for the described lands may be allowed under the homestead, small tract, or any other non-mineral public land laws unless the land has already been classified as valuable or suitable for such application or shall be so classified upon consideration of an application.

At the hour and date specified above the said lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, or selection as follows:

(a) *Ninety-one day period for preference-right filings.* For a period of 91 days commencing at the hour and on the day specified above, the public lands affected by this notice shall be subject only to (1) application under the homestead laws or the Small Tract Act of June 1, 1938, 52 Stat. 609 (43 U. S. C. 682a), as amended, by qualified veterans of World War II and other qualified persons entitled to preference under the act of September 27, 1944, 58 Stat. 747 (43 U. S. C. 279–284), as amended, subject to the requirements of applicable law, and (2) application under any applicable public-land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications under subdivision (1) of this paragraph shall be subject to applications and claims of the classes described in subdivision (2) of this paragraph. All applications filed under this paragraph either at or before 10:00 a. m. on the 35th day after the date of this notice shall be treated as though filed simultaneously at that time. All applications filed under this paragraph after 10:00 a. m. on the said 35th day shall be considered in the order of filing.

(b) *Date for non-preference-right filings.* Commencing at 10:00 a. m. on the 126th day after the date of this notice, any lands remaining unappropriated shall become subject to such application, petition, location, selection, or other appropriation by the public generally as may be authorized by the public-land laws. All such applications filed either at or before 10:00 a. m. on the 126th day after the date of this notice, shall be treated as though filed simultaneously at the hour specified on such 126th day. All applications filed thereafter shall be considered in the order of filing.

A veteran shall accompany his application with a complete photostatic, or other copy (both sides), of his certificate of honorable discharge, or of an official document of his branch of the service which shows clearly his honorable discharge as defined in § 181.36 of Title 43 of the Code of Federal Regulations, or constitutes evidence of other facts upon which the claim for preference is based and which shows clearly the period of service. Other persons claiming credit for service of veterans must furnish like proof in support of their claims. Persons asserting preference rights through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated statements in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the Bureau of Land Management, Washington 25, D. C., shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations and Part 296 of that title, to the extent that such regulations are applicable. Applications under the homestead laws shall be governed by the regulations contained in Parts 166 to 170, inclusive, of Title 43 of the Code of Federal Regulations, and applications under the said Small Tract Act of June 1, 1938, shall be governed by the regulations contained in Part 257, of that title.

Inquiries concerning these lands shall be addressed to the Regional Administrator, Region VI, Bureau of Land Management, Washington 25, D. C.

H. S. PRICE,
Regional Administrator,
Region VI.

[F. R. Doc. 51–13177; Filed, Nov. 1, 1951; 8:45 a. m.]

[Misc. 2094408]

COLORADO

ORDER PROVIDING FOR THE OPENING OF PUBLIC LANDS RESTORED FROM THE GUNNISON-ARKANSAS PROJECT

OCTOBER 29, 1951.

An order of the Bureau of Reclamation dated October 20, 1950, concurred in by the Acting Director, Bureau of Land Management, November 20, 1950, revoked the Departmental order of June 3, 1946, so far as it withdrew under the provisions of the Reclamation Act of June 17, 1902 (32 Stat. 388), the following described land in connection with the Gunnison-Arkansas Project, Colorado, and provided that such revocation shall not affect the withdrawal of any other lands by said order or affect any other order withdrawing or reserving the lands described:

SIXTH PRINCIPAL MERIDIAN

T. 14 S., R. 80 W.,
Secs. 35 and 36.
T. 15 S., R. 80 W.,
Secs. 1 and 2.

The above areas aggregate 2,562.52 acres.

The lands are withdrawn for national forest purposes and will become subject to the public-land laws relating to national forest lands at 10:00 a. m. on the 35th day from the date of this order.

WILLIAM PINCUS,
Assistant Director.

[F. R. Doc. 51–13209; Filed, Nov. 1, 1951; 8:50 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

[No. M–42]

POPE & TALBOT, INC.

NOTICE OF HEARING ON APPLICATION TO BAREBOAT CHARTER GOVERNMENT-OWNED, WAR-BUILT, DRY-CARGO VESSELS FOR EMPLOYMENT IN INTERCOASTAL SERVICE

Pursuant to section 3, Public Law 591, 81st Congress, notice is hereby given that an informal public hearing will be held at Washington, D. C., on November 7, 1951, at 2:00 o'clock p. m., in Room 4823, Commerce Building, before Examiner C. W. Robinson, upon the application of Pope & Talbot, Inc., to bareboat charter three (3) Government-owned, war-built, dry-cargo Liberty type vessels for employment in the intercoastal service.

The purpose of the hearing is to receive evidence with respect to whether the service for which such vessels are proposed to be chartered is required in the public interest and is not adequately served, and with respect to the availability of privately-owned American-flag vessels for charter on reasonable conditions and at reasonable rates for use in such service. Evidence also will be received with respect to any restrictions or conditions that may, under the statute, be included in the charter if the application should be granted.

All persons having an interest in the application will be given an opportunity to be heard if present.

The parties may have oral argument before the examiner immediately following the close of the hearing, in lieu of briefs, and the examiner will issue a recommended decision. Parties may have seven (7) days, or such shorter time as may be agreed to at the hearing, within which to file exceptions to, or memoranda in support of, the examiner's

recommended decision, but the Board reserves the right to determine whether oral argument on exceptions will be granted and whether briefs in connection therewith will be received.

Dated: October 29, 1951.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS, *Secretary.*

[F. R. Doc. 51-13219; Filed, Nov. 1, 1951; 8:51 a. m.]

[No. M-43]

PACIFIC-ATLANTIC STEAMSHIP CO.

NOTICE OF HEARING ON APPLICATION TO BAREBOAT CHARTER GOVERNMENT-OWNED, WAR-BUILT, DRY-CARGO VESSELS FOR EMPLOYMENT IN INTERCOASTAL SERVICE

Pursuant to section 3, Public Law 591, 81st Congress, notice is hereby given that an informal public hearing will be held at Washington, D. C., on November 7, 1951, at 2:00 o'clock p. m., in Room 4823, Commerce Building, before Examiner C. W. Robinson, upon the application of Pacific-Atlantic Steamship Company to bareboat charter the Government-owned, war-built, dry-cargo vessels SSs. "Thomas Nuttall," "Jeremiah S. Black," and "Elmer A. Sperry" for employment in the intercoastal service for an indefinite period after the expiration dates of applicant's existing charters therefor.

The purpose of the hearing is to receive evidence with respect to whether the service for which such vessels are proposed to be chartered is required in the public interest and is not adequately served, and with respect to the availability of privately-owned American-flag vessels for charter on reasonable conditions and at reasonable rates for use in such service. Evidence also will be received with respect to any restrictions or conditions that may, under the statute, be included in the charter if the application should be granted.

All persons having an interest in the application will be given an opportunity to be heard if present.

The parties may have oral argument before the examiner immediately following the close of the hearing, in lieu of briefs, and the examiner will issue a recommended decision. Parties may have seven (7) days, or such shorter time as may be agreed to at the hearing, within which to file exceptions to or memoranda in support of the examiner's recommended decision, but the Board reserves the right to determine whether oral argument on exceptions will be granted and whether briefs in connection therewith will be received.

Dated: October 29, 1951.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS, *Secretary.*

[F. R. Doc. 51-13220; Filed, Nov. 1, 1951; 8:52 a. m.]

[No. M-44]

MISSISSIPPI SHIPPING CO., INC.

NOTICE OF HEARING ON APPLICATION TO BAREBOAT CHARTER A GOVERNMENT-OWNED, WAR-BUILT, DRY-CARGO VESSEL FOR EMPLOYMENT IN SERVICE BETWEEN THE GULF AND THE WEST COAST OF AFRICA

Pursuant to section 3, Public Law 591, 81st Congress, notice is hereby given that an informal public hearing will be held at Washington, D. C., on November 9, 1951, at 10 o'clock a. m., in Room 4823, Commerce Building, before Examiner A. L. Jordan, upon the application of Mississippi Shipping Company, Inc., to bareboat charter a Government-owned war-built, dry-cargo vessel of C1A or C1B or Victory-type for employment in its service between United States Gulf ports and ports on the West Coast of Africa.

The purpose of the hearing is to receive evidence with respect to whether the service for which such vessel is proposed to be chartered is required in the public interest and is not adequately served, and with respect to the availability of privately-owned American-flag vessels for charter on reasonable conditions and at reasonable rates for use in such service. Evidence also will be received with respect to any restrictions or conditions that may under the statute be included in the charter if the application should be granted.

All persons having an interest in the application will be given an opportunity to be heard if present.

The parties may have oral argument before the examiner immediately following the close of the hearing, in lieu of briefs, and the examiner will issue a recommended decision. Parties may have seven (7) days or such shorter time as may be agreed to at the hearing within which to file exceptions to, or memoranda in support of, the examiner's recommended decision, but the Board reserves the right to determine whether oral argument on exceptions will be granted and whether briefs in connection therewith will be received.

Dated: October 29, 1951.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS, *Secretary.*

[F. R. Doc. 51-13218; Filed, Nov. 1, 1951; 8:51 a. m.]

FEDERAL POWER COMMISSION

[Project No. 1967]

WHITING-PLOVER PAPER CO.

NOTICE OF ORDER APPROVING REVISED EXHIBITS K AND M DRAWINGS AS PART OF LICENSE

OCTOBER 29, 1951.

Notice is hereby given that, on October 26, 1951, the Federal Power Commission issued its order, entered October 23, 1951, approving revised Exhibits K and M drawings as part of license in the above-entitled matter.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 51-13195; Filed, Nov. 1, 1951; 8:47 a. m.]

[Project No. 2042]

PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY, WASHINGTON

NOTICE OF ORDER AMENDING PRELIMINARY PERMIT

OCTOBER 29, 1951.

Notice is hereby given that, on October 5, 1951, the Federal Power Commission issued its order, entered October 2, 1951, amending preliminary permit in the above-entitled matter.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 51-13196; Filed, Nov. 1, 1951; 8:47 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 9833, 10035]

CUSTER COUNTY BROADCASTING CO. (KCNI) AND GRAND ISLAND BROADCASTING CO.

ORDER CONTINUING HEARING

In re applications of Custer County Broadcasting Company (KCNI), Broken Bow, Nebraska, Docket No. 9833, File No. BP-7679; Robert L. Lester, Wilbur J. Bachman, Jake Grasmick, Walter E. Siebert, Samuel N. Wolbach and Wick M. Heath, d/b as Grand Island Broadcasting Company, Grand Island, Nebraska, Docket No. 10035, File No. BP-8169; for construction permits.

The Commission having under consideration a motion filed October 17, 1951, by Grand Island Broadcasting Company, requesting a further continuance, for approximately 30 days, of the hearing in the above-entitled proceeding presently scheduled for October 31, 1951, in order to allow its consulting engineers time to complete its engineering presentation and to prepare an amendment to such application specifying its newly obtained site, recently selected in an effort to reduce the signal intensity which would be placed over the Commission's Monitoring Station at Grand Island, Nebraska, by the proposed operation of Grand Island Broadcasting Company; and

It appearing, that counsel for the other applicant, Custer County Broadcasting Company, licensee of Station KCNI, and counsel for the Commission have informally consented to a waiver of the requirements of § 1.745 of the Commission's rules and regulations and agreed to an immediate consideration and grant of such petition for continuance;

It is ordered, This 25th day of October 1951, that the petition be, and it is hereby, granted; and the hearing on the above-entitled applications be, and it hereby, continued to December 17, 1951, at 10 o'clock a. m., in Washington, D. C.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] T. J. SLOWIE, *Secretary.*

[F. R. Doc. 51-13206; Filed, Nov. 1, 1951; 8:49 a. m.]

[Docket No. 10007]

PEOPLES BROADCASTING CORP. (WOL)

ORDER CONTINUING HEARING

In re application of Peoples Broadcasting Corporation (WOL), Washington, D. C., for construction permit; Docket No. 10007, File No. BP-7873.

The Commission having under consideration a petition, filed by the applicant herein on October 19, 1951, requesting that the hearing now scheduled to begin on October 30, 1951, be continued for a period of approximately sixty days; and

It appearing, that the applicant is engaged in ascertaining the availability and suitability of a new transmitter site for its proposed construction in order to relieve the difficulties suggested by the issues herein, and the applicant thereafter will seek to amend its application and request removal from hearing if a suitable site is found; and that the accomplishment of these steps cannot be completed before the presently scheduled hearing date; and

It further appearing, that no objection to the requested continuance has been presented and that the continuance as hereinafter ordered will conduce to the orderly dispatch of the Commission's business;

Now therefore, *it is ordered*, This 26th day of October 1951, that the petition is granted, and the hearing in the above-entitled matter is continued to 10:00 a. m. on Tuesday, January 8, 1952, at Washington, D. C.

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

[F. R. Doc. 51-13205; Filed, Nov. 1, 1951; 8:49 a. m.]

[Mexican Change List 135]

MEXICAN BROADCAST STATIONS

LIST OF CHANGES, PROPOSED CHANGES, AND CORRECTIONS IN ASSIGNMENTS

SEPTEMBER 24, 1951.

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, 1951.

Call letters	Location	Power	Time designation	Class	Probable date to commence operation
XERX	Salamanca, Guanajuato	970 kilocycles (see assignment on 1560 kc/s).			
XELW	Guadalajara, Jalisco	1340 kilocycles 250 w-N/1 kw-D. (Increase in daytime power).	U	IV	Dec. 1, 1951.
XEY	Celaya, Guanajuato	1360 kilocycles 250 w-N/1 kw-D	U	IV	Apr. 1, 1952.
XEFS	Cuernavaca, Morelos	1420 kilocycles (change in call letters from XEY).			
XERX	Salamanca, Guanajuato	1560 kilocycles, 500 w	D	III-B	Immediately

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

[F. R. Doc. 51-13207; Filed, Nov. 1, 1951; 8:50 a. m.]

[Cuban Notification List No. 3]

CUBAN BROADCAST STATIONS

NOTIFICATION OF CHANGES IN ASSIGNMENTS OF BROADCASTING STATIONS

SEPTEMBER 1, 1951.

Call letters	Location	Power	Antenna	Schedule	Class
CMKT	La Maya, Oriente (change in location to Holguin, Oriente).	0.25	*1520 kilocycles* ND	U	II

NOTE: This notification concerns a change in the current assignment of this station. The North American Regional Broadcasting Agreement, Washington, 1950, lists CMKT on the frequency 1550 kilocycles at La Maya, Oriente.

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

[F. R. Doc. 51-13208; Filed, Nov. 1, 1951; 8:50 a. m.]

FEDERAL RESERVE SYSTEM

[Regulation W]

CONSUMER CREDIT

OLDER MODEL USED AUTOMOBILES

Regulation W, Consumer Credit, issued by the Board of Governors of the Federal Reserve System pursuant to section 601 of the Defense Production Act of 1950, as amended, regulates instalment credit, including such credit in connection with the purchase of certain articles listed in Part 1 of section 9 (the supplement to the regulation). Among these articles are "Automobiles" as listed in Item 1, Group A, Part 1 of such section 9.

The Board is considering whether or not it would be practicable and otherwise appropriate to exclude from Item 1, Group A, Part 1 of section 9 (the supplement to the regulation) older model used automobiles.

To aid in the consideration of this matter, the Board will be glad to receive from interested persons any relevant explanations, data, or other information. Any such material should be submitted in writing to be received by the Board not later than November 15, 1951.

Approved this 1st day of November 1951.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
[SEAL] S. R. CARPENTER,
Secretary.

[F. R. Doc. 51-13299; Filed, Nov. 1, 1951; 11:09 a. m.]

FEDERAL TRADE COMMISSION

[File No. 204-3]

FUR PRODUCTS NAME GUIDE

HEARINGS

In the matter of hearings on Fur Products Name Guide under the Fur Products Labeling Act.

Pursuant to the provisions of section 4 of the Administrative Procedure Act, notice is hereby given all interested persons that the Federal Trade Commission, on the 4th day of December 1951, at 10:00 o'clock a. m., at its offices in the Federal Trade Commission Building, Washington, D. C., will hold public hearings under the provisions of the Fur Products Labeling Act to establish a register setting forth the names of hair, fleece, and fur-bearing animals to be known as the Fur Products Name Guide. The names to be used in such guide shall, under the provisions of section 7 (a) of the act, be the true English names for the animals in question, or in the absence of a true English name for an animal, the name by which such animal can be properly identified in the United States.

Interested parties may participate by submitting to the Commission on or before such date, in writing and in duplicate, their views, arguments, or other data pertinent to the issues involved, or by offering their views, arguments or other data orally at the hearing.

Such action is taken pursuant to the authority given to the Federal Trade Commission under section 7 (a) of the Fur Products Labeling Act.

The matters to be considered are the propriety of the animal names appearing in the tentative list as set out below together with such additions or deletions as may be proposed, for inclusion in the Fur Products Name Guide to be issued by the Federal Trade Commission on or before February 9, 1952.

TENTATIVE LIST OF ANIMAL NAMES TO BE INCLUDED IN FUR PRODUCTS NAME GUIDE

Name, Order, Family, and Genus-Species

Alpaca; Ungulata; Camelidae; Lama pacos.
Antelope; Ungulata; Bovidae; Hippotragus niger and Antilope cervicapra.
Badger; Carnivora; Mustelidae; Taxidea and Meles.
Bassarisk; Carnivora; Procyonidae; Bassariscus astutus.
Bear; Carnivora; Ursidae; Ursus americanus.
Bear, Polar; Carnivora; Ursidae; Thalarctos sp.
Beaver; Rodentia; Castoridae; Castor canadensis.
Burunduki; Rodentia; Sciuridae; Eutamias asiaticus.
Calf; Ungulata; Bovidae; Bos taurus.
Cat, Caracal; Carnivora; Felidae; Caracal caracal.
Cat, Domestic; Carnivora; Felidae; Felis catus.
Cat, Lynx; Carnivora; Felidae; Lynx rufus.
Cat, Manul; Carnivora; Felidae; Felis manul.
Cat, Marguay; Carnivora; Felidae; Felis wiedii.
Cat, Spotted; Carnivora; Felidae; Felis sp. (South America).
Cat, Wild; Carnivora; Felidae; Felis catus and Felis lybica.
Cheetah; Carnivora; Felidae; Acinonyx jubatus.
Chinchilla Rodentia; Chinchilliae; Chinchilla chinchilla.
Chipmunk; Rodentia; Sciuridae; Eutamias sp.
Civet; Carnivora; Viverridae; Viverra sp., Viverricula sp., Paradoxurus sp., Paguma sp., and Herpestes sp.
Desman; Insectivora; Talpidae; Desmana moschata and Galemys pyrenaicus.
Dog; Carnivora; Canidae; Canis familiaris.
Ermine; Carnivora; Mustelidae; Mustela erminea.
Fisher; Carnivora; Mustelidae; Martes pennanti.
Fitch; Carnivora; Mustelidae; Mustela putorius.
Fox, Black; Carnivora; Canidae; Vulpes fulva and Vulpes vulpes.
Fox, Blue; Carnivora; Canidae; Alopex sp.
Fox, Cross; Carnivora; Canidae; Vulpes fulva and Vulpes vulpes.
Fox, Grey; Carnivora; Canidae; Urocyon cinereoargenteus and Urocyon littoralis.
Fox, Kit; Carnivora; Canidae; Vulpes velox.
Fox, Platinum; Carnivora; Canidae; Vulpes fulva and Vulpes vulpes.
Fox, Red; Carnivora; Canidae; Vulpes fulva, Vulpes macrotis and Vulpes vulpes.
Fox, Silver; Carnivora; Canidae; Vulpes fulva and Vulpes vulpes.
Fox, White; Carnivora; Canidae; Alopex sp.
Genet; Carnivora; Viverridae; Genetta genetta.
Goat; Ungulata; Bovidae; Capra prisca.
Guanaco or its young, the Guanaquito; Ungulata; Camelidae; Lama guanicoe.
Hamster; Rodentia; Cricetidae; Cricetus cricetus.
Hare; Rodentia; Leporidae; Lepus sp. and lepus europaeus occidentalis.
Jackal; Carnivora; Canidae; Canis aureus and Canis adustus.
Jackal, Cape; Carnivora; Canidae; Canis mesomelas.
Jaguar; Carnivora; Felidae; Felis onca.
Jaguarondi; Carnivora; Felidae; Felis yagouaroundi.
Kangaroo; Marsupialia; Macropodidae; Macropus sp.
Kangaroo-rat; Marsupialia; Macropodidae; Bettongia sp.
Kid; Ungulata; Bovidae; Capra prisca.
Kinkajou; Carnivora; Procyonidae; Potos flavus.
Koala; Marsupialia; Phascolarctidae; Phascolarctos cinerens.
Kolinsky; Carnivora; Mustelidae; Mustela sibirica.
Lamb;[1] Ungulata; Bovidae; Ovis aries.
Leopard; Carnivora; Felidae; Felis pardus.
Llama; Ungulata; Camelidae; Lama glama.
Lynx; Carnivora; Felidae; Lynx canadensis and Lynx lynx.
Marmot; Rodentia; Sciuridae; Marmota bobak.
Marten; Carnivora; Mustelidae; Martes americana & Martes caurina.
Marten, Baum; Carnivora; Mustelidae; Martes martes.
Marten, Japanese; Carnivora; Mustelidae; Martes melampus.
Marten, Stone; Carnivora; Mustelidae; Martes foina.
Mink; Carnivora; Mustelidae; Mustela vison and Mustela lutreola.
Mink, China; Carnivora; Mustelidae; Mustela sibirica.
Mink, Japanese; Carnivora; Mustelidae; Mustela itatsi.
Mole; Insectivora; Talpidae; Talpa sp.
Monkey; Primates; Colobidae; Colobus polykomos.
Muskrat; Rodentia; Muridae; Ondatra zibethicus.
Nutria; Rodentia; Capromyidae; Myocastor coypus.
Ocelot; Carnivora; Felidae; Felis pardalis.
Opossum; Marsupialia; Didelphiidae; Didelphia sp.
Opossum Australian; Marsupialia; Phalangeridae; Trichosurus vulpecula.
Opossum, Ring-Tail; Marsupiala; Phalangeridae; Tseudocheirus sp.
Otter; Carnivora; Mustelidae; Lutra canadensis, Pteronura brasiliensis, Lutra annectens and Lutra lutra.
Otter, Sea; Carnivora; Mustelidae; Enhydra lutris.
Pahmi; Carnivora; Mustelidae; Helictis moschata and Helictis personata.
Panda; Carnivora; Procyonidae; Ailurus fulgens.
Pony; Ungulata; Equidae; Equus caballus.
Rabbit; Rodentia; Leporidae; Oryctolagus cuniculus.
Raccoon; Carnivora; Procyonidae; Procyon lotor and Procyon cancrivorus.
Raccoon, Mexican; Carnivora; Procyonidae; Nasua sp.
Reindeer; Ungulata; Cervidae; Rangifer tarandus.
Sable; Carnivora; Mustelidae; Martes zibellina.
Seal; Pinnipedia; Otariidae; Callorhinus ursinus and Arctocephalus pusillus.
Seal, Hair; Pinnipedia; Phocidae; Phoca sp.
Seal, Rock; Pinnipedia; Otariidae; Otaria flavescens.
Sheep; Ungulata; Bovidae; Ovis aries.
Skunk; Carnivora; Mustelidae; Mephitis mephitis, Mephitis macroura, conepatus semistriatus and Conepatus sp.
Skunk, spotted; Carnivora; Mustelidae; Spilogale sp.
Squirrel; Rodentia; Sciuridae; Sciurus vulgaris.
Squirrel, Flying; Rodentia; Sciuridae; Eupetaurus cinereus, Pteromys volans and Petaurista leucogenys.
Suslik; Rodentia; Sciuridae; Citellus fulvux, Citellus citellus, Citellus rufescens and Citellus suslica.
Vicuna; Ungulata; Camelidae; Vicugna vicugna.
Viscacha; Rodentia; Chinchilliae; Lagidium viscacia.
Wallaby, Marsupialia; Macropodidae; Wallabia sp., Petrogale sp. and Thylogale sp.
Weasel; Carnivora; Mustelidae; Mustela frenata.
Weasel, Manchurian; Carnivora; Mustelidae; Mustela altaica and Mustela rixosa.
Wolf; Carnivora; Canidae; Canis lupus and Canis niger.
Wolverine; Carnivora; Mustelidae; Gulo luscus and Gulo gulo.
Wombat; Marsupialia; Vombatidae; Vombatus sp.
Woodchuck; Rodentia; Sciuridae; Marmota-monax.

[1] Inasmuch as the descriptive terms "Persian", "Broadtail", "Mouton", etc., as applied to "lamb" are not a part of the true English name of the animal, the approval or disapproval of their use in connection with the word "lamb" will be handled by regulation.

Issued: October 31, 1951.

By direction of the Commission.

[SEAL] D. C. DANIEL, *Secretary.*

[F. R. Doc. 51-13243; Filed, Nov. 1, 1951; 9:23 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File Nos. 70-2343, 70-2342, 50-34, 70-2341, 70-2340]

PHILADELPHIA CO. ET AL.

ORDER EXTENDING TIME FOR TERMINATION OF INTERLOCKING RELATIONSHIPS BETWEEN PHILADELPHIA COMPANY AND FORMER GAS COMPANY SUBSIDIARIES

OCTOBER 29, 1951.

In the matter of Philadelphia Company, Equitable Gas Company, Pittsburgh and West Virginia Gas Company, Kentucky West Virginia Gas Company, File No. 70-2343; Philadelphia Company, File No. 70-2342; Philadelphia Company, File No. 50-34; Standard Gas and Electric Company, File No. 70-2341; Standard Gas and Electric Company, Philadelphia Company, File No. 70-2340.

Standard Gas and Electric Company ("Standard") and its subsidiary, Philadelphia Company ("Philadelphia"), both registered holding companies and subsidiaries of Standard Power and Light Corporation, also a registered holding company, and certain of Philadelphia's former subsidiaries, Equitable Gas Company ("Equitable"), Pittsburgh and West Virginia Gas Company ("Pittsburgh"), and Kentucky West Virginia Gas Company ("Kentucky"), having filed applications-declarations and amendments thereto pursuant to the Public Utility Holding Company Act of 1935 ("act") and the rules and regulations promulgated thereunder, proposing, among other things, the reorganization of the natural gas and oil properties in the Philadelphia system, the recapitalization and issuance of securities by Equitable, the amendment of Equitable's charter, and the sale by Philadelphia to the public of all the common stock of Equitable, as reorganized; and

The Commission, by order dated March 14, 1950, having granted and permitted to become effective said applications-declarations, as amended, subject, among other things, to the following condition:

1. That within six months (or such additional time as may be allowed for good cause shown) after consummation of the sale by Philadelphia of the Equitable common stock, Standard and Philadelphia shall, in an appropriate manner not in contravention of the provisons of the act or the rules, regulations or orders thereunder, terminate or

cause to be terminated all interlocking relationships through any person or persons by way of contract, retainer or other arrangement with any person or persons, or through the holding of an officership or directorship by any person or persons, or by the joint operation of departments and activities and the joint use of personnel, property or facilities as between Equitable, Pittsburgh, and Kentucky, on the one hand, and other companies now or formerly in the Philadelphia system, on the other; and

The aforementioned sale by Philadelphia of the Equitable common stock having been consummated on March 31, 1950; and

Standard and Philadelphia, by letter dated October 23, 1950, having requested the Commission to extend for an additional six months the time for compliance with said condition; and

The Commission, by order dated November 10, 1950, having granted such request and extended the time for compliance with the above-recited condition to March 31, 1951; and

Standard and Philadelphia, by letter dated May 17, 1951, having requested the Commission to extend for an additional six months the time for compliance with said condition; and

The Commission, by order dated June 4, 1951, having granted such request and extended the time for compliance with the said condition to October 1, 1951; and

Standard and Philadelphia, by letter dated October 22, 1951, having stated that while substantial progress has been made in the program of segregating the operating organizations of Philadelphia's former gas company subsidiaries and the Philadelphia system, additional time is required to complete the program; and Standard and Philadelphia having requested the Commission to extend for an additional six months the time for compliance with the said condition; and

The Commission having considered such request and the reasons advanced in support thereof and the Commission deeming that the public interest and the interest of investors and consumers will not be affected adversely by granting such request:

It is ordered, That the time prescribed for compliance by Standard and Philadelphia with the above-recited condition be, and hereby is, extended to March 31, 1952.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-13185; Filed, Nov. 1, 1951; 8:46 a. m.]

[File No. 70-2714]

WORCESTER COUNTY ELECTRIC CO.

ORDER AUTHORIZING ISSUE AND SALE OF PROMISSORY NOTES

OCTOBER 29, 1951.

Worcester County Electric Company ("Worcester County"), a subsidiary of New England Electric System ("NEES"), a registered holding company, having filed a declaration pursuant to sections 6 (a) and 7 of the Public Utility Holding Company Act of 1935 ("act"), and Rules U-23 and U-42 (b) (2) thereunder with respect to the following proposed transactions:

Worcester County has outstanding with banks $2,500,000 of six months 2½ percent promissory notes and proposes to issue to the same banks, from time to time but not later than December 31, 1951, additional unsecured promissory notes in a principal amount not exceeding $3,200,000. Said additional notes are to be due not later than six months after the respective dates thereof and are to bear interest at the prime interest rate. The record states that at the time of filing of the declaration the prime interest rate was 3½ percent. Should said prime interest rate exceed 2¾ percent, Worcester County will file an amendment to its declaration which, unless the Commission gives notice to the contrary, shall become effective five days thereafter. The proceeds of the proposed additional notes are to be used to retire $1,500,000 principal amount of presently outstanding notes and the balance will be used to pay for future construction or to reimburse the treasury for prior construction expenditures. The amount of all unsecured promissory notes of Worcester County to be outstanding at any one time prior to December 31, 1951, will not exceed $4,200,000.

The declaration states that Worcester County expects that its note indebtedness will be financed permanently through the issuance of common stock to NEES in the latter part of 1951 or early in 1952.

The total expenses in connection with the proposed issuance of notes are estimated by Worcester County not to exceed $1,000 and, according to the Company, no State commission or Federal commission, other than this Commission, has jurisdiction over the proposed note issue. Worcester County requests that the Commission's order herein become effective forthwith upon issuance.

Due notice having been given of the filing of the declaration, and a hearing not having been requested of or ordered by the Commission; and the Commission finding that the applicable provisions of the Act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that said declaration be permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said declaration, as amended, be, and the same hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-13184; Filed, Nov. 1, 1951; 8:46 a. m.]

[File No. 70-2720]

ATTLEBORO STEAM AND ELECTRIC CO. ET AL.

ORDER AUTHORIZING PROPOSED ISSUES OF PROMISSORY NOTES TO PARENT COMPANY BY ITS SUBSIDIARIES

OCTOBER 29, 1951.

In the matter of Attleboro Steam and Electric Company, Beverly Gas and Electric Company, Gloucester Electric Company, Haverhill Electric Company, Malden Electric Company, Northampton Electric Lighting Company, Southern Berkshire Power & Electric Company, Weymouth Light and Power Company, New England Electric System; File No. 70-2720.

Attleboro Steam and Electric Company ("Attleboro"), Beverly Gas and Electric Company ("Beverly"), Gloucester Electric Company ("Gloucester"), Haverhill Electric Company ("Haverhill"), Malden Electric Company ("Malden"), Northampton Electric Lighting Company ("Northampton"), Southern Berkshire Power & Electric Company ("Southern Berkshire"), and Weymouth Light and Power Company ("Weymouth") (hereinafter sometimes collectively referred to as "the borrowing companies") and their parent company, New England Electric System ("NEES"), a registered holding company, having filed a joint declaration pursuant to sections 6 (a), 7, 9 (a), 10 and 12 (f) of the Public Utility Holding Company Act of 1935 and Rules U-23, U-45 (a) and U-43 (a) thereunder with respect to the following proposed transactions:

The borrowing companies propose to issue to NEES, from time to time but not later than December 31, 1951, unsecured promissory notes in the aggregate amounts set forth in the following table:

Company	Notes payable to NEES at Oct. 1, 1951	Proposed borrowings Oct. 1, 1951, to Dec. 31, 1951	Notes payable to NEES at Dec. 31, 1951
Attleboro		$200,000	$200,000
Beverly	$1,175,000	400,000	1,575,000
Gloucester	455,000	50,000	505,000
Haverhill	300,000	150,000	450,000
Malden	600,000	500,000	1,100,000
Northampton	100,000	25,000	125,000
Southern Berkshire	755,000	50,000	805,000
Weymouth	350,000	150,000	500,000
Total	3,735,000	1,525,000	5,260,000

Said notes will mature April 1, 1952 and will bear interest at the prime interest rate. The declaration states that at the time of filing the prime interest rate was 2½ percent and if said rate should exceed 2¾ percent, the borrowing company and NEES will file an amendment to said declaration which, unless the Commission gives notice to the contrary, shall become effective five days thereafter. The proceeds of the proposed notes will be used by the borrowing companies for construction and to reimburse their treasuries for prior construction expenditures and, in the case of Attleboro, to pay its presently outstanding debt incurred for construction and amounting to $60,000 in notes payable to banks and $40,000 representing a non-interest bearing advance payable to NEES.

The expenses in connection with the proposed note issues are estimated not to exceed $100 for each declarant company or an aggregate of $900 and, according to the declaration, no State commission or Federal commission, other than this Commission, has jurisdiction over the proposed note issues. The declarant companies request that the Commission's order herein become effective forthwith upon issuance.

Due notice having been given of the filing of the joint declaration, and a hearing not having been requested of or ordered by the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that said joint declaration be permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said joint declaration, as amended, be, and the same hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-13183; Filed, Nov. 1, 1951; 8:46 a. m.]

[File No. 70-2721]

NORTHERN BERKSHIRE GAS CO. ET AL.

ORDER AUTHORIZING ISSUE AND SALE OF PROMISSORY NOTES

OCTOBER 29, 1951.

In the matter of Northern Berkshire Gas Company, Quincy Electric Light and Power Company, Suburban Gas and Electric Company; File No. 70-2721.

Northern Berkshire Gas Company ("Northern Berkshire"), Quincy Electric Light and Power Company ("Quincy"), and Suburban Gas and Electric Company ("Suburban"), subsidiary companies of New England Electric System ("NEES"), a registered holding company, having filed a joint declaration, pursuant to sections 6 (a) and 7 of the Public Utility Holding Company Act of 1935 ("the act") and Rules U-23 and U-42 (b) (2) thereunder with respect to the following proposed transactions:

Northern Berkshire, Quincy and Suburban propose to issue to banks, from time to time but not later than December 31, 1951, unsecured promissory notes in the principal amounts of $720,000, $530,000, and $1,075,000, respectively. Said notes are to be due six months after the respective dates thereof and are to bear interest at the prime interest rate. The declaration states that at the time of filing said prime interest rate was 2½ percent and if said rate exceeds 2¾ percent, the borrowing declarant company will file an amendment to said declaration which, unless the Commission gives notice to the contrary, shall become effective five days thereafter. The proceeds of the proposed notes will be used by Northern Berkshire, Quincy and Suburban to repay notes payable to NEES in the amounts of $350,000, $430,000 and $375,000, respectively, and the balances of $370,000, $150,000 and $700,000, respectively, will be used to pay for construction costs, the cost of conversion to natural gas and to reimburse the treasury for prior construction expenditures.

The declaration states that Northern Berkshire and Suburban expect that their proposed note indebtedness will be paid from the proceeds of the sale of their gas properties in the latter part of 1951 or early in 1952 and that Quincy does not expect any permanent financing in the immediate future.

The total expenses in connection with the proposed issuance of notes are estimated in the declaration not to exceed $750 ($250 for each declarant company) and it is stated that no State commission or Federal commission, other than this Commission, has jurisdiction over the proposed note issues. The declarant companies request that the Commission's order herein become effective forthwith upon issuance.

Due notice having been given of the filing of the joint declaration and a hearing not having been requested of or ordered by the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that said declaration be permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said declaration, as amended, be, and the same hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-13181; Filed, Nov. 1, 1951; 8:46 a. m.]

[File No. 70-2722]

GRANITE STATE ELECTRIC CO.

ORDER AUTHORIZING ISSUE AND SALE OF PROMISSORY NOTES

OCTOBER 29, 1951.

Granite State Electric Company ("Granite State"), a subsidiary of New England Electric System ("NEES"), a registered holding company, having filed a declaration pursuant to sections 6 (a) and 7 of the Public Utility Holding Company Act of 1935 ("the act") and Rules U-23 and U-42 (b) (2) thereunder with respect to the following proposed transactions:

Granite State has outstanding a 2½ percent promissory note in the principal amount of $250,000 which is due November 15, 1951, and proposes to issue on that date to The First National Bank of Boston a new $300,000 promissory note payable in six months. Said note will bear interest at the prime interest rate. The declaration states that at the time of filing said prime interest rate was 2½ percent and if said rate for such note should exceed 2¾ percent, Granite State will file an amendment to its declaration which, unless the Commission gives notice to the contrary, shall become effective five days thereafter. The proceeds of the proposed note will be used to pay the presently outstanding note and to pay for construction expenditures.

The declaration states that Granite State expects that its note indebtedness will be financed permanently through the issuance of common stock to NEES in the latter part of 1951 or early in 1952.

The total expenses in connection with the proposed note issue are estimated by Granite State not to exceed $600 and, according to counsel for the Company, when this Commission's order has been entered, all action necessary to make the proposed note valid has been taken by and before all regulatory bodies. Granite State requests that the Commission's order herein become effective forthwith upon issuance.

Due notice having been given of the filing of the declaration, and a hearing not having been requested of or ordered by the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that said declaration be permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said declaration, as amended, be, and the same hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-13182; Filed, Nov. 1, 1951; 8:46 a. m.]

[File No. 71-16]

MISSISSIPPI GAS CO.

NOTICE OF FILING OF PROPOSALS FOR DISPOSITION OF ADJUSTMENTS RELATING TO GAS PLANT

OCTOBER 29, 1951.

Notice is hereby given that Mississippi Gas Company ("Mississippi"), a gas utility subsidiary of Southern Natural Gas Company ("Southern"), a registered holding company, has filed studies, and amendments thereto, relative to the original cost and reclassification of its gas plant accounts as of December 31, 1949, including proposals for the disposition of adjustments relating to gas plant pursuant to Rule U-27 of the general rules and regulations promulgated under the Public Utility Holding Company Act of 1935 ("act").

Notice is further given that any interested person may, not later than November 15, 1951, at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on such matters, stating the nature of his interest, the reasons for such request, and the issues, if any, of fact or law raised by said proposals intended to be controverted, or may request that he be notified should the Commission order a hearing thereon. Any such request should be addressed as follows: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after November 15, 1951, the Commission may take such action as may be deemed appropriate with respect to the matters herein concerned.

All interested persons are referred to said studies which are on file in the offices of the Commission for a statement of the adjustments therein proposed, which are summarized as follows:

Mississippi filed its original cost and reclassification studies of its gas plant on October 31, 1950, in accordance with Plant Instruction 2-D of the uniform system of accounts recommended by the National Association of Railroad and Utilities Commissioners for gas companies (which system of accounts has been made applicable by Rule U-27). Such studies were made as of December 31, 1949, and reclassified a credit of $250,059.00 to Account 100.5, Gas Plant Acquisition Adjustments and a debit of $196,186.68 to Account 107, Gas Plant Adjustments.

The staff of the Commission made a field examination and filed its report in connection therewith, copies of which report were submitted to the company. Mississippi amended its studies so as to give effect to the recommendations contained in the staff's report and now proposes to classify a credit amount of $127,643.65 to Account 100.5, Gas Plant Acquisition Adjustments and a debit amount of $86,653.93 in Account 107, Gas Plant Adjustments, in substitution for the amounts as originally submitted.

Mississippi proposes to eliminate the credit of $127,643.65 as reclassified to Account 100.5 by crediting such amount to Account 258.2, Miscellaneous Reserves (Reserve for Adjustment to Plant Accounts), and the debit amount of $86,653.93 in Account 107 by a charge of said amount to Account 258.2, Miscellaneous Reserves. The balance of $40,989.72 thereafter remaining in said Account 258.2 will be cleared by the transfer of such balance to Account 271, Earned Surplus.

Pursuant to an order of this Commission, dated September 14, 1945, Mississippi appropriated $250,059 from Account 271, Earned Surplus to provide for the elimination of Plant Adjustments (Account 107) which represented the then estimated amount thereof (Holding Company Act Release No. 6052). As a result of our final audit it has been determined that the prior appropriation in 1945 was $40,989.72 in excess of the amount required in order to eliminate all final known adjustment accounts, and accordingly it is deemed appropriate that the balance of $40,989.72 in Account 258.2, as shown above, be transferred to Account 271, from which it originated.

Upon consummation of the transactions as proposed, Mississippi will have eliminated all known adjustment items from its balance sheet.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-13187; Filed, Nov. 1, 1951; 8:46 a. m.]

[File No. 811-155]

NATION-WIDE SECURITIES CO. TRUST CERTIFICATES SERIES A

ORDER TERMINATING REGISTRATION

OCTOBER 29, 1951.

Nation-Wide Securities Company Trust Certificates Series A of New York City has filed an application pursuant to section 8 (f) of the Investment Company Act of 1940 for an order declaring that it has ceased to be an investment company within the meaning of the act.

Nation-Wide Securities Company Trust Certificates Series A is registered under the act as a unit investment trust. Pursuant to its provisions, the Agreement of Trust, between Nation-Wide Securities Company, as Depositor, and Colorado National Bank, as Trustee, dated December 22, 1924, under which the applicant was created, was terminated on December 29, 1944. There were then outstanding 10,000 trust shares issued in bearer form. The Trustee proceeded to sell all securities held by it and to distribute the proceeds of such sale, together with the cash assets of the applicant, pro rata to the holders of outstanding trust certificates. Notices and other communications regarding the termination of the Agreement of Trust and the distributions were published or forwarded to each holder of securities of the applicant. As of November 27, 1950, certificates for 10,000 trust shares had been surrendered to the Trustee and the Trustee had distributed to certificate holders all of the funds with the exception of $17.55, held in trust by the Trustee for the pro rata benefit of the holders of 345 trust shares to whom checks for final distribution at the rate of $.045 a share had been mailed but had been returned as undeliverable.

Notice of the filing of said application having been duly given in the manner and form prescribed by Rule N-5 under the act, and the Commission not having received a request for a hearing within the period specified in said notice, and a hearing not appearing necessary or appropriate in the public interest or for the protection of investors;

Wherefore, the Commission, having considered the matter, finds that Nation-Wide Securities Company Trust Certificates Series A has ceased to be an investment company, and it is hereby so declared; and

It is ordered, That the registration of Nation-Wide Securities Company Trust Certificates Series A under the Investment Company Act of 1940 shall forthwith cease to be in effect.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-13186; Filed, Nov. 1, 1951; 8:46 a. m.]

[File No. 811-156]

NATION-WIDE SECURITIES COMPANY TRUST CERTIFICATES SERIES B

ORDER TERMINATING REGISTRATION

OCTOBER 29, 1951.

Nation-Wide Securities Company Trust Certificates Series B of New York City has filed an application pursuant to section 8 (f) of the Investment Company Act of 1940 for an order declaring that it has ceased to be an investment company within the meaning of the act.

Nation-Wide Securities Company Trust Certificates Series B is registered under the act as a unit investment trust. Pursuant to its provisions, the Agreement of Trust, between Nation-Wide Securities Company, as Depositor, and Central Hanover Bank and Trust Company, as Trustee, dated April 23, 1930, under which the applicant was created, was terminated on May 1, 1950. There were then outstanding 222,000 trust shares held of record by 2,196 persons. The Trustee proceeded to sell all securities held by it and to distribute the proceeds of such sale, together with the cash assets of the applicant, pro rata to the holders of outstanding trust certificates. Notices and other communications regarding the termination of the Agreement of Trust and the distributions were published or forwarded to each holder of securities of the applicant. As of November 27, 1950, $1,142,991.71 of such proceeds had been distributed in cash and there remained in the hands of the Trustee $86,799.49 to make final payment at $5.5396 a share to holders of 15,668 trust shares who had not yet received their pro rata share of such proceeds. The Trustee acknowledges that it holds all of the proceeds in trust for certificate holders, their heirs and assigns.

Notice of the filing of said application having been duly given in the manner and form prescribed by Rule N-5 under the act, and the Commission not having received a request for a hearing within the period specified in said notice, and a

hearing not appearing necessary or appropriate in the public interest or for the protection of investors;

Wherefore, the Commission, having considered the matter, finds that Nation-Wide Securities Company Trust Certificates Series B has ceased to be an investment company, and it is hereby so declared; and

It is ordered, That the registration of Nation-Wide Securities Company Trust Certificates Series B under the Investment Company Act of 1940 shall forthwith cease to be in effect.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-13180; Filed, Nov. 1, 1951; 8:46 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 26517]

CRUDE RUBBER FROM POINTS IN TEXAS AND LOUISIANA TO ALBERTVILLE, ALA.

APPLICATION FOR RELIEF

OCTOBER 30, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: D. Q. Marsh, Agent, for carriers parties to his tariffs I. C. C. Nos. 3967 and 3906.

Commodities involved: Rubber, artificial, synthetic or neoprene, crude, carloads.

From: Baytown, Borger, Houston, and Port Neches, Tex., Lake Charles and West Lake Charles, La.

To: Albertville, Ala.

Grounds for relief: Circuitous routes and to apply over short tariff routes rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: D. Q. Marsh's tariff I. C. C. No. 3967, Supp. 44; D. Q. Marsh's tariff I. C. C. No. 3906, Supp. 77.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

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

[F. R. Doc. 51-13198; Filed, Nov. 1, 1951; 8:48 a. m.]

[4th Sec. Application 26518]

PROPORTIONAL RATES ON NEWSPRINT PAPER FROM MISSOURI AND ILLINOIS TO TEXAS

APPLICATION FOR RELIEF

OCTOBER 30, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: D. Q. Marsh, Agent, for carriers parties to his tariffs I. C. C. Nos. 3912 and 3899.

Commodities involved: Newsprint paper, carloads.

From: St. Louis, Mo., and upper Mississipi River crossings in Illinois.

To: Specified points in Texas.

Grounds for relief: Competition with rail carriers and equalization of present combination rates over competing routes.

Schedules filed containing proposed rates: D. Q. Marsh's tariff I. C. C. No. 3912, Supp. 83; D. Q. Marsh's tariff I. C. C. No. 3899, Supp. 68.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

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

[F. R. Doc. 51-13199; Filed, Nov. 1, 1951; 8:48 a. m.]

[4th Sec. Application 26519]

MALT LIQUORS FROM PEORIA, ILL., TO FLOUR BLUFF, TEX.

APPLICATION FOR RELIEF

OCTOBER 30, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: D. Q. Marsh, Agent, for carriers parties to his tariff I. C. C. No. 3912.

Commodities involved: Malt liquors, ale, beer, etc., and cereal beverages, carloads.

From: Peoria, Ill.

To: Flour Bluff and Flour Bluff Jct., Tex.

Grounds for relief: Competition with rail carriers and circuitous routes.

Schedules filed containing proposed rates: D. Q. Marsh's tariff I. C. C. No. 3912, Supp. 82.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

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

[F. R. Doc. 51-13200; Filed, Nov. 1, 1951; 8:48 a. m.]

[4th Sec. Application 26520]

SODA ASH FROM POINTS IN MICHIGAN AND OHIO TO JOLIET, ILL.

APPLICATION FOR RELIEF

OCTOBER 30, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. C. Schuldt, Agent, for carriers parties to his tariff I. C. C. No. 3779.

Commodities involved: Soda ash, carloads.

From: Detroit and Wyandotte, Mich., Fairport Harbor, Barberton, Painesville, and Perry, Ohio.

To: Joliet, Ill.

Grounds for relief: Competition with water carriers and market competition.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

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

[F. R. Doc. 51-13201; Filed, Nov. 1, 1951; 8:48 a. m.]

[4th Sec. Application 26521]

ASBESTOS FIBRE FROM QUEBEC TO NEW ORLEANS AND MARRERO, LA.

APPLICATION FOR RELIEF

OCTOBER 30, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. C. Schuldt, Agent, for carriers parties to F. S. A. No. 25427, Asbestos Fibre from Quebec to Louisiana (mimeographed), decided August 1, 1951, and other carriers.

Commodities involved: Asbestos fibre, waste, shorts, and refuse, carloads.

From: Points in Quebec.

To: New Orleans and Marrero, La.

Grounds for relief: Circuitous routes and competition with water carriers.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

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

[F. R. Doc. 51-13202; Filed, Nov. 1, 1951; 8:48 a. m.]

[4th Sec. Application 26522]

SCREENINGS, CRUSHED LIMESTONE, FROM PLUM RUN, OHIO, TO POINTS IN WEST VIRGINIA

APPLICATION FOR RELIEF

OCTOBER 30, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. C. Schuldt, Agent, for The Virginian Railway Company and Norfolk and Western Railway Company.

Commodities involved: Screenings, crushed limestone, in open-top cars, carloads.

From: Plum Run, Ohio.

To: Points in West Virginia.

Grounds for relief: Competition with rail carriers and to apply over short tariff routes rates constructed on the basis of the short line distance formula.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

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

[F. R. Doc. 51-13203; Filed, Nov. 1, 1951; 8:48 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

EGON N. MULLER

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Egon, N. Muller, Esch/Alzette, Luxembourg; Claim No. 37858; property described in Vesting Order No. 296 (7 F. R. 9842, November 26, 1942) relating to Patent Application Serial No. 85,166 (now United States Letters Patent No. 2,353,180); property described in Vesting Order No. 670 (8 F. R. 5003, April 17, 1943) relating to United States Letters Patent Nos. 2,266,064 and 2,266,065.

Executed at Washington, D. C., on October 29, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON, *Assistant Attorney General, Director, Office of Alien Property.*

[F. R. Doc. 51-13214; Filed, Nov. 1, 1951; 8:50 a. m.]

NICOLAS OBRAM

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Nicolas Obram, Brussels, Belgium; Claim No. 38113; property described in Vesting Order No. 675 (8 F. R. 5029, April 17, 1943) relating to United States Letters Patent No. 2,013,006.

Executed at Washington, D. C., on October 29, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON, *Assistant Attorney General, Director, Office of Alien Property.*

[F. R. Doc. 51-13215; Filed, Nov. 1, 1951; 8:50 a. m.]

DR. MARTHA PERNERSTORFER ET AL.

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimants, Claim Nos., Property and Location

Dr. Martha Pernerstorfer, Vienna, Austria; Claim No. 39566; $2,825.62 in the Treasury of the United States.

Anna Feher, Vienna, Austria; Claim No. 39567; $2,825.62 in the Treasury of the United States.

Leopold Pernerstorfer, Vienna, Austria; Claim No. 39568; $2,825.61 in the Treasury of the United States.

Executed at Washington, D. C., on October 29, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON, *Assistant Attorney General, Director, Office of Alien Property.*

[F. R. Doc. 51-13216; Filed, Nov. 1, 1951; 8:50 a. m.]