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TITLE 3—THE PRESIDENT

PROCLAMATION 2971

CHILD HEALTH DAY, 1952

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS the Congress, by a joint resolution of May 18, 1928 (45 Stat. 617), authorized and requested the President of the United States to issue annually a proclamation setting apart May 1 as Child Health Day; and

WHEREAS the promotion of conditions that make for sound health for the Nation's children should be of vital concern to all Americans; and

WHEREAS it is fitting that we set aside a day each year for special consideration of means for the improvement of the health and well-being of our children:

NOW, THEREFORE, I, HARRY S. TRUMAN, President of the United States of America, do hereby designate the first day of May, 1952, as Child Health Day; and I invite all agencies and organizations interested in the well-being of children to unite upon that day in celebrating the past year's gains in the health of children and in considering how programs for the protection and development of the health of the rising generation may be further advanced.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this Fifth day of April in the year of our Lord nineteen hundred and [SEAL] fifty-two, and of the Independence of the United States of America the one hundred and seventy-sixth.

HARRY S. TRUMAN

By the President:

DEAN ACHESON,
Secretary of State.

[F. R. Doc. 52-4162; Filed, Apr. 9, 1952; 10:35 a. m.]

EXECUTIVE ORDER 10340

DIRECTING THE SECRETARY OF COMMERCE TO TAKE POSSESSION OF AND OPERATE THE PLANTS AND FACILITIES OF CERTAIN STEEL COMPANIES

WHEREAS on December 16, 1950, I proclaimed the existence of a national emergency which requires that the military, naval, air, and civilian defenses of this country be strengthened as speedily as possible to the end that we may be able to repel any and all threats against our national security and to fulfill our responsibilities in the efforts being made throughout the United Nations and otherwise to bring about a lasting peace; and

WHEREAS American fighting men and fighting men of other nations of the United Nations are now engaged in deadly combat with the forces of aggression in Korea, and forces of the United States are stationed elsewhere overseas for the purpose of participating in the defense of the Atlantic Community against aggression; and

WHEREAS the weapons and other materials needed by our armed forces and by those joined with us in the defense of the free world are produced to a great extent in this country, and steel is an indispensable component of substantially all of such weapons and materials; and

WHEREAS steel is likewise indispensable to the carrying out of programs of the Atomic Energy Commission of vital importance to our defense efforts; and

WHEREAS a continuing and uninterrupted supply of steel is also indispensable to the maintenance of the economy of the United States, upon which our military strength depends; and

WHEREAS a controversy has arisen between certain companies in the United States producing and fabricating steel and the elements thereof and certain of their workers represented by the United Steel Workers of America, CIO, regarding terms and conditions of employment; and

WHEREAS the controversy has not been settled through the processes of collective bargaining or through the efforts of the Government, including those of the Wage Stabilization Board, to which

(Continued on p. 3141)

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THE PRESIDENT

EXECUTIVE AGENCIES

FEDERAL REGISTER

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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.

CODIFICATION GUIDE—Con.

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the controversy was referred on December 22, 1951, pursuant to Executive Order No. 10233, and a strike has been called for 12:01 A. M., April 9, 1952; and

WHEREAS a work stoppage would immediately jeopardize and imperil our national defense and the defense of those joined with us in resisting aggression, and would add to the continuing danger of our soldiers, sailors, and airmen engaged in combat in the field; and

WHEREAS in order to assure the continued availability of steel and steel products during the existing emergency, it is necessary that the United States take possession of and operate the plants, facilities, and other property of the said companies as hereinafter provided:

NOW, THEREFORE, by virtue of the authority vested in me by the Constitution and laws of the United States, and as President of the United States and Commander in Chief of the armed forces of the United States, it is hereby ordered as follows:

1. The Secretary of Commerce is hereby authorized and directed to take possession of all or such of the plants, facilities, and other property of the companies named in the list attached hereto, or any part thereof, as he may deem necessary in the interests of national defense; and to operate or to arrange for the operation thereof and to do all things necessary for, or incidental to, such operation.

2. In carrying out this order the Secretary of Commerce may act through or with the aid of such public or private instrumentalities or persons as he may designate; and all Federal agencies shall cooperate with the Secretary of Commerce to the fullest extent possible in carrying out the purposes of this order.

3. The Secretary of Commerce shall determine and prescribe terms and conditions of employment under which the plants, facilities, and other properties possession of which is taken pursuant to this order shall be operated. The Secretary of Commerce shall recognize the rights of workers to bargain collectively through representatives of their own choosing and to engage in concerted activities for the purpose of collective bargaining, adjustment of grievances, or other mutual aid or protection, provided that such activities do not interfere with the operation of such plants, facilities, and other properties.

4. Except so far as the Secretary of Commerce shall otherwise provide from time to time, the managements of the plants, facilities, and other properties possession of which is taken pursuant to this order shall continue their functions, including the collection and disbursement of funds in the usual and ordinary course of business in the names of their respective companies and by means of any instrumentalities used by such companies.

5. Except so far as the Secretary of Commerce may otherwise direct, existing rights and obligations of such companies shall remain in full force and effect, and there may be made, in due course, payments of dividends on stock, and of principal, interest, sinking funds, and all other distributions upon bonds, debentures, and other obligations, and expenditures may be made for other ordinary corporate or business purposes.

6. Whenever in the judgment of the Secretary of Commerce further possession and operation by him of any plant, facility, or other property is no longer necessary or expedient in the interest of national defense, and the Secretary has reason to believe that effective future operation is assured, he shall return the possession and operation of such plant, facility, or other property to the company in possession and control thereof at the time possession was taken under this order.

7. The Secretary of Commerce is authorized to prescribe and issue such regulations and orders not inconsistent herewith as he may deem necessary or desirable for carrying out the purposes of this order; and he may delegate and authorize subdelegation of such of his

functions under this order as he may deem desirable.

HARRY S. TRUMAN

THE WHITE HOUSE,
April 8th, 1952; 9:50 p. m. e. s. t.

LIST

American Bridge Company
525 William Penn Place
Pittsburgh, Pennsylvania

American Steel & Wire Company of New Jersey
Rockefeller Building
Cleveland, Ohio

Columbia Steel Company
Russ Building
San Francisco, California

Consolidated Western Steel Corporation
Los Angeles, California

Geneva Steel Company
Salt Lake City, Utah

Gerrard Steel Strapping Company
2915 W. 47th Street
Chicago 32, Illinois

National Tube Company
525 William Penn Place
Pittsburgh, Pennsylvania

Oil Well Supply Company
2001 North Lamar Street
Dallas, Texas

Tennessee Coal, Iron & Railroad Company
Fairfield, Alabama

United States Steel Company
525 William Penn Place
Pittsburgh, Pennsylvania

United States Steel Corporation
71 Broadway
New York 6, New York

United States Steel Products Company
30 Rockefeller Plaza
New York, New York

United States Steel Supply Company
208 South La Salle Street
Chicago, Illinois

Virginia Bridge Company
Roanoke, Virginia

Alan Wood Steel Company and Subsidiaries
Conshohocken, Pennsylvania

American Chain and Cable Company, Incorporated
929 Connecticut Avenue
Bridgeport 2, Connecticut

American Chain and Cable Company
Monessen, Pennsylvania

Armco Steel Corporation
703 Curtis Street
Middletown, Ohio

Armco Drainage & Metal Products, Incorporated
703 Curtis Street
Middletown, Ohio

Atlantic Steel Company
P. O. Box 1714
Atlanta, Georgia

Babcock and Wilcox Tube Company
Beaver Falls, Pennsylvania

Borg-Warner Corporation
310 S. Michigan Avenue
Chicago 4, Illinois

Continental Copper and Steel Industries, Incorporated
Braeburn, Pennsylvania

Continental Steel Corporation
West Markland Avenue
Kokomo, Indiana

Copperweld Steel Company
Glassport, Pennsylvania

Detroit Steel Corporation
1025 South Oakwood Avenue
Detroit 9, Michigan

Eastern Stainless Steel Corporation
Baltimore 3, Maryland

Firth Sterling Steel and Carbide Corporation
Demmler Road
McKeesport, Pennsylvania

Follansbee Steel Corporation
3rd and Liberty Avenue
Pittsburgh 22, Pennsylvania

Granite City Steel Company
20th Street and Madison Avenue
Granite City, Illinois

Great Lakes Steel Corporation
Tecumseh Road
Ecorse, Detroit 18, Michigan

Hanna Furnace Corporation
Ecorse, Detroit 18, Michigan

Harrisburg Steel Corporation
10th and Herr Streets
Harrisburg, Pennsylvania

Bolardi Steel Company
Milton, Pennsylvania

Heppenstall Company
4620 Hatfield Street
Pittsburgh, Pennsylvania

Inland Steel Company
38 S. Dearborn Street
Chicago 3, Illinois

Joseph T. Ryerson & Son, Incorporated
2558 W. 16th Street
Chicago 80, Illinois

Interlake Iron Corporation
1900 Union Commerce Building
Cleveland 14, Ohio

Pacific States Steel Corporation
Lathan Square Building
Oakland 12, California

Pittsburgh Coke & Chemical Company
1905 Grant Building
Pittsburgh 19, Pennsylvania

H. K. Porter Company, Incorporated
1932 Oliver Building
Pittsburgh 22, Pennsylvania

Buffalo Steel Division
H. K. Porter Company, Incorporated
Fillmore Avenue
Tonawanda, New York

Joslyn Manufacturing & Supply Company
20 N. Wacker Drive
Chicago 6, Illinois

Joslyn Pacific Company
5100 District Boulevard
Los Angeles 11, California

Latrobe Electric Steel Company
Latrobe, Pennsylvania

E. J. Lavino & Company
1528 Walnut Street
Philadelphia, Pennsylvania

Lukens Steel Company
S. First Avenue
Coatesville, Pennsylvania

McLouth Steel Corporation
300 S. Livernois
Detroit 17, Michigan

Newport Steel Corporation
Ninth and Lowell Streets
Newport, Kentucky

Northwest Steel Rolling Mills, Incorporated
4315 9th Street N. W.
Seattle, Washington

Northwestern Steel & Wire Company
Sterling, Illinois

Reeves Steel Manufacturing Company
137 Iron Avenue
Dover, Ohio

John A. Roebling's Sons Company
640 South Broad Street
Trenton, New Jersey

Rotary Electric Steel Company
Box 90
Detroit 20, Michigan

Sheffield Steel Corporation
Sheffield Station
Kansas City 3, Missouri

Shenango-Penn Mold Company
812 Oliver Building
Pittsburgh 30, Pennsylvania

Shenango Furnace Company
812 Oliver Building
Pittsburgh 30, Pennsylvania

Stanley Works
195 Lake Street
New Britain, Connecticut

Universal Cyclops Steel Corporation
Station Street
Bridgeville, Pennsylvania

Vanadium-Alloys Steel Company
Latrobe, Pennsylvania

Vulcan Crucible Steel Company
1 Main Street
Aliquippa, Pennsylvania

Wheeling Steel Corporation
1134 Market Street
Wheeling, West Virginia

Woodward Iron Company
Woodward, Alabama

Allegheny Ludlum Steel Corporation
Oliver Building
Pittsburgh 22, Pennsylvania

Bethlehem Steel Company
701 East 3rd Street
Bethlehem, Pennsylvania

Bethlehem Pacific Coast Steel Corporation
20th & Illinois Streets
San Francisco, California

Bethlehem Supply Company of California
Los Angeles, California

Bethlehem Supply Company
Tulsa, Oklahoma

Buffalo Tank Corporation
Lackawanna, New York
Charlotte, North Carolina
Dunellen, New Jersey

Dundalk Company
Sparrows Point, Maryland

A. M. Byers Company
717 Liberty Avenue
Pittsburgh 30, Pennsylvania

Colorado Fuel & Iron Corporation
575 Madison Avenue
New York 22, New York

Claymont Steel Corporation
Claymont, Delaware

Crucible Steel Company
Oliver Building
Pittsburgh 22, Pennsylvania

Jones & Laughlin Steel Corporation
Third Avenue and Ross Street
Pittsburgh 30, Pennsylvania

J. & L. Steel Barrel Company
3711 Sepviva Street
Philadelphia 37, Pennsylvania

National Supply Company
1400 Grant Building
Pittsburgh 30, Pennsylvania

Pittsburgh Steel Company
1600 Grant Building
Pittsburgh 19, Pennsylvania

Johnson Steel & Wire Company, Incorporated
53 Wiser Avenue
Worcester 1, Massachusetts

Republic Steel Corporation
Republic Building
Cleveland 1, Ohio

Truscon Steel Company
1315 Albert Street
Youngstown, Ohio

Rheem Manufacturing Company
Russ Building
San Francisco 4, California

Sharon Steel Corporation
S. Irvine Avenue
Sharon, Pennsylvania

Valley Mould & Iron Corporation
Hubbard, Ohio

Youngstown Sheet & Tube Company
44 Central Square
Youngstown 1, Ohio

Emsco Derrick & Equipment Company
6811 S. Alameda Street
Los Angeles 1, California

[F. R. Doc. 52-4146; Filed, Apr. 8, 1952; 10:50 p. m.]

EXECUTIVE ORDER 10341

DISCONTINUING THE ROSE ISLAND AND THE TUTUILA ISLAND NAVAL DEFENSIVE SEA AREAS AND NAVAL AIRSPACE RESERVATIONS

By virtue of the authority vested in me by section 2152 of title 18 of the United States Code and section 4 of the Air Commerce Act of 1926 (44 Stat. 570; 49 U. S. C. 174), the following-designated naval defensive sea areas and naval airspace reservations, established by Executive Order No. 8683 of February 14, 1941, as amended by Executive Order No. 8729 of April 2, 1941, are hereby discontinued:

1. Rose Island Naval Defensive Sea Area.

2. Rose Island Naval Airspace Reservation.

3. Tutuila Island Naval Defensive Sea Area.

4. Tutuila Island Naval Airspace Reservation.

HARRY S. TRUMAN

THE WHITE HOUSE,
April 8, 1952.

[F. R. Doc. 52-4133; Filed, Apr. 8, 1952; 4:27 p. m.]

RULES AND REGULATIONS

TITLE 7—AGRICULTURE

Chapter VII—Production and Marketing Administration (Agricultural Adjustment), Department of Agriculture

[1023 (Peanuts-52)-1, Amdt. 3]

PART 729—PEANUTS

MARKETING QUOTA REGULATIONS FOR 1952 CROP

The amendments set forth herein are made to give effect to certain changes made in the peanut marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1359) by Public Law 285, 82d Congress, approved March 28, 1952.

Public Law 285 repealed subsections (f), (g), (h), and (i) of section 359 of the act. In general, these subsections had permitted farmers to market certain excess peanuts without payment of the marketing penalty provided such peanuts were delivered to an agent of the Secretary of Agriculture at their value for crushing for oil, and had also authorized farmers who so delivered their excess peanuts to receive price support with respect to the quota peanuts produced on the farm.

All peanut farmers have recently been given individual written notices of 1952 farm acreage allotments and farm permitted peanut acreages, and have been informed that, if the acreage of peanuts harvested in 1952 does not exceed the farm permitted peanut acreage, no marketing penalty will apply to any excess peanuts which are delivered to an agent of the Secretary at their value for crushing for oil. Farmers in southernmost areas of the United States have already begun the planting of their 1952 crops of peanuts, and farmers in the other peanut-producing areas of the Nation are completing their plans for the production of peanuts in 1952. It will be necessary for many of the farmers who planned to produce excess peanuts for oil this year to revise their plans. The amendments contained herein should, therefore, be made effective as soon as possible in order that the regulations may conform to the provisions of law now in effect and in order that each peanut farm operator may be promptly notified that excess peanuts cannot be produced in 1952 for delivery for crushing and that the marketing of any excess peanuts of the 1952 crop will be subject to penalty.

The marketing quota regulations for the 1952 crop of peanuts (16 F. R. 11946) are hereby amended as follows:

a. Section 729.311 is amended by:

1. Changing § 729.311 (h) to read as follows:

§ 729.311 *Definitions.* * * *

(h) "Farm peanut acreage" means the acreage on the farm planted to peanuts in 1952 as determined by the county committee, less any such acreage with respect to which it is established by the operator or otherwise to the satisfaction of the county committee that the entire production therefrom has not and will not be picked or threshed either before or after marketing from the farm: *Provided, however,* That:

(1) The farm peanut acreage shall be considered equal to the farm allotment on a farm for which such allotment equals or exceeds one acre, if the acreage in excess of the farm allotment from which peanuts are picked or threshed is not greater than one-tenth acre or three percent of the farm allotment, whichever is larger; or

(2) The farm peanut acreage shall be considered equal to one acre on a farm for which the farm allotment is equal to or less than one acre, and the acreage from which peanuts are picked or threshed does not exceed 1.1 acres; but the provisions of subparagraphs (1) and (2) of this paragraph shall not apply unless the operator:

(i) Submits evidence satisfactory to the county committee that the picking or threshing of peanuts was completed before he received notice of the acreage planted to peanuts, or that peanuts were picked or threshed from an acreage in excess of the larger of the farm allotment or one acre, notwithstanding an honest effort on the part of the operator to dispose of the excess by means other than by picking or threshing, and

(ii) A quantity of peanuts equal to the county committee's estimate of the production from the acreage in excess of the larger of the farm allotment or one acre, is disposed of on the farm in such manner that the peanuts cannot thereafter be used or marketed as peanuts: *Provided further,* That the maximum acreage limit prescribed in subparagraph (1) or (2) of this paragraph shall not be applicable if the State committee concurs in the findings and recommendations of the county committee that the unusual circumstances from which the excess resulted are such that the maximum limitation should not apply.

2. Deleting § 729.311 (i).

b. Section 729.312 is amended by changing the first sentence to read "Farm allotments shall be rounded to the nearest one-tenth acre."

c. Section 729.314 is amended to read as follows:

§ 729.314 *Approval of determinations.* The State committee or its authorized representative shall review farm allotments and normal yields and the State committee may correct or require the correction of any determination made in connection therewith pursuant to §§ 729.310 to 729.331. Farm allotments shall be approved by the State committee or its authorized representative and official notice of the farm allotment shall not be given to any person until such allotment has been so approved.

d. Section 729.315 is amended to read as follows:

§ 729.315 *Application for review.* Any producer who is dissatisfied with the farm allotment or marketing quota established for his farm, may, within fifteen days after mailing of the official notice, file application with the county committee to have such allotment or quota reviewed. Farm allotments and marketing quotas shall be reviewed by a review committee in accordance with the marketing quota review regulations

issued by the Secretary (7 CFR Part 711), a copy of which is available at the office of the county committee.

e. Section 729.325 is amended by:

1. Deleting the words "*permitted acreages*" in the title of the section.

2. Deleting the last paragraph of § 729.325 (a).

3. Changing § 729.325 (b) to read as follows:

§ 729.327 *Reallocation of allotment released from farms removed from agricultural production.* (a) * * *

(b) *Combinations.* If two or more tracts which were operated as separate farms in 1951 are combined and operated as a single farm for 1952, the 1952 allotment shall be the sum of the 1952 allotments determined, or which otherwise would have been determined, for each of the tracts composing the combination.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interpret or apply sec. 359, 55 Stat. 90, as amended, Pub. Law 285, 82d Cong.; 7 U. S. C. 1359)

Done at Washington, D. C., this 7th day of April 1952. Witness my hand and the seal of the Department of Agriculture.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 52-4107; Filed, Apr. 9, 1952; 8:52 a. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 20]

PART 608—DANGER AREAS

ALTERATIONS

The danger area alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy, and the Air Force, through the Air Coordinating Committee, Airspace Subcommittee, and are adopted to become effective when indicated in order to promote safety of the flying public. Since a military function of the United States is involved, compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act is not required.

Part 608 is amended as follows:

1. In § 608.52, a Tooele, Utah, area (D-399) is added to read:

Name and location (chart)	Description by geographical coordinates	Designated altitudes	Time of designation	Using agency
TOOELE (D-399) (Salt Lake City Chart).	N boundary: lat. 40°32'00" N; E boundary: long. 112°27'00" W; S boundary: lat. 40°30'00" N; W boundary: long. 112°29'00" W.	Surface to 4,000 feet.	Daylight hours only.	Tooele Ordnance Depot, Tooele, Utah.

2. In § 608.54, a Great Machipongo Inlet, Virginia, area (D-85) is added to read:

Name and location (chart)	Description by geographical coordinates	Designated altitudes	Time of designation	Using agency
GREAT MACHIPONGO INLET (D-85) (Norfolk Chart).	Beginning at lat. 37°35'00" N., long. 75°26'25" W; due E to a point 3 nautical miles from the shoreline at long. 75°32'20" W; SW paralleling the shoreline at a distance of 3 nautical miles to lat. 37°16'20" N, long. 75°43'00" W; counterclockwise along the arc of a circle with a 5 mile radius centered at lat. 37°14'00" N, long. 75°47'30" W, to the shoreline at lat. 37°18'05" N, long. 75°46'00" W; NE along the shoreline to lat. 37°35'00" N, long. 75°26'25" W, point of beginning.	Unlimited....	Daylight hours only.	Tactical Air Command, Langley AFB, Va.

3. In § 608.54, the Parramore Island, Virginia, area, published on January 24, 1952 in 17 F. R. 715, is deleted.

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

This amendment shall become effective on April 11, 1952.

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

[F. R. Doc. 52-4053; Filed, Apr. 9, 1952; 8:45 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 52965]

PART 4—VESSELS IN FOREIGN AND DOMESTIC TRADES

PART 10—ARTICLES CONDITIONALLY FREE, SUBJECT TO A REDUCED RATE, ETC.

MISCELLANEOUS AMENDMENTS

The Bureau has given careful consideration to a recommendation of an association of steamship lines and agencies that in order to save time and expense in the preparation of manifests for residue cargo as provided for by § 4.85, as amended, and § 4.88, Customs Regulations of 1943, the abstract manifest filed at any given port be required to include only the cargo manifested for discharge at that port. It appears that normally the inclusion in an abstract manifest filed at any port of residue cargo manifested for discharge at other ports serves no good purpose and needlessly increases the number of pages of the abstract manifest.

The Bureau has also given favorable consideration to a suggestion that a simplified procedure be adopted to permit the transfer of supplies or stores from one vessel to another which would be entitled to withdraw them free of duty and tax under section 309 or 317, Tariff Act of 1930, as amended, or section 3451 of the Internal Revenue Code, without the formality of filing a withdrawal therefor supported by a bond.

Accordingly, the following changes are made in the Customs Regulations of 1943:

Sections 4.7 (b), 4.34 and 4.85, as amended, 4.86 (a), and 4.88 (d), Customs Regulations of 1943 (19 CFR 4.7 (b), 4.34, 4.85, 4.86 (a), and 4.88 (d)) are hereby amended as follows:

1. Section 4.7 (b) is further amended by adding the following sentence: "The original manifest shall list all the inward foreign cargo on board, regardless of the port of discharge, whereas the other copies are required to list only the cargo manifested for the port in question except that the copy for the comptroller shall list all cargo manifested for discharge in his district. The preceding sentence does not refer to sea or ships' stores or crews' purchases or curios."

(Secs. 431, 581 (a), 583, 624, 46 Stat. 710, 747, 748, 759, sec. 203, 49 Stat. 521; 19 U. S. C. 1431, 1581 (a), 1583, 1624. Sec. 102, Reorg. Plan No. 3 of 1946; 3 CFR 1946 Supp., Ch. IV)

2. Section 4.34 is further amended as follows:

Paragraphs (d) and (e) are deleted, paragraph (f) is redesignated (h), and the following new paragraphs (d), (e), (f) and (g) are added:

(d) When it is desired that prematurely landed or overcarried cargo be forwarded to destination by the importing vessel or by another vessel of the same line in accordance with paragraph (a), (b), or (c) of this section, an application therefor shall be filed with the local collector by the owner or agent of the vessel. Such application shall be supported by a manifest of the cargo in such number of copies as the collector may require under a residue cargo procedure as hereinafter described. The manifest shall specify the vessel on which the cargo was imported even though the forwarding to destination is by another vessel of the same line. The application shall be stamped and signed to show its approval, and a copy thereof shall be attached to the vessel's traveling manifest.

(e) If the importing vessel's traveling manifest has been surrendered at a previous port, or if the cargo is to be forwarded to destination by another vessel of the same line, one copy of the manifest filed in support of an application shall be certified by customs for use as a substitute traveling manifest, to which shall be attached a copy of the application stamped to show its approval.

(f) A certificate (Customs Form 3221) signed by the collector and bearing notations suitably identifying the cargo as prematurely landed or overcarried cargo shall be attached to the traveling manifest or substitute traveling manifest. The Form 3221 shall state the ports of departure and dates of sailing of the importing vessel. The permit to proceed, customs Form 1385, issued to the vessel transporting to destination the prematurely landed or over-

carried cargo shall make reference to the nature of such cargo, identifying it with the importing vessel.

(g) A vessel with such prematurely landed or overcarried cargo on board shall comply upon arrival at each intermediate port and at destination with all the requirements of this part relating to foreign residue cargo for domestic ports. When such prematurely landed or overcarried cargo arrives at the port of destination under an approved application and substitute traveling manifest, the collector shall verify the application and substitute traveling manifest covering the cargo with the manifest filed for the cargo on the original entry of the importing vessel. The substitute traveling manifest, carried forward from port to port by the on-carrying vessel, shall be finally surrendered at the port where the last portion of the prematurely landed or overcarried cargo is discharged.

(R. S. 251, sec. 624, 46 Stat. 759; 19 U. S. C. 66, 1624)

3. Section 4.85 is further amended as follows:

a. Paragraph (b) is deleted and paragraphs (c) to (h) are redesignated as paragraphs (b) to (g), respectively.

b. Redesignated paragraph (b) is amended to read:

(b) Before a vessel proceeds from one domestic port to another with cargo or passengers on board as described in the preceding paragraph, the master shall present to the collector at such port of departure an application in triplicate on customs Form 1385 with subdivision 1 properly executed as an application for a permit to proceed to the next port of call. Each application shall be accompanied by customs Form 3221, Certificate on Vessel Proceeding to Another Port With Foreign Cargo, in duplicate, with the information called for by the form shown thereon in conformity with the data shown on the oath filed at the first port of entry by the master on customs Form 3251 (see § 4.9 (a)). However, at subsequent ports of departure, the required certificate on customs Form 3221 may bear the following notation in lieu of showing foreign ports and dates of departure therefrom:

For foreign ports and dates of departure therefrom, see attached Form 3221 issued at ----------, the first domestic port of entry. These movements shall be recorded as foreign transactions.

Upon the execution of subdivision 2 of Form 1385 as a permit to proceed, the second and third copies thereof shall be returned to the master for filing at the next domestic port of call. There shall also be returned to the master the vessel's document, if on deposit and a copy of the complete inward foreign manifest of the vessel certified at the first port of entry (referred to hereinafter as the traveling manifest),[18] to which shall be attached one of the copies of each certificate on Form 3221, signed by the collector at the port of issuance. If no inward foreign cargo or passengers are to be discharged at the next port of call, that fact shall be indicated on customs Forms 1385 and 3221 by inserting after the name of the port to which the vessel is to proceed the phrase to "load only" in parentheses. The name of that port will not appear in section (a) of subdivision 1 of Form 1385 or in the list of ports for which cargo or passengers are destined in the body of Form 3221.

c. Redesignated paragraph (c) is amended to read as follows:

(c) Upon the arrival of a vessel at the next and each succeeding domestic port with inward foreign cargo or passengers still on board, the master shall report arrival and shall make entry within 24 hours. To make such entry subdivision 3 of customs Form 1385 received by the master on clearance from the preceding port shall be completely executed by him and both copies thereof presented to the collector. The master shall also present to the collector the master's oath on customs Form 3251, the traveling manifest with the certificates on Form 3221 signed by the collectors at the preceding ports, [17] a manifest (in such number of copies as may be required for local customs purposes) of any cargo or passengers on board manifested for discharge at that port (referred to hereinafter as an abstract manifest), or a "pro forma" manifest if no inward foreign cargo or passengers are to be discharged at that port, lists in duplicate of all unentered articles acquired abroad by the officers and members of the crew which are still on board and of the stores remaining on board. The traveling manifest shall serve the purpose of a copy of an abstract manifest at the port where it is finally surrendered. The abstract or "pro forma" manifest shall be ready for presentation to the customs boarding officer upon the arrival of the vessel at the port. The "pro forma" manifest shall be on customs Form 7527-A or B bearing the following legend:

Vessel on an inward foreign voyage with residue cargo for ---------- No cargo or passengers for discharge at this port.

No additional vessel bond on customs Form 7567 or 7569 need be filed at subsequent ports of entry.

d. Redesignated paragraph (e) is amended to read:

(e) The traveling manifest, together with the signed certificates on customs Form 3221 which were attached thereto at preceding domestic ports of call, shall be finally surrendered to the collector at the port of final discharge of inward foreign cargo in the United States for retention in his files, unless residue foreign cargo remains on board for discharge at foreign ports, in which case it shall be so surrendered to the collector at the final port of departure from the United States.

e. The first sentence of redesignated paragraph (f) is amended to read: "Upon the arrival of a vessel with inward foreign cargo on board at a subsequent port in the same comptroller district as the port of first entry, whether or not for discharge of cargo, the master shall furnish to the comptroller of customs for that district a report on customs Form 3253 in lieu of a copy of the manifest for the cargo manifested for discharge in that comptroller district."

f. Redesignated paragraph (g) is amended to read:

(g) If a vessel proceeds to another comptroller district to unlade inward foreign cargo, immediately upon arrival at the first port in the district and before entry of the vessel, the master shall mail or deliver to the comptroller for the district a manifest of the foreign cargo remaining on board manifested for discharge in that comptroller district and of all unentered articles acquired abroad by the officers or crew of the vessel and of the stores on board. If the vessel proceeds to another port in the comptroller district to unlade inward foreign cargo, the procedure prescribed in the preceding paragraph shall be followed.

(R. S. 161, 251, secs. 439, 442, 443, 444, 624, 46 Stat. 712, 713, 759, sec. 2, 23 Stat. 118; 5 U. S. C. 22, 19 U. S. C. 66, 1439, 1442, 1443, 1444, 1624, 46 U. S. C. 2. Sec. 102, Reorg. Plan No. 3 of 1946; 3 CFR 1946 Supp., Ch. IV)

4. Section 4.86 (a) is amended as follows:

a. The second sentence is amended to read: "The traveling manifest shall show all the optional ports of delivery."

b. A new sentence is added at the end of the paragraph to read: "The traveling manifest shall be amended to show the designated ports of discharge and shall be used to verify the abstract manifests surrendered at subsequent ports."

(R. S. 161, 251, secs. 442, 443, 444, 624, 46 Stat. 713, 759, sec. 2, 23 Stat. 118; 5 U. S. C. 22, 19 U. S. C. 66, 1442, 1443, 1444, 1624, 46 U. S. C. 2. Sec. 102, Reorg. Plan No. 3 of 1946; 3 CFR, 1946 Supp., Ch. IV)

5. Section 4.88 (d) is amended to read:

(d) If the vessel is proceeding to other ports in the United States with foreign residue cargo on board manifested for discharge at a foreign port or ports, a procedure like that set forth in § 4.85 shall be followed with respect thereto.

(R. S. 161, secs. 442, 622, 624, 46 Stat. 713, 759, sec. 2, 23 Stat. 118; 5 U. S. C. 22, 19 U. S. C. 1442, 1622, 1624, 46 U. S. C. 2. Sec. 102, Reorg. Plan No. 3 of 1946; 3 CFR 1946 Supp., Ch. IV)

6. Section 10.60, Customs Regulations of 1943 (19 CFR 10.60), as amended, is further amended as follows:

a. Paragraph (a) is amended by changing the period at the end thereof to a comma and adding "except as provided for by paragraph (g) of this section."

b. Paragraph (f) is amended by changing the first letters in the first two sentences to lower case and inserting at the beginning of each such sentence "Unless transfer is permitted under the provisions of paragraph (g) of this section," and by deleting the parenthetical matter at the end of the paragraph.

c. A new paragraph (g) is added, to read:

(g) If a request is made for permission to transfer supplies or stores from one vessel to another which would be entitled to withdraw them free of duty and tax under section 309 or 317, Tariff Act of 1930, as amended, or section 3451 of the Internal Revenue Code, the collector in his discretion may permit the articles to be so transferred under customs supervision under a permit on customs Form 3171 in lieu of a formal withdrawal under the pertinent statute. In such a case, the pertinent statute shall be indicated by an endorsement made on the permit by the collector. If the vessel to which vessel supplies are transferred is in a class of trade in which it is not required to enter, the customs inspector supervising the transfer shall make a suitable notation of the transfer in the stores log of the vessel to which transfer is made, unless it appears that the articles were previously laden in the United States free of duty and tax for supplies or sea stores on a vessel in a class of trade in which it was not required to enter and a customs officer was not required to make a notation in a stores log of the vessel.

(Sec. 5 (a), 52 Stat. 1080, sec. 3, 55 Stat. 602; 19 U. S. C. 1309)

[SEAL] D. B. STRUBINGER,
Acting Commissioner of Customs.

Approved: April 3, 1952.

JOHN S. GRAHAM,
Acting Secretary of the Treasury.

[F. R. Doc. 52-4095; Filed, Apr. 9, 1952; 8:49 a. m.]

[T. D. 52966]

PART 22—DRAWBACK

SUPPLIES FOR CERTAIN VESSELS AND AIRCRAFT

It has been brought to the Bureau's attention that in some instances vessels arrive during a week-end or holiday without prior notice to them of their future fuel and other supply requirements due to non-receipt of outbound orders. It is necessary that supplies be laden promptly and it is not always possible to file a notice of lading with the collectors prior to lading as now required by § 22.18 (c), Customs Regulations of 1943. In order to permit the filing of notices of lading after the supplies have been placed on board, § 22.18 (c) of the Customs Regulations of 1943 (19 CFR 22.18 (c)), as amended by T. D. 52894, is hereby further amended by adding the following at the end thereof: "If the vessel or aircraft on which supplies are to be laden with benefit of drawback arrives at a time when the customhouse is not open for business and the supplies are required to be laden before the customhouse is next open for business, the collector is hereby authorized to waive the requirement of this paragraph that the notice of lading be filed before lading, provided it is filed as soon thereafter as practicable and the pertinent regulations are otherwise complied with."

(Sec. 5, 52 Stat. 1080, sec. 3, 55 Stat. 602, sec. 624, 46 Stat. 759; 19 U. S. C. 1309, 1624)

[SEAL] FRANK DOW,
Commissioner of Customs.

Approved: April 4, 1952.

JOHN S. GRAHAM,
Acting Secretary of the Treasury.

[F. R. Doc. 52-4096; Filed, Apr. 9, 1952; 8:49 a. m.]

TITLE 25—INDIANS

Chapter I—Bureau of Indian Affairs, Department of the Interior

Subchapter I—Irrigation Projects; Operation and Maintenance

PART 130—OPERATION AND MAINTENANCE CHARGES

FLATHEAD INDIAN IRRIGATION PROJECT, MONTANA

APRIL 3, 1952.

On February 28, 1952, there was published in the daily issue of the FEDERAL REGISTER notice of intention to amend §§ 130.16 and 130.17 of Title 25, Code of Federal Regulations, dealing with irrigable lands of the Flathead Indian Irrigation Project not subject to the jurisdiction of the several irrigation districts. Interested persons were thereby given opportunity to participate in preparing the amendments by submitting data or written arguments within 30 days from the date of publication of the notice. No objections were submitted. Accordingly §§ 130.16 and 130.17 are amended as follows, to be effective for the season of 1952 and thereafter until further order.

§ 130.16 *Charges, Jocko Division.* An annual minimum charge of $1.90 per acre, for the season of 1952 and thereafter until further notice, shall be made against all assessable irrigable land in the Jocko Division that is not included in an Irrigation District organization, regardless of whether water is used.

The minimum charge when paid shall be credited on the delivery of the pro rata per acre share of the available water up to one and one-half acre-feet per acre for the entire assessable area of the farm unit, allotment or tract. Additional water, if available, will be delivered at the rate of one dollar and twenty-seven cents ($1.27) per acre-foot or fraction thereof.

§ 130.17 *Charges, Mission Valley and Camas Divisions.* (a) An annual minimum charge of $2.16 per acre, for the season 1952 and thereafter until further notice, shall be made against all assessable irrigable land in the Mission Valley Division that is not included in an Irrigation District organization regardless of whether water is used.

The minimum charge when paid shall be credited on the delivery of the pro rata per acre share of the available water up to one and one-half acre feet per acre for the entire assessable area of the farm unit, allotment or tract. Additional water, if available, will be delivered at the rate of one dollar and forty-four cents ($1.44) per acre foot or fraction thereof.

(b) An annual minimum charge of $2.48 per acre, for the season of 1952 and thereafter until further notice, shall be made against all assessable irrigable land in the Camas Division that is not included in an Irrigation District organization regardless of whether water is used.

The minimum charge when paid shall be credited on the delivery of the pro rata per acre share of the available water up to one and one-half acre feet per acre for the entire assessable area of the farm unit, allotment or tract. Additional water, if available, will be delivered at the rate of one dollar and sixty-five cents ($1.65) per acre foot or fraction thereof.

The foregoing amendments of §§ 130.16 and 130.17 of the nondistrict operation and maintenance assessment rate order for the season of 1951 are to become effective for the season of 1952 and continue in effect until further notice.

(Secs. 1, 3, 36 Stat. 270, 272, as amended; 25 U. S. C. 385)

PAUL L. FICKINGER,
Area Director.

[F. R. Doc. 52-4099; Filed, Apr. 9, 1952; 8:50 a. m.]

PART 130—OPERATION AND MAINTENANCE CHARGES

FORT PECK INDIAN IRRIGATION PROJECT, MONTANA

APRIL 3, 1952.

On March 13, 1952, there was published in the daily issue of the FEDERAL REGISTER a notice of intention to modify §§ 130.38, 130.39 and 130.40 of Title 25, Code of Federal Regulations, dealing with the lands served by the Fort Peck Indian Irrigation Project system. Interested persons were thereby given an opportunity to participate in the preparation of this modification by submitting their views or arguments, in writing, to the Area Director within 15 days from the date of publication of said notice. No valid objections having been received the said sections are hereby amended and the rates fixed, for the season of 1952 and thereafter until further notice, as follows:

§ 130.38 *Charges.* (a) On the Poplar River Unit and that part of the Big Porcupine Unit not served by the Wiota Pumping Plant, water, when available will be furnished upon approved application during each irrigation season at a flat rate of $2.25 per acre per annum for all irrigable lands included in the farm unit or allotment described in the application, whether water is used or not.

(b) On that part of the Big Porcupine Unit that is under the service area of the Big Porcupine or Wiota Pumping Plant, water, when available, will be furnished to all irrigable non-Indian lands and to all Indian owned allotments leased to non-Indians, to which delivery of water can be made, at a minimum rate of $2.25 per acre per annum, whether water is used or not. Payment of the minimum rate entitles the water user to the deliv-

ery of two acre-feet of water per acre of irrigable land included in each farm unit or allotment. Any additional water delivered shall be charged for at the rate of $1.15 per acre-foot or fraction thereof for the first additional acre-foot, $1.50 per acre-foot or fraction thereof for the second additional acre-foot and $1.75 per acre-foot or fraction thereof for water delivered in excess of the second additional acre-foot.

(c) (1) For Indian land farmed by the Indian owner or leased and farmed by Indians, under that part of the Big Porcupine Unit that is within the service area of the Wiota Pumping Plant, water, when available, will be furnished at the minimum rate of $2.25 per acre per annum for the entire irrigable area included in the allotment whether water is used or not. Payment of the minimum rate entitles the Indian water-user to the delivery of two acre-feet of water per acre included in the allotment. Any additional water delivered shall be charged for at the rate of $1.15 per acre-foot or fraction thereof for the first additional acre-foot, $1.50 per acre-foot or fraction thereof for the second additional acre-foot and $1.75 per acre-foot or fraction thereof for water delivered in excess of the second additional acre-foot.

(2) For all irrigable lands situated adjacent to and outside of that part of the Big Porcupine Unit that is under the service area of the Big Porcupine Unit or Wiota Pumping Plant, surplus water, when available and not required for irrigation of lands within the Big Porcupine Unit, will be furnished at the flat rate of $2.00 per acre-foot. Water measurement and delivery thereof will be made at the project limits.

(d) On the Frazer-Wolf Point Unit (comprising all irrigable lands supplied with water from the Little Porcupine Reservoir and the Frazer Pumping Plant) water, when available, will be furnished to all irrigable non-Indian lands, and to all irrigable Indian-owned allotments leased to non-Indian (whether subjugated or not), to which delivery of water can be made at a minimum rate of $2.25 per acre per annum whether water is used or not. Water, when available, will be furnished at a like minimum rate for the irrigable area of all subjugated Indian-owned allotments to which delivery of water can be made. Payment of the minimum rate entitles the water-user to the delivery of two acre-feet of water per acre of irrigable land included in each farm unit or allotment. Any additional water delivered shall be charged for at the rate of $1.15 per acre-foot or fraction thereof for the first additional acre-foot, $1.50 per acre-foot or fraction thereof for the second additional acre-foot and $1.75 per acre-foot or fraction thereof for water delivered in excess of the second additional acre-foot.

(e) For all Indian lands farmed by the Indian owner, or leased and farmed by Indians in the Frazer-Wolf Point Unit, not subjugated but to which water can be delivered, water when available, will be furnished at the minimum rate of $2.25 per acre per annum for the entire irrigable area included in each allotment whether water is used or not. Payment of the minimum rate, entitles the Indian water user to the delivery of two acre-feet of water per irrigable acre included in the allotment. Any additional water delivered shall be charged for at the rate of $1.15 per acre-foot or fraction thereof for the first additional acre-foot, $1.50 per acre-foot or fraction thereof for the second additional acre-foot and $1.75 per acre-foot or fraction thereof for water delivered in excess of the second additional acre-foot.

§ 130.39 *Payment.* (a) The flat rate and the minimum charges fixed in § 130.38 shall become due and payable on April 1 of each calendar year. The charges for excess water delivered during any irrigation season shall be included in the bill for the ensuing season and shall be due and payable on April 1 following the season in which the excess water is delivered, except in the case of excess water deliveries to lessees of Indian lands where payment is required in advance of the delivery of water.

(b) No water shall be delivered to any lands until all charges shall have been paid except in the case of Indian trust lands farmed by Indians to which water may be delivered upon certification by the superintendent of the reservation that satisfactory written arrangements have been made providing for the payment of such charges from the proceeds of the crops or from proceeds received in payment for labor performed by the water user on the project works. Copies of such certificates shall be forwarded to the Commissioner of Indian Affairs and shall be subject to rejection or modification upon review. Any unpaid assessments, in instances where the superintendent has certified the Indian owner is financially unable to pay the charges, shall be entered on the accounts as a lien against the land but without penalty for delinquency.

(c) To all charges assessed against lands in non-Indian ownership and Indian lands under lease to non-Indian lessees which are not paid on or before July 1 of each year there shall be added a penalty of one-half of 1 percent per month or fraction thereof from the due date, April 1, so long as the delinquency continues.

§ 130.40 *Care of waste water.* All applicants for water will be required to construct and maintain in good order and repair upon their lands such ditches as may be necessary to catch and conduct to some waste canal, ditch, lateral, or natural drainage channel, any waste water flowing upon or from said lands. No waste water will be allowed to collect within 20 feet of any canal or lateral belonging to the United States, nor shall any waste water ditches be constructed or maintained within 10 feet of any canal or lateral of the United States, except at points of intersection or crossing, which shall be located only by order and under the direction of the proper officers of the United States. No water will be furnished to any applicant during such time as he fails to comply with the provisions of this section.

This amended order shall be effective for the season of 1952 and until further notice.

(Secs. 1, 3, 36 Stat. 270, 272, as amended; 25 U. S. C. 385)

PAUL L. FICKINGER,
Area Director.

[F. R. Doc. 52-4100; Filed, Apr. 9, 1952; 8:50 a. m.]

TITLE 26—INTERNAL REVENUE

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

Subchapter A—Income and Excess Profits Taxes

[Regs. 103, 111; T. D. 5892]

PART 19—INCOME TAX UNDER THE INTERNAL REVENUE CODE

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

WAR LOSSES

Regulations 103 (26 CFR Part 19) and Regulations 111 (26 CFR Part 29) are hereby amended by substituting "section 23 (e)" for "section 23 (e) (3)" in the fourth sentence of the second paragraph of § 19.127 (a)-1 of Regulations 103, as amended by Treasury Decision 5600, approved February 2, 1948 (26 CFR 19.127 (a)-1), and in the sixth sentence of the second paragraph of § 29.127 (a)-1 of Regulations 111 (26 CFR 29.127 (a)-1).

The sentence in § 29.127 (a)-1, Regulations 111, as amended by this Treasury decision, will read as follows: "Unless such loss is treated under section 117 (j) as a loss from the sale or exchange of a capital asset, such loss is deductible as an ordinary loss under the provisions of section 23 (f) in the case of a corporation and section 23 (e) in the case of an individual."

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

Inasmuch as the purpose of this Treasury decision is merely to correct a technical error, it is found that it is unnecessary to issue this Treasury decision under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of said act.

[SEAL] JUSTIN F. WINKLE,
Acting Commissioner of Internal Revenue.

Approved: April 4, 1952.

THOMAS J. LYNCH,
Acting Secretary of the Treasury.

[F. R. Doc. 52-4097; Filed, Apr. 9, 1952; 8:50 a. m.]

[Regs. 111; T. D. 5893]

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

MISCELLANEOUS AMENDMENTS

On December 13, 1951, there was published in the FEDERAL REGISTER (16 F. R. 12567) a notice of proposed rule making regarding the amendment of Regulations 111 (26 CFR Part 29) to conform to the provisions of section 213 (relat-

ing to capital gains of nonresident alien individuals), section 220 (relating to employees of United States working in possessions of the United States or in the Canal Zone), and section 221 (relating to residents of Puerto Rico) of the Revenue Act of 1950 (Pub. Law 814, 81st Cong.), approved September 23, 1950, as amended by act of July 23, 1951 (Pub. Law 82, 82d Cong.). No objection to the rules proposed having been received, the amendments set forth below are hereby adopted.

PARAGRAPH 1. Section 29.4–1, as amended by Treasury Decision 5425, approved December 29, 1944, is further amended by striking out "219" and inserting in lieu thereof the following: "221".

PAR. 2. Section 29.11–2 is amended as follows:

(A) By inserting immediately preceding the last sentence the following: "A nonresident alien individual who is a bona fide resident of Puerto Rico during the entire taxable year is, in general, liable to the tax in the same manner as a resident alien individual. See sections 116 (1) and 220."

(B) By striking out of the last sentence "219" and inserting in lieu thereof the following: "221".

PAR. 3. Section 29.23 (c)–1 is amended by striking out of the last sentence of the first paragraph "section 213" and inserting in lieu thereof the following: "sections 211, 213, and 220".

PAR. 4. Section 29.23 (o)–1, as amended by Treasury Decision 5425, is further amended by inserting in the fourth sentence of paragraph (c), immediately after "213 (c)", the following: " 220,".

PAR. 5. Section 29.25–3, as amended by Treasury Decision 5687, approved February 16, 1949, is further amended by adding at the end of paragraph (d) thereof the following new subparagraph:

(7) *Alien resident of Puerto Rico.* For taxable years beginning on or after January 1, 1951, a nonresident alien individual who is a bona fide resident of Puerto Rico during the entire taxable year and subject to tax under sections 11 and 12 is allowed as credits against net income the exemptions specified in section 25 (b), even though as to the United States such individual is a nonresident alien. See, however, section 51 (b) (2) and regulations thereunder which provide that a joint return may not be made if either the husband or wife at any time during the taxable year is a nonresident alien.

PAR. 6. Section 29.51–1, as amended by Treasury Decision 5687, is further amended by striking out of paragraph (a) (4) thereof "and every individual residing within the United States though not a citizen thereof," and inserting in lieu thereof the following: "by every individual residing within the United States though not a citizen thereof, and, in the case of taxable years beginning on or after January 1, 1951, by every alien individual who is a bona fide resident of Puerto Rico during the entire taxable year,".

PAR. 7. Section 29.53–1, as amended by Treasury Decision 5861, approved October 18, 1951, is further amended by inserting in paragraph (a), immediately after "nonresident alien individual", the following: "(except, in the case of a taxable year beginning on or after January 1, 1951, a bona fide resident of Puerto Rico during the entire taxable year)".

PAR. 8. There is inserted immediately preceding § 29.58–1 the following:

SEC. 221. RESIDENTS OF PUERTO RICO (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(g) *Declaration of estimated tax.* Section 58 (a) (relating to declaration of estimated tax by individuals) is hereby amended by inserting after "Chapter 9 is not made applicable" the following: ", but including every alien individual who is a resident of Puerto Rico during the entire taxable year".

* * * * *

(k) *Effective date.* The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1950. * * *

PAR. 9. Section 29.58–2, as amended by Treasury Decision 5687 is further amended as follows:

(A) By striking out of the first paragraph (b) (1) thereof "and (iii) every nonresident alien who is a resident of Canada or Mexico and who has wages subject to withholding at the source under section 1622," and inserting in lieu thereof the following: "(iii) every nonresident alien who is a resident of Canada, Mexico, or, in the case of taxable years beginning on or after January 1, 1951, Puerto Rico and who has wages subject to withholding at the source under section 1622, and (iv), in the case of taxable years beginning on or after January 1, 1951, every nonresident alien who has been, or expects to be, a resident of Puerto Rico during the entire taxable year,".

(B) By revising so much of the first sentence of the fourth paragraph of (b) (1) (iii) (*b*) thereof as precedes "and who has wages subject to withholding" to read as follows: "A nonresident alien who is (*1*) a resident of Canada or Mexico who enters into and leaves the United States at frequent intervals, or (*2*), in the case of taxable years beginning on or after January 1, 1951, a resident of Puerto Rico,".

(C) By striking out of the fourth paragraph of (b) (1) (iii) (*b*) thereof the following: "In the case of a nonresident alien gross income means only gross income from sources within the United States. Section 212 (a)." and inserting in lieu thereof the following: "In the case of a nonresident alien (other than, for taxable years beginning on or after January 1, 1951, an alien resident of Puerto Rico during the entire taxable year) gross income means only gross income from sources within the United States. Sections 212 (a) and 220."

(D) By inserting immediately after the fourth paragraph of (b) (1) (iii) (*b*) thereof the following new undesignated paragraph:

A nonresident alien who has been, or expects to be, a resident of Puerto Rico during the entire taxable year is required, in the case of taxable years beginning on or after January 1, 1951, to file a declaration of estimated tax if his gross income meets the requirements of section 58 (a). For the purpose of such declaration, gross income means gross income from all sources, other than sources within Puerto Rico, but including amounts received for services performed as an employee of the United States or any agency thereof. Sections 116 (1) and 220.

PAR. 10. Section 29.58–3, as amended by Treasury Decision 5855, approved September 13, 1951, is further amended by inserting in the second sentence of paragraph (a) (4) thereof, immediately after "the United States", the following: "(including, on or after January 1, 1951, Puerto Rico as if a part of the United States)".

PAR. 11. Section 29.58–4, as amended by Treasury Decision 5687, is further amended by inserting at the end of the third sentence of paragraph (a), immediately after the words "a nonresident alien", the following: ", including such an alien who is a bona fide resident of Puerto Rico during the entire taxable year".

PAR. 12. Section 29.58–8, as added by Treasury Decision 5305, approved November 12, 1943, and amended by Treasury Decision 5419, approved November 25, 1944, is further amended by striking out of paragraph (b) "and Hawaii on the 15th day" and inserting in lieu thereof the following: ", Hawaii, and (in the case of taxable years beginning on or after January 1, 1951) Puerto Rico on the 15th day".

PAR. 13. There is inserted immediately preceding § 29.116–1 the following:

SEC. 221. RESIDENTS OF PUERTO RICO (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(c) *Taxation of income of residents of Puerto Rico.* Section 116 (relating to exclusions from gross income) is hereby amended by adding at the end thereof the following new subsection:

(1) *Income from sources within Puerto Rico—(1) Resident of Puerto Rico for entire taxable year.* In the case of an individual who is a bona fide resident of Puerto Rico during the entire taxable year, income derived from sources within Puerto Rico (except amounts received for services performed as an employee of the United States or any agency thereof); but such individual shall not be allowed as a deduction from his gross income any deductions properly allocable to or chargeable against amounts excluded from gross income under this paragraph.

(2) *Taxable year of change of residence from Puerto Rico.* In the case of an individual citizen of the United States, who has been a bona fide resident of Puerto Rico for a period of at least two years before the date on which he changes his residence from Puerto Rico, income derived from sources therein (except amounts received for services performed as an employee of the United States or any agency thereof) which is attributable to that part of such period of Puerto Rican residence before such date; but such individual shall not be allowed as a deduction from his gross income any deductions properly allocable to or chargeable against amounts excluded from gross income under this paragraph.

* * * * *

(k) *Effective date.* The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1950. * * *.

PAR. 14. There is inserted immediately after § 29.116–5, as added by Treasury Decision 5555, approved March 24, 1947, the following new section:

§ 29.116–6 *Exclusion of certain income from sources within Puerto Rico.* (a) For taxable years beginning on or after January 1, 1951, there is excluded from gross income in the case of an individual (whether a citizen of the United States or an alien) who is a bona fide resident of Puerto Rico during the entire taxable year income derived from sources within Puerto Rico, except such income as consists of amounts received for services performed as an employee of the United States or any agency thereof. Whether the individual is a bona fide resident of Puerto Rico shall be determined in general by applying to the facts and circumstances in each case the principles of §§ 29.211–2, 29.211–3, 29.211–4, and 29.211–5, relating to what constitutes residence or nonresidence, as the case may be, in the United States in the case of an alien individual. Once bona fide residence in Puerto Rico has been established, temporary absence therefrom in the United States or elsewhere on vacation or business trips will not necessarily deprive an individual of his status as a bona fide resident of Puerto Rico. An individual taking up residence in Puerto Rico during the course of the taxable year is not entitled for such year to the exclusion provided in section 116 (1).

(b) For any taxable year beginning on or after January 1, 1951, there is excluded from gross income, in the case of an individual citizen of the United States who during such taxable year changes his residence from Puerto Rico to a place outside Puerto Rico after having been a bona fide resident of Puerto Rico for a period of at least two years immediately preceding the date of such change in residence, income derived from sources within Puerto Rico which is attributable to that part of such period of Puerto Rican residence which precedes the date of such change in residence, except such income as consists of amounts received for services performed as an employee of the United States or any agency thereof.

(c) In any case in which any amount otherwise constituting gross income is excluded from gross income under the provisions of section 116 (1), there shall not be allowed as a deduction from gross income any items of expenses or losses or other deductions properly allocable to, or chargeable against, the amounts so excluded from gross income. The apportionment and allocation of such expenses, losses, or deductions as between income from sources within Puerto Rico and income from other sources shall be determined in accordance with the principles of section 119 and the regulations thereunder.

PAR. 15. Section 29.117–1, as amended by Treasury Decision 5425, is further amended by inserting at the end thereof the following new paragraph:

In the case of nonresident alien individuals not engaged in trade or business within the United States, see section 211 and the regulations thereunder for the determination of the net amount of capital gains subject to tax with respect to taxable years beginning on or after January 1, 1950.

PAR. 16. Section 29.117–2, as amended by Treasury Decision 5425, is further amended as follows:

(A) By inserting immediately preceding the second sentence, which commences with the words "The percentage of the gain", of paragraph (a) thereof the following: "(In the case of nonresident alien individuals not engaged in trade or business within the United States, see section 211 and the regulations thereunder for the determination of the net amount of capital gains subject to tax with respect to taxable years beginning on or after January 1, 1950.)"

(B) By inserting at the end of the first paragraph of (c) thereof the following new sentence: "In the case of nonresident alien individuals not engaged in trade or business within the United States, see section 211 and the regulations thereunder."

PAR. 17. Section 29.119–1 is amended as follows:

(A) By inserting in the first sentence of the introductory paragraph, immediately after "Nonresident alien individuals", the following: "(except, in the case of a taxable year beginning on or after January 1, 1951, alien individuals who are bona fide residents of Puerto Rico during the entire taxable year)".

(B) By inserting in the introductory paragraph, immediately after "212 (a),", the following: "220,".

PAR. 18. There is inserted immediately preceding § 29.131–1 the following:

SEC. 221. RESIDENTS OF PUERTO RICO (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(h) *Foreign tax credit.* Paragraphs (2) and (3) of section 131 (a) (relating to allowance of credit) are hereby amended to read as follows:

(2) *Resident of the United States or Puerto Rico.* In the case of a resident of the United States and in the case of an individual who is a bona fide resident of Puerto Rico during the entire taxable year, the amount of any such taxes paid or accrued during the taxable year to any possession of the United States; and

(3) *Alien resident of the United States or Puerto Rico.* In the case of an alien resident of the United States and in the case of an alien individual who is a bona fide resident of Puerto Rico during the entire taxable year, the amount of any such taxes paid or accrued during the taxable year to any foreign country, if the foreign country of which such alien resident is a citizen or subject, in imposing such taxes, allows a similar credit to citizens of the United States residing in such country; and

* * * * *

(k) *Effective date.* The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1950, * * *.

PAR. 19. Section 29.131–1, as amended by Treasury Decision 5855 is further amended by revising so much of paragraph (b) as precedes "the credit is as follows:" to read as follows: "In the case of an alien resident of the United States and, with respect to taxable years beginning on or after January 1, 1951, in the case of an alien individual who is a bona fide resident of Puerto Rico during the entire taxable year, who chooses to claim a credit for such taxes, the basis of".

PAR. 19a. Section 29.131–3 is amended by striking out of the second sentence of paragraph (a) "sworn to or affirmed." and inserting in lieu thereof the following: "verified by a written declaration that it is made under the penalties of perjury.".

PAR. 20. There is inserted immediately preceding § 29.143–1 the following:

SEC. 221. RESIDENTS OF PUERTO RICO (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(e) *Withholding on alien residents of Puerto Rico.* Section 143 (a) (1) (relating to withholding of tax at source on tax-free covenant bonds) and section 143 (b) (relating to withholding of tax at source on dividends, interest, etc., paid to nonresident aliens) are each amended by adding at the end thereof the following: "As used in this subsection the term 'nonresident alien individual' includes an alien resident of Puerto Rico."

* * * * *

(k) *Effective date.* The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1950, * * *.

PAR. 21. Section 29.143–1, as amended by Treasury Decision 5709, approved June 27, 1949, is further amended by inserting after the first sentence of subparagraph (13) of paragraph (a) thereof the following new sentence: "For the purpose of section 143 (a) (1) and (b) the term 'nonresident alien individual' includes an alien resident of Puerto Rico."

PAR. 22. Section 29.147–3, as amended by Treasury Decision 5687, is further amended by inserting immediately preceding the last paragraph the following:

(13) Payments made on or after January 1, 1951, to employees for services performed in Puerto Rico.

PAR. 23. Section 29.147–6 is amended by inserting therein, immediately after "the United States", the following: "(including, on or after January 1, 1951, Puerto Rico as if a part of the United States)".

PAR. 24. There is inserted immediately preceding § 29.211–1 the following:

SEC. 213. CAPITAL GAINS OF NONRESIDENT ALIEN INDIVIDUALS (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

(a) *Nonresident alien individuals temporarily in the United States.* Section 211 (a) (1) (B) (relating to tax on nonresident alien individuals not engaged in trade or business within the United States) is hereby amended to read as follows:

(B) *Capital gains of aliens temporarily present in the United States.* In the case of a nonresident alien individual not engaged in trade or business in the United States, there shall be levied, collected, and paid for each taxable year, in addition to the tax imposed by subparagraph (A)—

(i) If he is present in the United States for a period or periods aggregating less than ninety days during such taxable year—a tax of 30 per centum of the amount by which his gains, derived from sources within the United States, from sales or exchanges of capital

assets effected during his presence in the United States exceed his losses, allocable to sources within the United States, from such sales or exchanges effected during such presence; or

(ii) If he is present in the United States for a period or periods aggregating ninety days or more during such taxable year—a tax of 30 per centum of the amount by which his gains, derived from sources within the United States, from sales or exchanges of capital assets effected at any time during such year exceed his losses, allocable to sources within the United States, from such sales or exchanges effected at any time during such year.

For the purposes of this subparagraph, gains and losses shall be taken into account only if, and to the extent that, they would be recognized and taken into account if such individual were engaged in trade or business in the United States, except that such gains and losses shall be computed without regard to the provisions of section 117 (b) and such losses shall be determined without the benefits of the capital loss carry-over provided in section 117 (e).

(C) *Cross reference.* For inclusion in computation of tax of amount specified in shareholder's consent, see section 28.

(b) *No United States trade or business and income of more than $15,400.*

(1) Section 211 (a) (2) is hereby amended to read as follows:

(2) *Aggregate more than $15,400.* The taxes imposed by paragraph (1) shall not apply to any individual if during the taxable year the sum of—

(A) The aggregate amount received from the sources specified in paragraph (1) (A), plus

(B) The amount, determined in accordance with the provisions of paragraph (1) (B), by which gains from sales or exchanges of capital assets exceed losses from such sales or exchanges,

is more than $15,400.

(2) So much of section 211 (c) as precedes paragraph (4) thereof is hereby amended to read as follows:

(c) *No United States business or office and gross income of more than $15,400.* A nonresident alien individual not engaged in trade or business within the United States shall be taxable without regard to the provisions of subsection (a) (1) if during the taxable year the sum of the aggregate amount received from the sources specified in subsection (a) (1) (A), plus the amount (determined in accordance with the provisions of subsection (a) (1) (B)) by which gains from sales or exchanges of capital assets exceed losses from such sales or exchanges, is more than $15,400, except that—

(1) The gross income shall include only income from the sources specified in subsection (a) (1) (A) plus any gain (to the extent provided in section 117) from a sale or exchange of a capital asset if such gain would be taken into account were the tax being determined under subsection (a) (1) (B);

(2) The deductions (other than the so-called "charitable deduction" provided in section 213 (c)) shall be allowed only if and to the extent that they are properly allocable to the gross income from the sources specified in subsection (a) (1) (A), except that any loss from the sale or exchange of a capital asset shall be allowed (to the extent provided in section 117 without the benefit of the capital loss carry-over provided in section 117 (e)) if such loss would be taken into account were the tax being determined under subsection (a) (1) (B);

(3) The tax imposed by this chapter (under sections 11 and 12, or under section 117 (c)) shall, in no case, be less than 30 per centum of the sum of—

(A) The aggregate amount received from the sources specified in subsection (a) (1) (A), plus

(B) The amount, determined in accordance with the provisions of subsection (a) (1) (B), by which gains from sales or exchanges of capital assets exceed losses from such sales or exchanges; and.

* * * * *

(d) *Effective date.* The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1949.

SEC. 214. TREATY OBLIGATIONS (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

No amendments made by this Act shall apply in any case where its application would be contrary to any treaty obligation of the United States.

PAR. 25. Section 29.211–7, as amended by Treasury Decision 5709, is further amended as follows:

(A) By revising so much thereof as precedes paragraph (a) thereof to read as follows:

§ 29.211–7 *Taxation of nonresident alien individuals.* For the purposes of this section and §§ 29.212–1, 29.213–1, 29.214–1, 29.2.5–1, and 29.217–2, nonresident alien individuals are divided into three classes: (1) Nonresident alien individuals not engaged in trade or business within the United States at any time during the taxable year and deriving in such taxable year an amount of not more than $15,400 in the aggregate which is the gross amount of fixed or determinable annual or periodical income from sources within the United States plus, in the case of taxable years beginning on or after January 1, 1950, the excess of capital gains over capital losses, determined in accordance with paragraph (a) (2) of this section, from sources within the United States; (2) nonresident alien individuals not engaged in trade or business within the United States at any time during the taxable year and deriving in such taxable year an amount of more than $15,400 in the aggregate which is the gross amount of fixed or determinable annual or periodical income from sources within the United States plus, in the case of taxable years beginning on or after January 1, 1950, the excess of capital gains over capital losses, determined in accordance with paragraph (a) (2) of this section, from sources within the United States; and (3) nonresident alien individuals who at any time during the taxable year are engaged in trade or business in the United States. (But, in the case of taxable years beginning on or after January 1, 1951, see § 29.220–1 with respect to alien individuals who are bona fide residents of Puerto Rico during the entire taxable year.)

(B) By revising so much of paragraph (a) thereof as precedes the second sentence of subparagraph (1) to read as follows:

(a) *No United States business; general rule*—(1) *Fixed or determinable annual or periodical income.* A nonresident alien individual within class (1), referred to in the preceding paragraph, is liable to the tax upon the aggregate amount received from sources within the United States, determined under the provisions of section 119, which consists of fixed or determinable annual or periodical gains, profits, and income and, in the case of taxable years beginning on or after January 1, 1950, the excess of capital gains over capital losses, determined in accordance with subparagraph (2) of this paragraph.

(C) By inserting after the first sentence of paragraph (a) (2) thereof the following: "In the case of taxable years beginning on or after January 1, 1950, the excess of capital gains over capital losses, determined in accordance with this subparagraph, is also subject to tax and is to be aggregated with such fixed or determinable annual or periodical income in determining such $15,400."

(D) By inserting immediately preceding paragraph (b) the following new subparagraph:

(3) Capital gains and losses: In the case of taxable years beginning on or after January 1, 1950, a nonresident alien individual within class (1), referred to in the introductory paragraph of this section, is liable to a tax of 30 percent upon the excess of capital gains derived from sources within the United States over capital losses allocable to such sources, determined under the provisions of section 119 and in accordance with the provisions of this subparagraph. This tax is in addition to the tax imposed, as indicated in subparagraph (1) of this paragraph, upon the gross amount of fixed or determinable annual or periodical income derived from sources within the United States by such nonresident alien individual. However, section 211 (a) (1) (B) and this subparagraph do not apply to any capital gain which is exempt from tax under a treaty or convention to which the United States is a party.

If he has been present in the United States for a period or periods aggregating less than 90 days during the taxable year, a nonresident alien individual not engaged in trade or business within the United States at any time during such taxable year is liable to a tax of 30 percent upon the amount by which his gains, derived from sources within the United States, from sales or exchanges of capital assets effected during his presence in the United States exceed his losses, allocable to sources within the United States, from such sales or exchanges effected during such presence. Gains or losses from sales or exchanges of capital assets effected during such taxable year at times other than during such presence in the United States are not to be taken into account.

If he has been present in the United States for a period or periods aggregating 90 days or more during the taxable year, a nonresident alien individual not engaged in trade or business within the United States at any time during such taxable year is liable to a tax of 30 percent upon the amount by which his gains, derived from sources within the United States, from sales or exchanges of capital assets effected at any time during such year exceed his losses, allocable to sources within the United States, from such sales or exchanges effected at any time during such year. Gains or losses

from sales or exchanges effected at any time during such taxable year are to be taken into account even though such alien individual is not present in the United States at the time such sales or exchanges are effected.

In computing the total period of presence in the United States for a taxable year, all separate periods of presence in the United States during the taxable year are to be aggregated.

For the purpose of the computation of the excess of capital gains over capital losses subject to tax, gains and losses shall be taken into account only if, and to the extent that, they would be recognized and taken into account if the nonresident alien individual were engaged in trade or business within the United States, except that such gains or losses shall be computed without regard to the provisions of section 117 (b) and that such losses shall be determined without the benefit of the provision under section 117 (e) for the capital loss carry-over. The excess, if any, of capital losses over capital gains in such computation is of no tax significance, since such losses shall be allowed only to the extent of such gains.

Where sales or exchanges of capital assets (effected either during the period or periods of presence in the United States when such period or periods aggregate less than 90 days during the taxable year, or at any time during the taxable year when such period or periods aggregate 90 days or more during such taxable year) result only in capital losses allocable to United States sources, there being no gains derived from United States sources from such sales or exchanges, such losses shall not to any extent be allowed as a deduction from the fixed or determinable annual or periodical income derived by such nonresident alien individual from United States sources during such taxable year.

(E) By revising the first three sentences of paragraph (b) to read as follows:

(b) *No United States business; aggregate more than $15,400.* A nonresident alien individual within class (2), referred to in the introductory paragraph of this section, is, in accordance with the provisions of section 211 (c), subject to tax under sections 11 and 12, or in the alternative under section 117 (c), upon the amount which is the sum of the aggregate of his fixed or determinable annual or periodical income specified in section 211 (a) (1) (A), determined under the provisions of section 119, plus, in the case of taxable years beginning on or after January 1, 1950, any gain (to the extent provided in section 117) from a sale or exchange of a capital asset if such gain would be taken into account were the tax being determined under section 211 (a) (1) (B) and under paragraph (a) (2) of this section, minus (1) the deductions properly allocable to such fixed or determinable annual or periodical income, (2) the so-called "charitable contributions" deduction provided in section 213 (c), and (3), in the case of taxable years beginning on or after January 1, 1950, any loss (to the extent provided in section 117 without the benefit of the capital loss carry-over provided in section 117 (e)) from the sale or exchange of a capital asset if such loss would be taken into account were the tax being determined under section 211 (a) (1) (B) and under paragraph (a) (2) of this section. Such nonresident alien is entitled to the credits against net income allowable to an individual by section 25, subject to the limitations provided in section 214. However, the tax thus computed under sections 11 and 12, or in the alternative under section 117 (c), shall in no case be less than 30 percent (27½ percent prior to October 31, 1942, in the case of fixed or determinable annual or periodical income) of the amount which is the sum of the aggregate of the gross amounts of fixed or determinable annual or periodical income from sources within the United States plus, in the case of taxable years beginning on or after January 1, 1950, the amount, determined in accordance with the provisions of section 211 (a) (1) (B) and of paragraph (a) (2) of this section, by which gains from sales or exchanges of capital assets exceed losses from such sales or exchanges.

PAR. 26. Section 29.212–1, as amended by Treasury Decision 5600, approved February 2, 1948, is further amended as follows:

(A) By striking out the period at the end of the first sentence of paragraph (a) (1) and inserting in lieu thereof the following: "and, in the case of taxable years beginning on or after January 1, 1950, any gain from the sale or exchange of a capital asset to the extent required to be included in gross income under the provisions of section 211 (a) (1) (B) or section 211 (c)."

(B) By inserting in the second sentence of paragraph (b), immediately after "His taxable income does not include", the following: ", in the case of taxable years beginning before January 1, 1950,".

(C) By striking out the period at the end of paragraph (a) thereof and inserting in lieu thereof the following: ", except that in the case of taxable years beginning on or after January 1, 1950, any gain from the sale or exchange of a capital asset is includible in the taxable income of such nonresident alien individual to the extent required by the provisions of section 211 (a) (1) (B) or section 211 (c)."

PAR. 27. Section 29.213–1 is amended as follows:

(A) By striking out of paragraph (a) (1) thereof "received." and inserting in lieu thereof the following: "received, except that, in the case of taxable years beginning on or after January 1, 1950, losses allocable to sources within the United States from sales or exchanges of capital assets shall be allowed in accordance with the provisions of § 29.211–7 (a) (2) to the extent of gains, derived from sources therein, from such sales or exchanges."

(B) By striking out so much of the first sentence of paragraph (a) (2) thereof as follows "for such year more than $15,400" and inserting in lieu thereof the following: "in the aggregate which is the gross amount of fixed or determinable annual or periodical income from sources within the United States plus, in the case of taxable years beginning on or after January 1, 1950, the excess of capital gains over capital losses, determined in accordance with § 29.211–7 (a) (2), from sources within the United States is allowed for such year (i) such deductions as are properly allocable to such fixed or determinable annual or periodical income and (ii), in the case of taxable years beginning on or after January 1, 1950, losses from sales or exchanges of capital assets, allocable to sources within the United States, to the extent and in the manner provided by § 29.211–7 (b)."

PAR. 28. Section 29.214–1, as amended by Treasury Decision 5517, approved June 12, 1946, is further amended by striking out of paragraph (a) (2) thereof the words "amount of fixed or determinable annual or periodical income" and inserting in lieu thereof the following: "income described in section 211 (a) (1)".

PAR. 29. Section 29.215–1 is amended as follows:

(A) By inserting in paragraph (a) (1) thereof, immediately after the word "deductions", the following: "(except as provided in § 29.211–7 (a) (2))".

(B) By striking out of paragraph (a) (2) thereof wherever occurring therein "fixed or determinable annual or periodical income" and inserting in lieu thereof the following: "income described in section 211 (a) (1)".

PAR. 30. There is inserted immediately preceding § 29.217–1 the following:

SEC. 213. CAPITAL GAINS OF NONRESIDENT ALIEN INDIVIDUALS (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(c) *Technical amendment.* Section 217 (b) (relating to returns by nonresident alien individuals) is hereby amended by striking out "section 211 (a)" and inserting in lieu thereof "section 211 (a) (1) (A)".

(d) *Effective date.* The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1949.

PAR. 31. Section 29.217–2, as amended by Treasury Decision 5687, is further amended as follows:

(A) By striking out of paragraph (a) (1) and (2) thereof wherever occurring therein "fixed or determinable annual or periodical income" and inserting in lieu thereof the following: "income described in section 211 (a) (1)".

(B) By striking out of the second sentence of paragraph (a) (2) thereof "Such return" and inserting in lieu thereof the following: "Except as to gains from transactions described in section 211 (a) (1) (B) in a taxable year beginning on or after January 1, 1950, such return".

PAR. 32. Section 29.219–1 is amended by striking out "fixed or determinable annual or periodical income" and inserting in lieu thereof the following: "income described in section 211 (a) (1)".

PAR. 33. There is inserted immediately after § 29.219–1 the following:

SEC. 221. RESIDENTS OF PUERTO RICO (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(d) *Aliens residing in Puerto Rico.* Supplement H (relating to nonresident alien individuals) is hereby amended by adding at the end thereof the following new section:

SEC. 220. ALIEN RESIDENTS OF PUERTO RICO.

(a) *No application to certain alien residents of Puerto Rico.* The provisions of this supplement shall have no application to an alien individual who is a bona fide resident of Puerto Rico during the entire taxable year, and such alien shall be subject to the taxes imposed by sections 11 and 12.

(b) *Cross reference.* For exclusion from gross income of income derived from sources within Puerto Rico, see section 116 (1) (1).

* * * * *

(k) *Effective date.* The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1950, * * *.

§ 29.220–1 *Alien residents of Puerto Rico.* In the case of taxable years beginning on or after January 1, 1951, the provisions of Supplement H relating to the taxation of nonresident alien individuals do not apply to a nonresident alien individual who is a bona fide resident of Puerto Rico during the entire taxable year, irrespective of whether he has engaged in trade or business within the United States during the taxable year. The income of such alien individual from sources both within and without the United States is subject to the normal tax and the surtax imposed by sections 11 and 12, respectively, except that under the provisions of section 116 (1) income derived from sources within Puerto Rico (other than amounts received for services performed as an employee of the United States or any agency thereof) is excluded from gross income. For rules respecting filing of returns and payment of tax see sections 51, 53, 56, 58, and 59 and the regulations thereunder.

PAR. 34. There is inserted immediately preceding § 29.251–1 the following:

SEC. 220. EMPLOYEES OF UNITED STATES WORKING IN POSSESSIONS OF THE UNITED STATES OR IN THE CANAL ZONE (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950, AS AMENDED BY PUBLIC LAW 82, 82D CONGRESS, APPROVED JULY 23, 1951).

Effective with respect to taxable years beginning after December 31, 1950, section 251 (relating to income from sources within possessions of the United States) is hereby amended by adding at the end thereof the following new subsection:

(j) *Employees of United States.* For the purposes of this section, amounts paid for services performed by a citizen of the United States as an employee of the United States or any agency thereof shall be deemed to be derived from sources within the United States.

SEC. 221. RESIDENTS OF PUERTO RICO (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

(a) *Income of individuals from sources within Puerto Rico.* Section 251 (d) (relating to income from sources within possessions of United States) is hereby amended to read as follows:

(d) *Definition.* As used in this section the term "possession of the United States" does not include the Virgin Islands of the United States, and such term when used with respect to citizens of the United States does not include Puerto Rico.

* * * * *

(k) *Effective date.* The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1950, * * *.

PAR. 35. Section 29.251–1, as amended by Treasury Decision 5709, is further amended as follows:

(A) By inserting immediately preceding the fourth sentence, which commences with the words "Dividends received", of paragraph (a) (2) the following new sentence: "In the case of taxable years beginning on or after January 1, 1951, the salary or other compensation paid for services performed by a citizen of the United States as an employee of the United States or any agency thereof shall for purposes of section 251 and this section be deemed to be derived from sources within the United States."

(B) By striking out of the first sentence of paragraph (d) "section 119." and inserting in lieu thereof the following: "section 119 and section 251 (j).".

(C) By striking out of the first sentence of the example, which constitutes the sixth paragraph, the words "Puerto Rico" and inserting in lieu thereof the following: "a possession of the United States".

(D) By striking out of the third sentence of such example the words "Puerto Rican" and by inserting in such sentence, immediately after the words "real estate", the following: "located in such possession and".

PAR. 35a. Section 29.251–2 is amended by striking out of the third sentence "Puerto Rican real estate," and inserting in lieu thereof the following: "real estate located in the possession,".

PAR. 36. Section 29.251–4, as amended by Treasury Decision 5534, approved August 28, 1946, is further amended as follows:

(A) By striking out of the second sentence the following: "Puerto Rico,".

(B) By inserting at the end thereof, immediately after the words "self-governing nation.", the following new paragraph:

In the case of taxable years beginning before January 1, 1951, the term "possession of the United States", as used in sections 251 and 252 and § 29.251–1, this section, and § 29.252–1, also includes Puerto Rico. In the case of taxable years beginning after December 31, 1950:

(a) Such terms shall not include Puerto Rico when used in section 251, § 29.251–1, and this section with respect to citizens of the United States, and

(b) The provisions of section 252 (a) and the regulations thereunder prescribed in § 29.252–1 shall have no application in the case of a citizen of Puerto Rico.

PAR. 37. There is inserted immediately preceding § 29.252–1 the following:

SEC. 221. RESIDENTS OF PUERTO RICO (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(b) *Citizens of the United States residing in Puerto Rico.* Section 252 (a) (relating to citizens of possessions of the United States) is hereby amended by adding at the end thereof the following new sentence: "This subsection shall have no application in the case of a citizen of Puerto Rico."

* * * * *

(k) *Effective date.* The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1950, * * *.

PAR. 38. Section 29.252–1 is amended by adding at the end thereof the following new paragraph:

For taxable years beginning after December 31, 1950, the provisions of section 252 (a) and the regulations thereunder prescribed in this section shall have no application in the case of a citizen of Puerto Rico.

(53 Stat. 32 and 467; 26 U. S. C. 62 and 3791)

[SEAL] JUSTIN F. WINKLE,
Acting Commissioner of Internal Revenue.

Approved: April 4, 1952.

THOMAS J. LYNCH,
Acting Secretary of the Treasury.

[F. R. Doc. 52–4098; Filed, Apr. 9, 1952; 8:50 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[General Ceiling Price Regulation, Supplementary Regulation 97]

GCPR, SR 97—CEILING PRICES FOR SALES OF LOCALLY PRODUCED BEEF ON THE ISLAND OF HAWAII IN THE TERRITORY OF HAWAII

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Supplementary Regulation 97 to the General Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

An emergency has arisen on the Island of Hawaii in the Territory of Hawaii in that insufficient quantities of beef are available to meet the needs of its population. This situation results from an unusual price relationship which was frozen under the General Ceiling Price Regulation, and which the accompanying supplementary regulation is designed to alleviate pending issuance of a tailored regulation setting dollar-and-cent prices on meat throughout the whole territory.

The Island of Hawaii is a large producer of cattle. A substantial number of these cattle are shipped to Honolulu for slaughter and sale there. Such cattle as are needed to supply beef to the people of Hawaii (except in isolated areas where some local slaughtering is done) have historically been sold by ranchers to a cooperative concern in the

principal city of Hilo, which slaughters and wholesales the beef through retail outlets. The price paid the ranchers for such cattle over the past six years has generally been from 1½ cents to 4½ cents under the price received for the same commodity in Honolulu on the Island of Oahu. This difference is largely, but not entirely, accounted for by the additional shipping charges involved.

Just prior to, or during the period December 19, 1950–January 25, 1951, the wholesalers in Honolulu raised their prices for island beef by 2 cents per pound. The Hilo wholesaler failed to follow the lead of the Oahu wholesalers. As a result, the differential between the two islands was frozen under the General Ceiling Price Regulation at 4½ cents to 5 cents per pound.

The situation described above has prevailed ever since the institution of price controls. For a long time the Hawaii ranchers continued to make available to the Hilo slaughter-house cattle which they could have marketed more profitably in Honolulu, simply because of prior commitments and because of their willingness to accommodate the people of the home island. However, in recent months, the situation has worsened and has now reached the point where beef is practically impossible to obtain in the retail stores on the island of Hawaii.

The Territorial Office of the Office of Price Stabilization has followed the situation very closely. As part of a plan to issue a tailored regulation setting dollar-and-cents ceilings on meat throughout the territory, it has made extensive surveys of costs and earnings and has studied inter-island freight rates, marketing practices and other factors bearing on the question of proper ceilings on all the islands. The accumulation of technical and economic data required a considerable amount of time and study, and for that reason, the issuance of the tailored regulation has been necessarily delayed.

It is evident, however, that the local shortage on the island of Hawaii is so critical that immediate action is necessary in order to insure supplies of meat to the residents there.

On the basis of such information as is available to them, the territorial office has determined that a basic wholesale price of 49½ cents per pound for steer beef carcasses is an approximate ceiling in Hilo, pending further study of the matter. This price reflects the amount which studies so far show to be a normal differential under the generally prevailing wholesale ceiling on Oahu of 52 cents. Because the increase in the basic carcass ceiling price of 2 cents per pound, from 47½ cents to 49½ cents, is roughly four percent, GCPR ceiling prices of 65 cents per pound or more are permitted to be increased by 3 cents per pound in order to preserve reseller's percentage margins as required by the Herlong Amendment to the Defense Production Act.

In the opinion of the Director, the accompanying action will alleviate a critical shortage in a populous area of the Territory of Hawaii and will correct a distorted price relationship frozen by the General Ceiling Price Regulation.

Because of the emergency nature of this action, formal consultation with the industry has been impracticable. However, recommendations of individual members of the industry have been carefully considered in the formulation of this regulation.

SECTION 1. *Ceiling prices.* Your ceiling price for the sale of locally produced beef carcasses and cuts, on the Island of Hawaii in the Territory of Hawaii, is your GCPR ceiling price plus 2 cents per pound if your GCPR ceiling price is less than 65 cents per pound, or your GCPR ceiling price plus 3 cents per pound if your GCPR ceiling price is 65 cents or more per pound.

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

Effective date. This Supplementary Regulation is effective April 8, 1952.

ELLIS ARNALL,
Director of Price Stabilization.

APRIL 8, 1952.

[F. R. Doc. 52-4134; Filed, Apr. 8, 1952; 4:29 p. m.

[Ceiling Price Regulation 56, Supplementary Regulation 5]

CPR 56—CEILING PRICES FOR CERTAIN PROCESSED FRUITS AND BERRIES OF THE 1951 PACK

SR 5—ADJUSTED CEILING PRICES FOR CERTAIN APPLE PRODUCTS

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2 this Supplementary Regulation 5 to Ceiling Price Regulation 56 is hereby issued.

STATEMENT OF CONSIDERATIONS

This supplementary regulation permits processors of apple products to calculate adjusted ceiling prices by adding specific amounts as named in the supplementary regulation to their ceiling prices as otherwise determined under Ceiling Price Regulation 56. However, in any event, processors of apple juice and apple cider are not required to sell these items at less than their General Ceiling Price Regulation ceiling prices. The products covered by the supplementary regulation are canned apples, canned applesauce and canned and bottled apple juice and cider.

Apple product processors have represented to the Office of Price Stabilization that ceiling prices under CPR 56 are causing the industry substantial hardship. It is indicated that this hardship results from abnormally depressed base period selling prices and from application of the pricing formula for figuring changes in raw material costs. In order to give OPS time to make a more complete study of the problem presented by this situation, SR 2 to CPR 56 was issued on December 3, 1951, permitting apple product processors to sell on an adjustable pricing basis. This study has now been completed. Since SR 2 is subject to automatic revocation it will cease to apply to products covered by this supplementary regulation as of the effective date of this regulation.

The profit and cost data covered by an independent accounting survey and by individual company data submitted directly to the Office of Price Stabilization show that apple product prices were substantially depressed during 1948 and that such products were not very profitable items during that year. During 1948 processors were still feeling the effects of a large carry-over of the 1946 pack of apple products which unduly depressed prices in 1947 and continued to depress prices during 1948.

Under the pricing formula of CPR 56 processors adjust their base period prices by the changes in raw material costs between 1948 and 1951. While this formula normally operates in a satisfactory manner where raw material is purchased during a relatively short period of time, or on a firm contract basis throughout the purchasing period, it has not proven satisfactory in the case of apples which are purchased over a considerable period of time with advancing prices as the season progresses. Although processors are able to recalculate their ceiling prices under CPR 56 where the weighted average price paid for raw material changes from that used in calculating the ceiling price, this does not permit apple processors to recoup their full increase in the cost of apples as substantial portions of the goods produced from lower priced apples will have moved into distribution channels by the time the recalculation is made. In addition all previous purchases of raw material from the beginning of the pack must be used in recomputing the weighted average price paid.

The adjustments permitted by this supplementary regulation for each product reflect allowances for differences between earnings on sales during the base period, during the entire year 1948 and the average earned on sales for the years 1946–49. Some allowance was also made to compensate for increases in raw material costs which are not adequately reflected by the formula of CPR 56 because of the long processing season. In determining the amount of the adjustment to be added to ceiling prices for the major can sizes as otherwise determined under CPR 56, an attempt was also made to remove some of the existing price distortions and in general to bring the relative ceiling prices of sliced apples, applesauce and apple juice into the price relationship which existed during 1948–49.

The average price level of ceiling prices for apple products after the adjustment will be somewhat higher than present market prices. This will permit processors to follow the normal pattern of increasing prices as the season progresses. However, it is not known at this time whether processors will be

able to secure the higher ceiling prices permitted by this adjustment despite estimates of much smaller packs of both applesauce and apple slices than last year.

The Director of Price Stabilization has consulted with representatives of the industry, including trade association representatives, before issuing this supplementary regulation and has given consideration to their recommendations. It is his judgment that the ceiling prices and provisions of this supplementary regulation are generally fair and equitable and are necessary to effectuate the purposes of the Defense Production Act of 1950, as amended.

REGULATORY PROVISIONS

Sec.
1. What this supplementary regulation does.
2. Adjusted ceiling prices for certain apple products.
3. Items for which dollar-and-cents increases are not specified.
4. Sales under Ceiling Price Regulation 56.

AUTHORITY: Sections 1 to 4 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.

SECTION 1. *What this supplementary regulation does.* This supplementary regulation modifies Ceiling Price Regulation 56 by allowing processors to determine adjusted ceiling prices for items of canned apples, canned apple sauce, and canned and bottled apple juice (including cider) by adding to their ceiling prices for such items as otherwise determined under Ceiling Price Regulation 56 the specified dollars-and-cents amounts named in section 2 of this supplementary regulation. However, in any case where the prices resulting from this adjustment for items of apple juice (including cider) are lower than the processor's ceiling prices under the General Ceiling Price Regulation, he is permitted to establish his General Ceiling Price Regulation prices as his ceiling prices under this supplementary regulation.

SEC. 2. *Adjusted ceiling prices for certain apple products.* You may calculate an adjusted ceiling price for each item of canned apples, canned apple sauce, and canned and bottled apple juice or cider by adding to your ceiling price for the item, as otherwise determined under CPR 56 without reference to this supplementary regulation, the following appropriate amount:

INCREASE PER DOZEN CONTAINERS

Product	Container size				
	No. 300	No. 2	No. 10	32-oz.	46-oz.
Canned apples	.....	$0.20	$0.35	.....	.....
Canned apple sauce	$0.11	0.12	0.55	.....	.....
Canned or bottled apple juice or cider	.....	.....	.....	$0.23	$0.43

If the price resulting from this adjustment for any item of canned or bottled apple juice or cider is lower than your ceiling price as established under the General Ceiling Price Regulation for that item, you may use the ceiling price established under that regulation as your ceiling price for that item under this supplementary regulation.

SEC. 3. *Items for which dollars-and-cents increases are not specified.* (a) If you are a processor of an item of canned apples, canned apple sauce and canned or bottled apple juice or cider which differs from any item listed in section 2, you may calculate your ceiling price for such item under the provisions of section 4 of CPR 56 without reference to this supplementary regulation, or you may calculate your adjusted ceiling price under this supplementary regulation using the methods provided by section 4 of CPR 56. If you choose to determine your ceiling price under this supplementary regulation you shall use as your comparison item in figuring your ceiling price under section 4 of CPR 56 an item for which you have established a ceiling price in accordance with this supplementary regulation.

(b) If you choose to determine your ceiling price under this supplementary regulation and you are unable to use the provisions of section 4, you shall use the provisions of section 6 or 7 (in that order) of CPR 56.

SEC. 4. *Sales under Ceiling Price Regulation 56.* Processors of the products covered by this supplementary regulation may continue to sell items at or below the ceiling prices calculated under CPR 56 without reference to the provisions of this supplementary regulation.

All provisions of Ceiling Price Regulation 56 not inconsistent with this supplementary regulation remain in full force and effect.

Effective date. This supplementary regulation shall become effective on April 14, 1952.

ELLIS ARNALL,
Director of Price Stabilization.

APRIL 9, 1952.

[F. R. Doc. 52-4185; Filed, Apr. 9, 1952; 11:46 a. m.]

[General Ceiling Price Regulation, Amdt. 1 to Supplementary Regulation 76]

GCPR, SR 76—ADJUSTMENTS IN THE CEILING PRICES OF CERTAIN LEAD AND ZINC PRODUCTS AND THE SERVICE OF GALVANIZING

GALVANIZED PRODUCTS

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Amendment 1 to Supplementary Regulation 76, to the General Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment to Supplementary Regulation 76 to the General Ceiling Price Regulation increases the ceiling prices for sales of galvanized products heretofore established under the General Ceiling Price Regulation.

Supplementary Regulation 71 to the General Ceiling Price Regulation raised the ceiling price of slab zinc two cents per pound. At the time of its issuance the producers of iron and steel mill products, who account for approximately 98 percent of the total production, increased their prices for these galvanized products in accordance with the provisions of voluntary agreements entered into pursuant to the provisions of section 402 (a) of the Defense Production Act of 1950. Although these products are normally sold by all producers on the same price basis, the ceiling prices for sales by the small number of producers, representing the balance of the industry, are established by the General Ceiling Price Regulation and were not similarly increased. The adjustments permitted by this amendment will correct this discrepancy.

In the formulation of this amendment the Director consulted with industry representatives, including trade association representatives, to the extent practicable, and consideration was given to their recommendations.

AMENDATORY PROVISIONS

Section 2 (c) is added to Supplementary Regulation 76 to the General Ceiling Price Regulation to read as follows:

(c) *Galvanized products.* If you are a producer of galvanized case, rolled, drawn or extruded metals or alloys which have not been further fabricated or of galvanized fence posts, wire or merchant wire products, or woven or welded wire fabric, and have established your ceiling price for any such product under the General Ceiling Price Regulation, you may adjust your ceiling price in accordance with sub-paragraph (1) or (2) of this paragraph.

(1) If on January 25, 1951, you determined your selling price for any of the products listed above in accordance with price lists which provided for the adjustment of prices in accordance with variations in the price of zinc, you may adjust the ceiling price for the established product under the General Ceiling Price Regulation in accordance with such price lists by using a price of 19½ cents per pound of zinc.

(2) If you cannot adjust your ceiling price for any of these products in accordance with subparagraph (1) of this paragraph, you may adjust the ceiling price for the product established under the General Ceiling Price Regulation to reflect an increase of 2 cents per pound of zinc. Such increase must be made in accordance with the practice customarily followed by you in adjusting the price of the galvanized product involved to reflect variations in the price of zinc.

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

Effective date. This amendment shall become effective April 14, 1952.

ELLIS ARNALL,
Director of Price Stabilization.

APRIL 9, 1952.

[F. R. Doc. 52-4186; Filed, Apr. 9, 1952; 4:00 p. m.]

Chapter VI—National Production Authority, Department of Commerce

[NPA Order M-8, as Amended April 9, 1952]

M-8—TIN

This order as amended 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 as amended there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations. However, consultation with representatives of all trades and industries affected in advance of the issuance of this order as amended has been rendered impracticable by the fact that the order affects a large number of different trades and industries.

NPA Order M-8 as amended July 26, 1951, as further amended by Amdt. 1 of September 21, 1951, is affected by these amendments in the following respects:

1. The form of certification required pursuant to sections 7 (d) and 8 (a) is changed.
2. Section 7 (c) is changed.
3. Sections 14 (c), 15, and 17 are changed to conform to corresponding provisions in other NPA orders and regulations.
4. Item (1) of Part B of Schedule I is changed.
5. Item (6) (iii) of Schedule IV is changed.
6. Item (13) of Schedule VII is changed.

As amended, NPA Order M-8 reads as follows:

Sec.

AUTHORITY: Sections 1 to 17 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; 3 CFR, 1951 Supp.

SECTION 1. *What this order does.* The purpose of this order is to describe how tin remaining after allowing for the requirements of national defense may be distributed and used in the civilian economy. It restricts the use of pig tin in manufacture, processing, and construction. It prohibits all uses of pig tin, secondary tin, and certain tin-bearing products not expressly set forth in the attached Schedules I through VII. In addition, many of the permissible uses included in the Schedules I through VII are prohibited in connection with the manufacture of the items or for the purposes set forth in List A. The order also sets forth limitations on inventories of pig tin and alloys and other materials containing tin, and explains the conditions under which reports are required in connection with the production, distribution, importation, use, and inventories of pig tin. In addition, it covers the conditions under which reporting is required in connection with the customs entry of tin importation. It prohibits the private importation of pig tin and places pig tin under allocation by prohibiting, subject to limited exceptions, any deliveries not covered by allocation authorizations to be issued monthly by the National Production Authority. It is the intent of this order that other materials which are not in short supply will be substituted for tin and alloys and other materials containing tin wherever possible.

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 or any other government.

(b) "Base period" means the 6-month period ending June 30, 1950.

(c) "Manufacture" means to melt, put into process, machine, fabricate, cast, roll, turn, spin, coat, extrude, or otherwise alter pig tin, alloys containing tin, or other materials containing tin, by physical or chemical means and includes the use of tin and alloys and other materials containing tin in plating, and in chemical compounding and processing. It does not include the use of tin contained in any "in process" materials or any other materials not actually to be incorporated into the items to be manufactured, such "in process" materials and other materials being included under paragraphs (d) and (e) of this section.

(d) "Maintenance" means the minimum upkeep necessary to continue a building, machine, piece of equipment, or facility in sound working condition, and "repair" means the restoration of a building, piece of equipment, or facility to sound working condition when the same has been rendered unsafe or unfit for service by wear and tear, damage, failure of parts, or the like: *Provided, however,* Neither maintenance nor repair includes the improvement of any such item with material of a better kind, quality, or design.

(e) "Operating supplies" means any tin or alloy or other material containing tin normally carried by a person as operating supplies according to established accounting practice and not included in his finished product, except that materials included in such product which are normally chargeable to operating expense may be treated as operating supplies.

(f) "Import" means to transport in any manner into the continental United States from areas outside the continental United States, including territories and possessions. It includes shipments into foreign-trade zones, customs bonded warehouses, and customs custody, except when such shipments are merely in transit through the continental United States, to destinations outside the continental United States, as shown by the bills of lading or other shipping documents. However, if any such material in transit is halted or diverted to a destination in the continental United States or subjected to processing or manufacture in the continental United States, it becomes an "import" for the purposes of this order.

(g) "Pig tin" means metal containing 95 percent or more by weight of the element tin, in shapes current in the trade, including anodes, small bars, and ingots, but excluding the products specifically listed in section IV of report Form NPAF-7.

(h) "Secondary tin" means any alloy, produced from scrap, which contains less than 95 percent but not less than 1.5 percent by weight of the element tin.

(i) For the purpose of the reporting requirements relating to imports stated in section 14 (b) of this order, "tin" means pig tin and tin in any raw, semifinished, or scrap form, and any alloys, compounds, or other materials containing tin (where tin is of chief value) in any raw, semifinished, or scrap form. This includes, but is not limited to, the following:

Babbitt metal and solder	6506.100
Alloys and combinations of lead, not in chief value lead (including lead, antimony, and white metal)	6506.900
Type metal	6507.000
Tin bars, blocks, pigs, grained or granulated	6551.200
Tin metallic scrap (except alloyed scrap)	6551.500
Tin alloys, chief value tin, n. s. p. f. (including alloyed scrap)	6551.900
Tin dross, skimmings, and residues	6740.170
Tin foil less than 0.006 inch thick	6790.710
Tin powder, flitters, and metallics	6790.720
Tin bichloride, tin tetrachloride, and other chemical compounds, mixtures, and salts, tin chief value (including tin oxide)	8380.920

NOTE: The numbers listed in the second column are commodity numbers taken from Schedule A, Statistical Classification of Imports into the United States, issued by the U. S. Department of Commerce (August 1, 1950 edition).

(j) "Copper-base alloy" for the purpose of this order means any alloy containing tin in the composition of which the percentage of copper metal by weight equals or exceeds 40 percent of the total weight of the alloy.

(k) "Scrap" means all materials or objects which are the waste or by-products of industrial fabrication or which have been discarded for obsolescence, failure, or other reason, and which contain tin or alloys or other materials containing tin in a form making such scrap suitable for industrial use.

(l) "Soldering" means joining with solder. This term does not include dipping or solder-coating in which the joining operation is not performed simultaneously with such dipping or coating. (For dipping or coating see Schedule IV and Schedule VII, item 13.)

(m) "Implements of war" means combat end-products, complete for tactical operations (including, but not limited to aircraft, ammunition, armaments, weapons, ships, tanks, military vehicles, and radio and radar equipment), and any parts, assemblies, or materials to be incorporated in any of these items. This term does not include facilities or equipment used to manufacture the items described above nor does it include any "in process" or any other materials not actually to be incorporated into the items described above.

SEC. 3. *Application of order.* Subject to the exemptions stated in section 10, this order aplies to all persons who produce tin or alloys or other materials containing tin, or who use tin or alloys or other materials containing tin, in manufacture, processing, or construction, or for maintenance, repair, or operating supplies. In addition, the reporting provisions stated in section 14 of this order apply to persons who produce, distribute, or hold in their possession pig tin, or who import tin.

SEC. 4. *Restrictions on use of pig tin and alloys and other materials containing tin.* Subject to the exemption in section 10 of this order, or unless specifically directed by the National Production Authority:

(a) No person shall use pig tin for any purpose where secondary tin can be used.

(b) No person shall use any pig tin, secondary tin, solder, babbitt, copper-base alloy, or other alloy containing 1.5 percent or more tin, or other materials containing 1.5 percent or more tin, in the manufacture, treatment, installation, or construction of any item or product, or in any process, or for any purpose, except those set forth in the attached schedules and to the extent permitted thereby. Uses not expressly authorized by said schedules are prohibited.

(c) No person shall use tin in any form specified in paragraph (b) in the manufacture of any item or in any process set forth in List A, even though such use might otherwise be permissible under paragraph (b): *Provided, however,* That this prohibition will not apply to the use of solder for joining purposes to the extent permitted in attached Schedule II.

(d) In addition to the restrictions set forth in the attached schedules, no person shall use: (1) In the manufacture of any product or for any purpose as to which the attached schedules limit tin content, any alloys or other materials having a tin content greater than that being used by such person in such manufacture or for such purpose on January 27, 1951; (2) in the coating of any item, a heavier coating in terms of tin content than that being used by such person for such purpose on January 27, 1951; or (3) any metal to which pig tin has been added to produce any product or perform any process for which the use of pig tin is not permitted in the schedules.

SEC. 5. *Limitations on use of pig tin.* Subject to the restrictions in section 4 of this order, or unless specifically directed by the National Production Authority, during the calendar quarter commencing July 1, 1951, or any calendar quarter thereafter, no person shall use in the manufacture, processing, installation, construction, or treating of any item or product a total quantity by weight of pig tin in excess of 90 percent of his average quarterly use of pig tin for such purposes during the base period except as modified in Schedule IV and Schedule VI–B of this order: *Provided, however,* That such use in any one month shall not exceed 40 percent of the permitted quarterly use.

SEC. 6. *Maintenance, repair, and operating supplies.* Unless specifically directed by the National Production Authority, no person shall use for maintenance, repair, and operating supplies during the calendar quarter commencing July 1, 1951, or any calendar quarter thereafter, a quantity by weight of pig tin in excess of 100 percent of his average quarterly use of pig tin for such purposes during the base period: *Provided, however,* That his use of pig tin for such purposes shall be in accordance with, and only to the extent permitted in, the attached schedules, and that no pig tin shall be used for such purposes where secondary tin can be used.

SEC. 7. *Allocation of pig tin.* (a) No person shall deliver pig tin or accept delivery of pig tin for any purpose in any month except in accordance with the terms of an allocation authorization issued for such month by the National Production Authority. An allocation authorization will be sent by the National Production Authority to the appropriate supplier and the purchaser will be notified of the issuance thereof. The authorization will permit the supplier to make delivery pursuant to the purchaser's order within the limitations of the authorization. The National Production Authority may specifically direct the purposes for which a person may use pig tin in the manufacture, processing, installation, treating, or construction of any item or product, whether or not such pig tin has been directly allocated to such person. A person who has received pig tin pursuant to an allocation for the purpose of resale may dispose of such pig tin only by resale. The issuance of an allocation authorization by the National Production Authority shall not dispense with the necessity of complying with the requirements of section 8 of this order with regard to certification.

(b) An application for an allocation authorization must be filed with the National Production Authority by the proposed purchaser on Form NPAF–7 not later than the twentieth day of the month preceding the month in which delivery is sought, and such application shall separately indicate the quantity of pig tin requested for use and the quantity requested for resale.

(c) No person shall deliver any pig tin if he knows or has reason to believe that the person requesting delivery is not permitted to receive it under the inventory limitations of section 11 of this order, or that such tin will be used for purposes not permitted by this order or in excess of the quantity limitations on use contained in section 5 of this order.

(d) The provisions of paragraph (a) of this section shall not apply to any: (1) delivery of pig tin to the Reconstruction Finance Corporation or the General Services Administration for the stockpile of strategic materials; (2) delivery of pig tin pursuant to specific directives of the National Production Authority; (3) delivery of pig tin to any person whose total receipts during the month in which such delivery occurs are and by such delivery will remain less than 6,000 pounds, and who has not received an allocation authorization for pig tin for that month, and who furnishes to the supplier a signed certification in substantially the following form:

The undersigned certifies, subject to the penalties of Title 18, U. S. Code (Crimes), section 1001, that receipt of this shipment of pig tin in the month requested will not be in violation of the inventory provisions of section 11 of NPA Order M–8; that no allocation authorization for pig tin for that month has been issued to the undersigned by the National Production Authority; that his total receipt of pig tin in that month, including that covered by this order, will not exceed 6,000 pounds; that his total use of pig tin in that month will not exceed his permitted use of pig tin pursuant to section 5 of NPA Order M–8; and that the pig tin herein ordered will be used only for the purposes permitted by NPA Order M–8 (Schedule ------, item -------) as follows:[1]

(Specify end use)

Any person who furnishes the foregoing certification shall not be required to furnish, with respect to pig tin, the certification required by section 8 of this order.

SEC. 8. *Certification.* (a) No person shall sell or deliver and no person shall purchase or accept delivery of any pig tin, secondary tin, solder, babbitt, or any other alloys or materials containing 1.5 percent or more tin (excluding ores and concentrates) until the purchaser has furnished a signed certification in substantially the following form:

The undersigned certifies, subject to the penalties of Title 18, U. S. Code (Crimes), section 1001, that the tin or tin product herein ordered will be used only for the purposes permitted by NPA Order M–8 (Schedule ------, item -------) or as permitted by special authorization from the National Production Authority as follows:[1]

(Specify end use)

This certification constitutes a representation by the purchaser to the seller and to the National Production Authority that the tin or tin-bearing products or materials delivered will be used either for the purpose or purposes set forth in the attached schedules or for "implements of war," or for resale without change in form (other than packaging), and that such use is not prohibited by other applicable orders or regulations of the National Production Authority.

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[1] In cases coming within the exemption stated in section 10, substitute the phrase "implements of war" for the reference to schedule and item. Where the tin or tin products are purchased for resale without change in form (other than packaging), substitute the phrase "for resale upon proper certification."

(b) This certification shall not be required in connection with the delivery of: (1) tin to the General Services Administration for the stockpile of strategic materials; (2) tin or tin-bearing items or products pursuant to a specific authorization of the National Production Authority; (3) solder in lots not exceeding 2 pounds, if in wire form, solid or cored, not over 3/32 inch in diameter, and containing no more than 40 percent tin by weight; (4) solder in lots not exceeding 5 pounds, if in any other form and containing not more than 35 percent tin by weight; (5) babbitt for bearing purposes containing 10 percent or less tin; (6) babbitt for bearing purposes of any specifications in lots of 5 pounds or less; (7) printing plates and type metal containing tin for use by the printing, publishing, and related services industries; (8) liquor-finished wire; or (9) copper-base alloy scrap containing not more than 6 percent tin by weight when delivered to a scrap dealer, brass mill, or smelter. Such scrap when delivered to any other person and all other scrap containing 1.5 percent or more tin by weight may be delivered only upon proper certification by the purchaser.

(c) No person giving a certification under this section may receive, use, or dispose of the materials obtained upon such certification contrary to its terms.

SEC. 9. *Defense orders for items containing tin.* Notwithstanding the provisions of NPA Reg. 2 which establishes a priorities system, rated orders calling for items containing tin are subject to the provisions of sections 4, 5, 6, and 8 of this order unless within the exemption provided in section 10 or unless otherwise directed by the National Production Authority.

SEC. 10. *Exemption.* The restrictions of section 4 of this order shall not apply to the manufacture of "implements of war" produced for the Department of Defense, Atomic Energy Commission, United States Coast Guard, and the National Advisory Committee for Aeronautics, provided that the use of tin contrary to these restrictions is required either by the latest applicable specifications or drawings, or by letter or contract issued by any such government agency for which the "implements of war" are being produced.

SEC. 11. *Inventories.* In addition to the inventory provisions of NPA Reg. 1, it is considered that a more exact requirement applying to users of pig tin or alloys or other materials containing tin (excluding ores and concentrates) is necessary.

(a) No person obtaining any such materials for use in manufacture, processing, or construction, or for maintenance, repair, or operating supplies, shall receive or accept delivery of a quantity of the materials listed in Column A below from domestic sources, if his inventory of such materials is, or by such receipt would become, more than the smallest quantity which will be required by his scheduled method and rate of operation to be put into use for such purposes during the next succeeding period specified in Column B below, or (except for pig tin) in excess of a "practicable minimum working inventory" as defined in NPA Reg. 1, whichever is less:

Column A	*Column B*
Pig tin for tin plate	120 days.
Pig tin for all other uses	60 days.
Lead-base alloys	45 days.
All other materials and allows containing 1.5 percent or more tin	60 days.

For the purpose of this section, any such materials in which only minor changes or alterations have been effected shall be included in inventory.

(b) Section 10 of NPA Reg. 1, entitled "Imported materials" will continue to apply. The other provisions of that regulation will continue to apply except as modified by this section.

(c) No scrap dealer shall accept delivery of any form of scrap defined in section 2 of this order, unless, during the 60 days immediately preceding the date of such acceptance, he shall have made delivery or otherwise disposed of scrap to an amount at least equal in weight to his scrap inventory on the date of such acceptance, exclusive of the delivery to be accepted.

SEC. 12. *Export certificates.* Any purchaser of an item included in the attached schedules who intends to export such item from the United States, its territories or possessions, or from Canada, shall include in the certification required under section 8 of this order the words "for export" as well as the number of the export license applicable to such item. No item may be produced for export unless its manufacture is permitted under the provisions of section 4 of this order.

SEC. 13. *Importation of pig tin.* Commencing on the effective date of this order, no person other than the Reconstruction Finance Corporation acting for and in behalf of the General Services Administration, shall import into the United States, its territories or possessions, any quantity of pig tin in bars, blocks, pigs, grain or granulated (Item 6551.300 Statistical Classification of Imports into the United States, dated August 1, 1950), except as specifically authorized in writing by the National Production Authority: *Provided, however,* That this prohibition shall not apply to any private importation pursuant to a contract executed prior to the effective date of this order, which is reported to and approved by the National Production Authority on or before March 23, 1951. The report of such contracts shall be by letter in duplicate addressed to the National Production Authority, Washington 25, D. C. (Ref: M-8), stating the date of execution of the contract, the parties thereto, the approximate date or dates of arrival, and the quantity and brand or brands of the material to be imported.

SEC. 14. *Records and reports.* (a) *Reports on pig tin.* (1) Any person using 1,000 pounds or more of pig tin in any calendar month must complete and file report Form NPAF-7 with the National Production Authority on or before November 20, 1950, and on or before the twentieth day of each succeeding month with respect to such use during the preceding month.

(2) Any person who on any day of any calendar month has in his possession or under his control 1,000 pounds or more of pig tin must complete and file report Form NPAF-7 with the National Production Authority on or before November 20, 1950, and on or before the twentieth day of each succeeding month with respect to such possession or control on the last day of the preceding month.

(3) Any person who produces, imports, or distributes any pig tin must report his production, entries, receipts, deliveries, inventories, balance of entries, and all other transactions in pig tin either by completing and filing report Form NPAF-7, or by letter in triplicate with the National Production Authority, on or before November 20, 1950, with respect to all such operations and transactions during October 1950, and on or before December 10, 1950, and on or before the tenth day of each succeeding month with respect to all such operations and transactions during the preceding month.

(b) *Reports on customs entry.* No tin including, without limitation, tin imported by or for the account of the Reconstruction Finance Corporation, or any other United States governmental department, agency, or corporation, shall be entered through the United States Collectors of Customs, unless the person making the entry shall complete and file, with the Collector of Customs, Form NPAF-8. The filing of such form a second time shall not be required upon any subsequent entry of the same material through the United States Collectors of Customs; nor shall the filing of such form a second time be required upon the withdrawal of such material from bonded custody of the United States Collectors of Customs, regardless of the date when such material was first transported into the continental United States. Form NPAF-8 will be transmitted by the Collectors of Customs to the National Production Authority.

(c) *Records.* (1) Each person participating in any transaction covered by this order shall make and preserve, for at least 3 years thereafter, accurate and complete records of receipts, deliveries, inventories, production, and use, in sufficient detail to permit the determination, after audit, whether each transaction complies with the provisions of this order. This order does not specify any particular accounting method and does not require alteration of the system of records customarily used, 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, at the time such microfilm or other photographic records are made, maintain such copies of records in the regular and usual course of business.

(2) All records required by this order shall be made available for inspection and audit by duly authorized representatives of the National Production Authority at the usual place of business where maintained.

(3) Persons subject to this order shall make such records and submit such reports to the National Production Authority as it shall require, subject to the terms of the Federal Reports Act of 1942 (5 U. S. C. 139–139F).

(d) *Submission of reports.* All reports required by this order shall be addressed to the National Production Authority, Washington 25, D. C., Ref: M–8, together with such number of copies as may be specified in the report form.

SEC. 15. *Request 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 claiming 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 request shall be in writing by letter in triplicate, and shall set forth all pertinent facts and the nature of the relief sought, and shall state the justification therefor.

SEC. 16. *Communications.* All communications concerning this order shall be addressed to the National Production Authority, Washington 25, D. C., Ref: M–8.

SEC. 17. *Violations.* Any person who wilfully violates any provision of this order, or any other order or regulation of NPA, or who wilfully furnishes false information or conceals any material fact in the course of operation under this regulation, 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 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, as amended, shall take effect April 9, 1952.

NATIONAL PRODUCTION AUTHORITY,
By JOHN B. OLVERSON,
Recording Secretary.

LIST A OF NPA ORDER M–8

(See section 4)

1. Advertising specialties.
2. Art objects.
3. Britannia metal, pewter metal, or other similar tin-bearing alloys.
4. Buckles.
5. Buttons.
6. Chimes and bells.
7. Coated paper.
8. Emblems and insignia.
9. Fasteners as follows: book match clips and staples, paper clips, spiral binders, office staples, and paper fasteners.
10. Jewelry.
11. Novelty souvenirs and trophies.
12. Ornaments and ornamental fittings.
13. Hollow ware.
14. Plating and coating for decorative purposes.
15. Powder for decorative purposes.
16. Refrigerator trays or shelves (all types).
17. Seals and labels.
18. Slot, game, and vending machines.
19. Tablets, markers, and memorials.
20. Tin oxide (except for the purposes and to the extent set forth in Schedule VI).
21. Toys and games.
22. Zinc galvanizing.
23. All other ornamental or decorative purposes.

SCHEDULES OF NPA ORDER M–8

(See section 4)

SCHEDULE I—BRASS AND BRONZE

A. CAST COPPER-BASE ALLOYS

Alloys containing 1.5 percent or more by weight of tin may be processed for the following purposes only	*Maximum permissible tin content of alloys (percent by weight)*
(1) Piston rings for locomotives and for airbrake equipment	(1) 20.
(2) Bridge trunnion bearings, bridge bearing plates, railroad and bridge turntable bearing discs, mill stand screw down nuts.	(2) 18.
(3) Jack nuts, feed nuts, and elevating nuts	(3) 14.
(4) High ratio worm gears, fire engine pump gears, thrust washers or discs, machine tool spindle bearings.	(4) 12.
(5) Hydraulic pump bodies and ends for gear pumps, grinder spindle sleeve bearings, step bearings, internal parts of industrial centrifugal pumps and injectors, collector rings, bearings, bushings, and chemical process valves.	(5) 10.
(6) Bearings produced by the process of powder metallurgy	(6) 10.
(7) Steam industrial and aircraft valves, fittings, and specialties.	(7) 6.5.
(8) All other castings	(8) 6.

B. WROUGHT ALLOYS

(1) Condenser tubes, engine beater bars, jordan bars, ductor blades, fourdrinier wire, and screen plates.	(1) 8.
(2) Manufacture of discs and diaphragms for industrial control instruments, bronze welding rods, and rifle nuts in air hammers.	(2) 10.
(3) For use as bearings, spectacle wire, and functional parts in all other items (except items in List A).	(3) 5.5.
(4) All other (except items in List A)	(4) 2.

C. COPPER NICKEL ALLOYS

(1) Seats, discs, and bearing surfaces of steam and industrial valves.	(1) 13.

SCHEDULE II—SOLDERS

Pig or secondary tin may be used to make solder to be used for the following purposes only. (See definition of "soldering" in section 2. Solder coating is covered by Schedule IV, and item 13, Schedule VII.)	*Maximum permissible tin content of solder (percent by weight)*
(1) For soldering side seams in the manufacture of cans made with either lock or lap side seams or with a combination of lock or lap seams.	(1) 5.
(2) For soldering end seams of all solder seam cans	(2) 26.
(3) For the sealing of milk cans	(3) 21.
(4) For a filler or smoother for automobile or truck bodies or fenders or for similar purposes.	(4) 20.
(5) Radiators	(5)
(i) All cellular type radiators (average per radiator)	(i) 21.
(ii) All fin and tube type radiators for military and civilian use (average per radiator).	(ii) 30.
(iii) Wire solder not over 5/32 inch in diameter for the hand repair of radiators.	(iii) 40.
(6) For all soldering on the following: railroad car and truck refrigeration; refrigeration equipment inside refrigeration compartments; aluminum refrigeration condensers; aircraft motors; diesel and electric generators; electric-traction motors; generators for railroads, street cars, mine locomotives, railway locomotives, and busses (including the dipping of commutator segments).	(6) Unlimited.
(7) Electrical precision instruments; meters, recording and indicating; dairy equipment; food processing equipment; and hospital and sterilizing equipment.	(7) 50.
(8) Tin-zinc solders for soldering aluminum foil condensers, and tin-lead solders for soldering printed circuits.	(8) 60.
(9) For other hand soldering operations done either with a soldering iron or with a torch and wiping.	(9) 40.
(10) For any other soldering operations	(10) 35.

SCHEDULE III—BABBITT

Pig or secondary tin may be used to make babbitt metal or alloys used as babbitt, cast or plated, for the following purposes only:	*Maximum permissible tin content of babbitt (percent by weight)*
(1) For manufacture, repair, maintenance, or replacement of multivane crosshead linings in locomotives or for lining aluminum crossheads, and for bonding of precision bearings and all bearings included under items (2) and (3) below.	(1) Unlimited.
(2) For manufacture, repair, maintenance, or replacement of connecting rods or main engine bearings for trucks, tractors, bulldozers, or busses.	(2) 90.
(3) For manufacture, repair, maintenance, or replacement of Diesel engines; turbines; locomotive connecting rod or coupling rod bearings; irrigation water pumping engines and equipment; industrial engines, generators, and motors; compressors; pumps; vessels or other ship facilities; electric locomotives; electric traction motor and generator bearings; stone crusher bearings; saw mill, planing mill, paper mill machinery; and roll neck bearings 8 inches in diameter or larger.	(3) 90.
(4) For any other bearing purpose	(4) 10.

SCHEDULE IV—PLATING AND COATING

Pig tin or alloys containing tin may be used to plate or coat solely for protective or functional purposes in the following items only:	*Permitted use of pig tin or alloys containing tin*
(1) Dairy equipment:	(1)
(i) New fluid milk shipping containers.	(i) Pig tin may be used only when and to the extent specifically authorized in writing by NPA.
(ii) All other dairy equipment including the retinning of fluid milk shipping containers.	(ii) Plate, coat, or retin.
(2) Equipment for preparing and handling food, including kitchen utensils, galley and mess equipment.	(2) Coat or retin only such parts as are designed to come in actual contact with food.
(3) Cutlery and flatware.	(3) Plate or coat.
(4) Copper or brass pipe and fittings:	(4)
(i) Tubing or fittings to dispense beverages or distilled water.	(i) Coat.
(ii) Tubing or fittings used as refrigeration tubing or in contact with beverages or drinking water in beverage or drinking water equipment.	(ii) Electro tin or chemically tin.
(5) Snap fasteners and hooks and eyes	(5) Tin or tin chemicals may be used for barrel plating or chemical plating.
(6) Copper and copper-base alloy wire and strip:	(6)
(i) Wire—0.032 inch nominal diameter or finer.	(i) Coat.
(ii) Wire—larger than 0.032 inch nominal diameter.	(ii) Coat with alloy containing not more than 12 percent tin by weight.
(iii) Strip—0.0270 inch thick or thinner where solderable coating is required for electrical connection.	(iii) Coat. Coating limited to 0.0004 inch in thickness.

SCHEDULE IV—PLATING AND COATING—Continued

Pig tin or alloys containing tin may be used to plate or coat solely for protective or functional purposes in the following items only	*Permitted use of pig tin or alloys containing tin*
(6) Copper and copper-base alloy wire and strip—Con.	(6)
(iv) Strip—where solderable coating is required for radiators and heat exchangers.	(iv) Coat with an alloy containing not more than 15 percent tin by weight.
(7) Steel wire, for following purposes:	(7) Coat for purposes indicated.
(i) Liquor-finishing process of fine steel bright wire.	
(ii) Armature binding wire and wire for all electrical equipment and aircraft parts including aircraft wire and cable.	
(iii) Wire having ultimate tensile strength of 100,000 pounds per square inch for manufacture of stranded cable (not including picture wire, fishing leaders, and like items), but including musical instrument strings.	
(iv) Spring steel wire for use as springs where prime function of the wire is a spring and alternative coatings cannot be used. (This does not include wire for spiral binding and like applications.)	
(v) Wire for use in manufacture of equipment for the production of textiles.	
(vi) Wire for manufacture of pin tickets and tag wire in direct contact with garments and other textiles and including dry cleaning and laundry tag use, for pin type card holders and brake strand.	
(vii) Beekeepers' wire for comb construction.	
(viii) Wire for packaging or marking food where wire comes into actual contact with edible portions of the food.	
(ix) Bookbinders' wire or preformed staple wire to be used in foot or power operated stitching machines using wire in coils or spools or preformed staples for the following:	
(a) Stitching of magazines, books, booklets, and pamphlets, other than those used solely for advertising purposes.	
(b) Preformed containers for dairy products and other foods and for pull-up tabs for bottles and tubs only where the wire comes into direct contact with the food.	
(x) Stitching wire and wire for staples to be used in hand, foot, or power operated stitching machines using wire in coils or spools or preformed staples for the following:	
(a) Attaching tabs and tickets to garments, other textiles, leather and imitation leather, and sheet plastics, and for attaching these items to other items or materials.	
(b) Stitching and stapling in industrial manufacturing operations where tinned stitching wire or staples are required for penetration and alternative coating cannot be used. (This does not include wire for office staples, staples for tea bags, book matches, or box and carton construction.)	

SCHEDULE IV—PLATING AND COATING—Continued

Pig tin or alloys containing tin may be used to plate or coat solely for protective or functional purposes in the following items only	*Permitted use of pig tin or alloys containing tin*
(8) Tin plate and terneplate	(8) Pig or secondary tin may be used to coat tin plate only when and to the extent specifically authorized in writing by NPA. Only secondary tin may be used to produce terne metal for coating terneplate. Terne metal containing not more than 15 percent tin may be used for coating short ternes and roofing ternes. Terne metal containing not more than 10 percent tin may be used for coating all other long ternes. All uses of tin plate and terneplate shall be in accordance with the specification limits stated in NPA Order M-24.
(9) Sheet (other than tin plate, terneplate, or tin mill black plate), tubing, wire, foundry chaplets, etc.	(9) Lead-base alloys containing not more than 7 percent of tin, may be used to coat, if the alloys are derived from secondary tin only.
(10) Steel-bearing shells	(10) Pig or secondary tin may be used to electro-tin to a thickness not exceeding 0.00006 inch.
(11) Electrotype shells	(11) Pig or secondary tin may be used to electro-plate, electrotype shells only where such installations were operating on or before January 27, 1951.

SCHEDULE V—FOIL

Pig or secondary tin may be used to make foil for the following purposes only	*Maximum permissible tin content of foil (percent by weight)*
(1) Electrotypers' foil	(1) 30.
(2) Soft babbitt for the preparation of industrial metallic packing.	(2) 1½.
(3) Condenser foil of dimensions 0.00035 inch by 1 inch or less.	(3) 50.
(4) Condenser foil for all other condensers	(4) 15.
(5) Foil for aircraft magnetos	(5) 50.
(6) Cap liner foil for packing medicinal, pharmaceutical, and biological preparations containing chloroform or other highly volatile chemicals; and preparations containing an equivalent alcohol content in excess of 50 percent, and for which other types of liners cannot be used.	(6) Unlimited.
(7) Dental foil	(7) Unlimited.
(8) Lead-base foil for burglar alarm systems	(8) 4½.

SCHEDULE VI—TIN CHEMICALS AND TIN OXIDE

A. TIN CHEMICALS

Types of tin chemicals	*Permitted use*
(1) Pig tin or tin chemicals (excluding tin oxide).	(1) May be used only as or for: Laboratory reagents, medicinals, or plating (to the extent permitted in other schedules).
(2) Tin chemicals (excluding tin oxide) produced from secondary tin-bearing drosses, residues, or scrap metal, having a tin content not over 10 percent and an impurity content too high for use in the production of other items permitted in the attached schedules.	(2) May be used for any purpose except to make items included in List A.

B. TIN OXIDE

Production	*Permitted use*
Pig tin cannot be used to make tin oxide except when and to the extent that manufacture is specifically authorized in writing by NPA.	(1) For the production of green, pink, yellow, and red colors in amounts in any one month not in excess of 50 percent of the average monthly use for such purposes during the base period. (2) For the production of earthenware plumbing fixtures. (3) Laboratory agents and medicinals.

SCHEDULE VII—MISCELLANEOUS

Items	*Permitted use*
(1) Aluminum alloys containing tin where tin content does not exceed 7 percent by weight.	(1) For any purpose except to make items included in List A.
(2) Tin pipe, sheet tin and fittings to repair or maintain beverage dispensing units and their parts, including soda fountain carbon dioxide tanks.	(2) May be made from pig or secondary tin provided the purchaser returns to the supplier a quantity of scrap tin with the same tin content as that supplied.
(3) Tin pipe or tubes	(3) Where required, for conduitting chemically pure distilled water.
(4) Bolster metal	(4) In the manufacture of surgical instruments if the tin content of the bolster metal does not exceed 35 percent of tin by weight. For all other cutlery, if the tin content of the bolster metal does not exceed 10 percent of tin by weight and provided such bolster metal is produced from secondary tin only.
(5) Pipe organs for religious and educational institutions.	(5) May be manufactured, rebuilt, or repaired with secondary tin taken from the inventories of organ builders or acquired from old organs.
(6) Dental amalgam alloys	(6) No restriction on tin content.
(7) Detonators and blasting caps (including electric blasting caps).	(7) Pig or secondary tin may be used to make the detonators and blasting caps and all necessary parts and accessories.
(8) Collapsible tubes	(8) Pig or secondary tin may be used in accordance with the specification limits stated in NPA Order M-27.
(9) Printing plates and type metal containing tin.	(9) May be made for use by the printing, publishing, and related services industries without certification.

SCHEDULE VII—MISCELLANEOUS—Continued

Items	Permitted use
(10) Terne metal	(10) Terne metal containing not more than 15 percent of tin may be produced if made from secondary tin only.
(11) Fusible alloys and dry pipe seat rings: (i) Dry pipe seat rings	(11) (i) Pig or secondary tin may be used to the extent required to meet performance specifications.
(ii) Fusible alloys for safety purposes only.	(ii) Pig or secondary tin may be used to the extent required to meet minimum code requirements with respect to the operation of the product in which the alloy is to be contained.
(12) Linings for chromium plating tanks and lead anodes for chromium plating.	(12) Lead-base alloys containing not more than 4 percent tin may be used if the alloys are derived from secondary tin only.
(13) Bismuth alloys. Pig or secondary tin may be used for the production of bismuth alloys.	(13) For items permitted elsewhere in these schedules or as specifically authorized in writing by the National Production Authority.
(14) Clutch and brake facings when produced by the process of powder metallurgy.	(14) Not more than 10 percent by weight of tin powder.
(15) Carbon brushes when produced by the process of powder metallurgy.	(15) Tin powder up to 12 percent of the copper content by weight.
(16) Hammer metal, die-proofing metal, and filling and sealing metal.	(16) Lead-base alloys containing not more than 5 percent tin may be used if the alloys are derived from secondary tin only.

[F. R. Doc. 52-4166; Filed, Apr. 9, 1952; 11:29 a. m.]

[NPA Order M-104 of April 9, 1952]

M-104—METALWORKING MACHINES—FINISHES

This order is found necessary and appropriate to promote the national defense and is issued pursuant to the authority of 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.
1. What this order does.
2. Definitions.
3. Restrictions on finishes for metalworking machines.
4. Request for adjustment or exception.
5. Records and reports.
6. Communications.
7. Violations.

AUTHORITY: Sections 1 to 7 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; 3 CFR, 1951 Supp.

SECTION 1. *What this order does.* This order limits the preparation for painting and the application of paint on new metalworking machines to the minimum requirements for adequate protective finishes on such machines.

SEC. 2. *Definitions.* As used in this order:

(a) "Metalworking machine" means any item of plant equipment as defined in section 2 (a) and listed in Exhibit A of NPA Order M-41, as it may be amended from time to time.

(b) "Producer" means any person engaged in the manufacture and production of metalworking machines.

(c) "Filler" means any material used to fill in and smooth out irregularities in metal surfaces.

(d) "Primer or sealer" means any permanent protective coating of liquid applied to a metal surface prior to painting such surface.

SEC. 3. *Restrictions on finishes for metalworking machines.* Commencing April 9, 1952, no producer in the finishing of any new metalworking machine, or of any part or assembly to be incorporated into a new metalworking machine, shall apply any primer, sealer, filler, paint, lacquer, or enamel in excess of the following limitations:

(a) Not more than one coat of primer or sealer may be applied.

(b) No filler may be applied except for the spot-filling of bad cavities or fissures.

(c) Not more than two coats of paint, lacquer, or enamel may be applied.

SEC. 4. *Request 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 such provision 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 or exception claiming 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 request shall be in writing, by letter in triplicate, and shall set forth all pertinent facts, the nature of the relief sought, and the justification therefor.

SEC. 5. *Records and reports.* (a) Each person participating in any transaction covered by this order shall make and preserve, for at least 3 years thereafter, accurate and complete records of receipts, deliveries, inventories, production, and use, in sufficient detail to permit the determination, after audit, whether each transaction complies with the provisions of this order. This order does not specify any particular accounting method and does not require alteration of the system of records customarily used, 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, at the time such microfilm or other photographic records are made, maintain such copies of records in the regular and usual course of business.

(b) All records required by this order shall be made available for inspection and audit by duly authorized representatives of the National Production Authority, at the usual place of business where maintained.

(c) Persons subject to this order shall make such records and submit such reports to the National Production Authority as it shall require, subject to the terms of the Federal Reports Act of 1942 (5 U. S. C. 139-139F).

SEC. 6. *Communications.* All communications concerning this order shall be addressed to the National Production Authority, Washington 25, D. C., Ref: NPA Order M-104.

SEC. 7. *Violations.* Any person who wilfully violates any provision of this order, or any other order or regulation of NPA, or who wilfully furnishes false information or conceals any material fact 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 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 April 9, 1952.

NATIONAL PRODUCTION AUTHORITY,
By JOHN B. OLVERSON,
Recording Secretary.

[F. R. Doc. 52-4165; Filed, Apr. 9, 1952; 11:29 a. m.]

TITLE 36—PARKS, FORESTS, AND MEMORIALS

Chapter I—National Park Service, Department of the Interior

PART 13—ADMISSION, GUIDE, ELEVATOR, AND AUTOMOBILE FEES

AUTOMOBILE FEES, YORKTOWN BATHING BEACH AND PICNIC AREA, COLONIAL NATIONAL HISTORICAL PARK

Part 13 is amended by adding a new § 13.14 and reading as follows:

§ 13.14 *Automobile fees, Yorktown bathing beach and picnic area, Colonial National Historical Park.* (a) There shall be charged a fee of 25 cents for each passenger car and a fee of 50 cents for each bus or truck entering the Yorktown bathing beach and picnic area on Saturdays, Sundays and holidays from May 30 through Labor Day.

(Sec. 3, 39 Stat. 535, as amended; 16 U. S. C. sec. 3)

Issued this 4th day of April 1952.

OSCAR L. CHAPMAN,
Secretary of the Interior.

[F. R. Doc. 52-4056; Filed, Apr. 9, 1952; 8:45 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 6—UNITED STATES GOVERNMENT LIFE INSURANCE

PART 8—NATIONAL SERVICE LIFE INSURANCE

INCONTESTABILITY

1. The text of § 6.45 is designated paragraph (a) and a new paragraph (b) is added as follows:

§ 6.45 *Incontestability of United States Government Life Insurance.* * * *

(b) Discharge or release of an insured from military or naval service for the reason of fraudulent enlistment shall not invalidate United States Government life insurance issued on the basis of such service unless the Administrator determines that the insured was mentally or legally incapable of entering into a contract of enlistment. In such case the United States Government life insurance so issued will be canceled as of the effective date of such insurance.

(Sec. 5, 43 Stat. 608, as amended, sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9, sec. 6, Pub. Law 23, 82d Cong.; 38 U. S. C. 11a, 426, 707. Interpret or apply secs. 300, 301, 43 Stat. 624, as amended; 38 U. S. C. 511, 512)

2. Section 8.62 is amended to read as follows:

§ 8.62 *Incontestability.* Subject to the provisions of § 8.61, all National Service life insurance policies heretofore or hereafter issued, reinstated, or converted shall be incontestable from the date of issue, reinstatement, or conversion, except for fraud, nonpayment of premium, or on the ground that the applicant was not a member of the military or naval forces of the United States: *Provided,* That discharge or release of an insured from military or naval service for the reason of fraudulent enlistment shall not invalidate National Service life insurance issued on the basis of such service unless the Administrator determines that the insured was mentally or legally incapable of entering into a contract of enlistment. In such case the National Service life insurance so issued will be canceled as of the effective date of such insurance.

(Sec. 608, 54 Stat. 1012, as amended, sec. 6, Pub. Law 23, 82d Cong.; 38 U. S. C. 808. Interpret or apply sec. 602, 54 Stat. 1009, as amended; 38 U. S. C. 802)

This regulation is effective April 10, 1952.

[SEAL] O. W. CLARK,
Deputy Administrator.

[F. R. Doc. 52-4101; Filed, Apr. 9, 1952; 8:51 a. m.]

PART 17—MEDICAL

PROVISIONAL REGULATIONS

Immediately below § 17.155 add the centerhead "Provisional Regulations" and insert new § 17.950.

§ 17.950 *Instructions relating to the processing of applications for hospital and/or outpatient treatment of persons applying for such benefits under Public Law 239, 82d Congress.* (a) Public Law 239, 82d Congress, provides:

That, for the purpose of hospital and medical treatment, including outpatient treatment, authorized under laws administered by the Veterans' Administration, a veteran of World War II (as defined in Veterans Regulation Numbered 10, as amended) developing an active psychosis within two years from the date of separation from active service in such war shall be deemed to have incurred such disability in such active service.

(b) An application for hospital or outpatient treatment under Public Law 239, 82d Congress, must be made on or after October 30, 1951, the date of enactment of said law, since service-connection granted thereunder can be effective only as of the date of application, and in no event prior to October 30, 1951 (Instruction 2, Pub. Law 239, 82d Cong.).

(Sec. 5, 43 Stat. 608, as amended, sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9; 38 U. S. C. 11a, 426, 707. Interpret or apply secs. 1, 6, 48 Stat. 9, 301, 53 Stat. 652 as amended; 38 U. S. C. 706, 706a)

This regulation is effective April 10, 1952.

[SEAL] O. W. CLARK,
Deputy Administrator.

[F. R. Doc. 52-4102; Filed, Apr. 9, 1952; 8:51 a. m.]

PART 21—VOCATIONAL REHABILITATION AND EDUCATION; SUBPART A—REGISTRATION AND RESEARCH

MISCELLANEOUS AMENDMENTS

1. In § 21.6, paragraph (a) is amended to read as follows:

§ 21.6 *Application for a course of education or training.* * * *

(a) If an application is not complete at the time of the original submission, the veteran will be notified of the evidence necessary to complete the application, and, if such evidence is not received within 1 year from the date of request therefor, benefits may not be paid by virtue of the application. (See par. I (2), Part I, Veterans Regulation 2 (a), as amended by Veterans Regulation 2 (d), under Pub. No. 2, 73d Cong.)

* * * * *

2. In § 21.7, the introduction of paragraph (a) is amended to read as follows:

§ 21.7 *Application for a course of institutional on-farm training.* (a) Applications for a course of institutional on-farm training under Part VIII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12), shall be made by submitting a properly executed VA Form 7-1921, Application for Course of Institutional on-Farm Training. When the veteran has not had any previous training under Part VIII, the original, a certified copy, or a photostatic copy of the appropriate discharge document should be submitted with VA Form 7-1921. Such application shall be transmitted directly to that institution which has been designated by the appropriate agency of the State responsible for offering institutional on-farm training courses in the veteran's locality. The institution will determine the course of training which the veteran needs and the type of farming for which he needs training, after giving due consideration to the size and character of his farm. The institution will then indicate its approval on VA Form 7-1921 and transmit it through channels designated by the State approval agency to the proper regional office of the Veterans' Administration.

* * * * *

3. In § 21.9 (b), a new subparagraph (1) is added as follows:

§ 21.9 *Application for change of course and/or change of institution.* * * *

(b) * * *

(1) The effective date of a supplemental certificate issued in response to a request made by a veteran while he is in a training status will be the date next following the last day of attendance in his present course.

4. The text of § 21.11 is designated paragraph (a) and new paragraphs (b) through (e) are added as follows:

§ 21.11 *Certificate of eligibility and entitlement.* * * *

(b) In order that the validity of Certificates of Eligibility and Entitlement may be properly established and that they shall be acceptable in full faith by schools and training establishments, determinative action upon the basis of applications will be completed only when the records in the Veterans' Adminstration show that no impediment to, or limitations on, eligibility or entitlement exists. If it is determined that a veteran has obtained and/or executed a Certificate of Eligibility and Entitlement with intent to defraud, as defined in penal statutes, the Veterans' Administration may not legally make any payments whatsoever to him.

(c) All certificates, original and supplemental, issued after May 25, 1951, will bear appropriate "legends" in order to enable veterans and schools or training establishments to determine readily the validity of Certificates of Elgibility and Entitlement (VA Form 7-1953) which are presented after July 25, 1951. These legends will be typed under item 8 (b) on each certificate in the exact form shown in this paragraph.

(1) *Legend "A".* (i) "Valid only for (name of course) at (name of school or training establishment), course must be (commenced) (resumed) on or before (date)."

(ii) Legend "A" will be inscribed on all Certificates of Eligibility and Entitlement, original or supplemental, where the specified course is to be commenced or resumed on or prior to July 25, 1951, or the date 4 years from the veteran's discharge, whichever is the later.

(2) *Legend "B".* (i) "Valid only for (name of course) at (name of school or training establishment) for enrollment at the beginning of the (designate fall, winter, spring, summer term or semester) school year 19__."

(ii) Legend "B" will be inscribed on all supplemental Certificates of Eligibility and Entitlement issued for use in entering or resuming the specified course under Public Law 346 subsequent to July 25, 1951 (or other applicable delimiting date), at educational institutions which operate on a semester, quarter, or term basis.

(3) *Legend "C".* (i) "Valid only for (name of course) at (name of school or training establishment) to be commenced on or about (date)."

(ii) Legend "C" will be inscribed on all supplemental Certificates of Eligibility and Entitlement issued for use in entering or resuming the specified course subsequent to July 25, 1951 (or other applicable delimiting date), in institutions and establishments not operating on a semester, quarter, or term basis. The date "on or about" will be construed to mean within 15 days preceding or following the date shown.

(iii) In view of the fact regional offices will seldom have readily available the information necessary to designate a firm commencing date, legend "C" will be inscribed on all supplemental certificates of eligibility issued for use at approved foreign educational institutions (except in the Philippine Republic) after applicable delimiting dates. In such cases, the date "on or about" will be construed to mean within 30 days preceding or following the date shown, unless the veteran concerned can demonstrate to the satisfaction of central office or the Attaché for Veterans Affairs Office concerned that the date indicated by the issuing office was unrealistic.

(d) A veteran pursuing a course of education or training under the provisions of Part VIII, Veterans Regulation 1 (a), as amended, must obtain from the Veterans' Administration a supplemental Certificate of Eligibility and Entitlement before he may be authorized to change his course, change his training institution, or pursue an additional course of education or training.

(1) The period of entitlement shown on a supplemental certificate will be that period of entitlement properly remaining unused or unemcumbered after deductions are made for all previous periods of training.

(2) Where a veteran withdraws or interrupts prior to the completion of a period of instruction as defined in § 21.52 (g), the period of entitlement indicated on the supplemental certificate will be that period which remains unemcumbered after his entitlement has been debited for the period considered as a unit for the payment of tuition.

(e) The Veterans' Administration will require an affirmative report of conduct and progress from the school or training establishment in all cases where the veteran requests a supplemental Certificate of Eligibility and Entitlement for the purpose of changing his course or his institution or for securing additional education or training, since such a report serves as a basis for determining whether a supplemental certificate may be issued.

5. In § 21.17, paragraph (f) is amended to read as follows:

§ 21.17 *Discharge or release.* * * *

(f) *Discharge for purpose of changing status.* A discharge during service on or after September 16, 1940, which did not interrupt the performance of active service but was for the purpose of accepting a commission, appointment as a warrant officer, or for any other change of status, will not meet the requirements of Part VIII for a "discharge or release from active service" unless at the time of such discharge or release for change in status the person involved was eligible for release under the point system, length of service system, or any other criteria then in effect. If the veteran was not eligible for release, the entire active service will be held to constitute one period of service, and eligibility for education and training may not be established until the final discharge occurs. It is pointed out that the governing principle is whether the person was, at the time the change in status occurred, otherwise eligible for actual discharge or release from active service and was so discharged or released. In all cases of this type, the veteran must present a discharge or other certificate evidencing separation from the service.

* * * * *

6. In § 21.30, paragraph (d) is amended and a new paragraph (e) is added as follows:

§ 21.30 *Conditions conferring eligibility.* * * *

(d) That the person makes application for and initiates the course of education or training before July 26, 1951, or within 4 years from the date of his first discharge after July 25, 1947. (See §§ 21.35 and 21.55)

(e) Veterans who have had 2 periods of active service during World War II on which eligibility under Part VIII may be established may initiate a course of education or training within 4 years after discharge or release from the second period of service, even where the second discharge or release occurs after July 25, 1947.

7. In § 21.31, paragraphs (a) (4), (7), and (b) are amended to read as follows:

§ 21.31 *Basic evidence.* Eligibility for education or training and the extent of entitlement shall be predicated upon the best available evidence of official character.

(a) *Length and character of military service.* The length and character of military service shall be determined on the basis of official evidence from the appropriate service department which may be:

* * * * *

(4) Copy of applicant's terminal leave orders which reflect at least 8 days of terminal leave, the exact date of expiration of terminal leave, and the date he is to be discharged. (Cases under sec. 1507, title VI, Pub. Law 346, 78th Cong., as added by sec. 10, Pub. Law 268, 79th Cong.)

* * * * *

(7) The eligibility and extent of entitlement of a veteran who served with the military or naval forces of an Allied Government will be determined on the basis of the facts shown (cases under sec. 1506, title VI, Pub. Law 346, 78th Cong., as added by sec. 10, Pub. Law 268, 79th Cong.) Such shall include an affidavit stating (i) that the applicant was a citizen of the United States at the time of enlistment in the allied service, (ii) that he was a resident of the United States at the time of filing application, and (iii) that he has not applied for and received the same or similar educational benefits from the Allied Government with which he served during World War II.

(b) *Questionable discharges.* In all cases where the discharge is neither honorable nor dishonorable and it is not clear whether the circumstances under which the veteran was discharged or released from active duty under other than honorable conditions might bar eligibility to education or training, the cases will be referred by memorandum to the adjudication division, regional office, or claims division, veterans claims service, central office, for appropriate certification prior to initiating further action toward the issuance of Certificate of Eligibility and Entitlement to education or training. (See secs. 300 and 1503, Pub. Law 346, 78th Cong.)

* * * * *

8. A new § 21.36 is added as follows:

§ 21.36 *Special considerations concerning the pursuit of education or training after the statutory delimiting date—*

(a) *Change of course.* (1) For the purpose of § 21.35 (d) and (e) a veteran may be authorized under the conditions of § 21.35 to change his course only if his application for such change is received in the Veterans' Administration while he is in actual and active pursuit of his course or while he is in a temporary interrupted status for a reason determined to be valid under § 21.35.

(i) The period interventing the completion of a course and the pursuit of additional education or training in normal progression within the meaning of § 21.35 (e) (3) is defined to be a period of interruption for a valid reason for the purpose of § 21.35 (c): *Provided:* (*a*) The veteran's application for such additional education or training is received in the Veterans' Administration on or prior to the date of completion of the course or within 30 days immediately following such date; and (*b*) that following completion of the course the veteran does actually commence pursuit of the

additional education or training on the first date as of which enrollment of students in the course is permitted or within 30 days, whichever is later. (Attendance during normal summer vacation periods is optional for those veterans pursuing courses in schools organized on a term, quarter or semester basis.)

9. Sections 21.40 and 21.41 are amended to read as follows:

§ 21.40 *Conditions for vocational rehabilitation.* (a) *Veteran of World War II.* A veteran of World War II may be eligible for vocational rehabilitation under Part VII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12), provided he meets the following conditions:

(1) Active military or naval service after September 15, 1940, and prior to the termination of World War II (July 25, 1947, Pub. Law 239, 80th Cong.). This includes persons who served in the active military or naval service of any Government allied with the United States in World War II, provided they were citizens of the United States at the time of entrance into such active service, were residents of the United States at the time of filing their application, had not received the same or similar benefits from the Government with whose military forces they served: *And, provided further,* That the period of active service between September 15, 1940, and July 26, 1947, was at a time when that Government was at war with the common enemies.

(2) A discharge or release from active service under conditions other than dishonorable and under conditions other than those specified in section 300, Public Law 346, 78th Congress, as amended. The requirement for actual discharge does not apply to those persons who are applicants for the benefit while hospitalized, pending final discharge or release from active military or naval service, or who are on terminal leave (sec. 1507, Pub. Law 346, 78th Cong., added by sec. 10, Pub. Law 268, 79th Cong.).

(3) A compensable disability incurred in or aggravated by active service on or after September 16, 1940, and prior to the termination of World War II (July 25, 1947, Pub. Law 239, 80th Cong.)

(4) Need for vocational rehabilitation to overcome the handicap due to such disability.

(5) Vocational rehabilitation of veterans whose only service was during the period specified in subparagraph (1) of this paragraph cannot extend beyond July 25, 1956.

(b) *Veteran with service on or after June 27, 1950.* A person may be found eligible under Public Law 894, 81st Congress, as amended, for vocational rehabilitation training under Part VII, as amended, provided he meets the following conditions:

(1) Active military, naval, or air service in the Armed Forces of the United States on or after June 27, 1950, and prior to the termination date thereafter determined by Presidential proclamation or concurrent resolution of the Congress.

(2) A discharge or release from active service under conditions other than dishonorable and under conditions other than those specified in section 300, Public Law 346, 78th Congress, as amended. The requirement for actual discharge does not apply to those persons who are applicants for the benefits of Public Law 894, 81st Congress, as amended, while hospitalized, pending final discharge or release from active military, naval, or air service, or who are on terminal leave (sec. 1507, Pub. Law 346, 78th Cong., added by sec. 10, Pub. Law 268, 79th Cong.).

(3) A disability which is determined by duly constituted claims authority to have been incurred in or aggravated by such service, and for which compensation is payable under the provisions of Part I, Veterans Regulation 1 (a), as amended (or would be but for the receipt of retirement pay or because such person is hospitalized pending final discharge from the service).

(4) Need of vocational rehabilitation training to overcome the handicap due to such disability.

(5) Vocational rehabilitation training under Pub. Law 894, 81st Congress, as amended, may not be afforded beyond 9 years following the termination date determined by Presidential proclamation or concurrent resolution of the Congress.

(6) A person who was not a citizen of the United States at the time of active service on or after June 27, 1950, shall be afforded vocational rehabilitation training under Public Law 894, as amended, only in a State, Territory, or possession of the United States, or in the District of Columbia. A person who was a citizen of the United States at the time of active service on or after June 27, 1950, shall be afforded vocational rehabilitation training under Public Law 894, as amended, only in a State, Territory, or possession of the United States or in the District of Columbia: *Provided,* That vocational rehabilitation training under Public Law 16 in an approved educational institution in a foreign country may be afforded, subject to central office approval, if adequate training for the employment objective is not available in the United States, and if the training can be pursued under the direct supervision of the Veterans' Administration: *And provided further,* That training in the Republic of the Philippines may be afforded to a United States citizen who is residing therein and is otherwise eligible for training. Determination respecting the applicant's citizenship during his period of active service will not be required, except where it is proposed to conduct the course of vocational rehabilitation training at any place not within either a State, Territory, or possession of the United States or the District of Columbia.

§ 21.41 *Severance of service-connection or reduction of disability rating to noncompensable degree.* (a) An official adjudication action which proposes either the severance of service-connection or the reduction to a noncompensable rating evaluation of the disability or any combination of disabilities upon which need for training under Part VII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12), or Public Law 894, 81st Congress, as amended, is based, shall constitute notice to responsible vocational rehabilitation and education personnel that, depending upon the circumstances in the individual case, the following actions are in order with respect to the veteran's entitlement to vocational rehabilitation training:

(1) If the veteran is an applicant for or a potential inductee into Part VII or Public Law 894 training at the time the proposed adjudication action is made of record, all processes respecting determination of entitlement, need or induction into training shall be immediately suspended. In no event shall any veteran be inducted into Part VII or Public Law 894 training during the interim period provided in § 3.9 (d) and (e) of this chapter prior to the finality of action. If the proposed adjudication action becomes final, the application for vocational rehabilitation will be denied.

(2) If the veteran has been previously inducted into and is currently pursuing Part VII or Public Law 894 training when the proposed adjudication action is made of record, he may be continued in training until such time as the proposed adjudication action becomes final, at which time the following procedures will be observed:

(i) If the action results in a reduction to a noncompensable rating evaluation of the disability, or any combination of disabilities upon which need for training was based, the veteran may still be retained in Part VII or Public Law 894 training until the attainment of his objective, except where training is discontinued under § 21.283.

(ii) If the adjudication action results in a severance of the service-connection of the disability, or combination of disabilities upon which need for training was based, the veteran's Part VII or Public Law 894 training must be terminated as of the last day of the month in which such action becomes final.

(b) When the final adjudication action results in a denial of the veteran's application for vocational rehabilitation, or the termination of his training under Part VII or Public Law 894, the veteran will be informed of the determination and of his right to appeal therefrom. If eligibility and entitlement are shown to exist under Part VIII, the veteran should be informed of his eligibility for education or training under that part.

10. In § 21.53, a new subdivision (i) is added to paragraph (a) (4) and paragraph (b) is amended to read as follows:

§ 21.53 *Extension of entitlement.*

* * *

(4) * * *

(i) A veteran cannot elect to pay for a portion of the quarter, semester, or term for which he is enrolled and thereby extend his entitlement.

(b) *School, college, or university courses.* Where it is shown by the facts of record that a veteran's entitlement will expire during a certified period of enrollment in a course of training pursued in a school, college, or university, extensions of entitlement will be made in accordance with the limitations set forth below.

(1) If the course is pursued in a school, college, or university which is organized on a quarter, term, or semester basis and the charges for tuition and related fees do not exceed the rate of $500 for a full-time course for an ordinary school year, the registration officer will ascertain from official publications of the school, college, or university or other official source the beginning and ending dates of the particular quarter, term, or semester (as defined herein) of the specific course in which the veteran is enrolled and will fix the "mid-point" of such period in accordance with such official information. If the veteran's remaining entitlement is sufficient to enable him to proceed to any point beyond the "mid-point" thus ascertained, his entitlement shall be extended to the end of the quarter, term, or semester.

(2) If the course is pursued in a school, college, or university which does not subdivide the year and the customary charges for tuition, fees, and supplies do not exceed the rate of $500 for an ordinary school year, determination as to extension of entitlement will be made in accordance with the following:

(i) If entitlement expires at a point which is less than 8½ weeks from the termination of the course, entitlement will be extended to the end of the course.

(ii) If entitlement is not sufficient to extend to the end of the course as set out in subdivision (i) of this subparagraph, then the course will be divided from the beginning into 17-week segments. Thus, if the veteran's entitlement is sufficient to complete more than half of any 17-week segment in which his entitlement expires, his entitlement will be extended to the end of such 17-week segment.

(iii) In any course or period of enrollment of less than 17 weeks' duration but not less than 10 weeks' duration, entitlement will be extended to the end of the course only where the veteran's period of entitlement is sufficient to cover more than half of such course or period of enrollment.

(3) If the charges for tuition, fees, and supplies are in excess of the rate of $500 for an ordinary school year, determination as to extension of entitlement will be made in accordance with the following:

(i) A veteran's entitlement will be extended to the end of the course or school year where his remaining entitlement converted into dollar value at the rate of $2.10 for each day of entitlement is sufficient to carry him to a point from which the remainder of the charges at the full-time rate for tuition, fees, and supplies is an amount which is less than (*a*) $125, if the course or school year consists of 2 semesters or is not divided into quarters or semesters or (*b*) $84, if the course or school year consists of three quarters (provided in either case that the same extension would be in order for a veteran enrolled in the same institution on a nonexcess cost basis).

(ii) (*a*) Where the veteran's entitlement is not sufficient to permit an extension to the end of the course or school year consisting of 2 semesters as set out in subdivision (i) of this subparagraph, the institutional charges for the course or school year will be divided into segments of $250 each. If a veteran's entitlement converted into dollar value at the rate of $2.10 for each day of entitlement is sufficient to cover more than half of such $250 segment in which his entitlement expires, his entitlement will be extended to the end of such $250 segment. (*Provided*, That a comparable extension to the end of the first semester of a school year consisting of 2 semesters would be possible for a veteran enrolled in the same institution on a nonexcess cost basis.)

(*b*) Where the veteran's entitlement is not sufficient to permit an extension to the end of the school year consisting of three quarters, as set out in subdivision (i) of this subparagraph, the charges for the school year will be divided into segments of $167 each. If a veteran's entitlement converted into dollar value at the rate of $2.10 for each day of entitlement is sufficient to cover more than half of such $167 segment in which his entitlement expires, his entitlement will be extended to the end of such $167 segment. (*Provided*, That a comparable extension to the end of the first quarter would be possible for a veteran enrolled in the same institution on a non-excess cost basis.)

(iii) In any case where the enrollment as certified by the veteran and the institution is for less than a school year, i. e., a summer quarter (as defined in paragraph (a) of this section), on a single semester, a single quarter, or 2 quarters within a school-year determination with respect to extension of entitlement for such period of enrollment will be made by applying the principle set forth in subdivisions (i) and (ii) of this subparagraph to the charges for tuition, fees, and supplies which are assessed for the period of enrollment as certified.

(iv) The dollar value of remaining entitlement so determined will represent the limit that may be paid in charges for tuition, fees, and supplies, and the veteran's subsistence allowance will be discontinued in point of time corresponding to the last day represented by such charges.

(v) Where the total charges for tuition, fees, and supplies for a short, full-time excess cost course or short period of enrollment 10 weeks or more in length are less than $250, the veteran's remaining entitlement will be converted into dollar value at the rate of $2.10 for each day of entitlement and entitlement will be extended to the end of such course only if such dollar value represents more than one-half of the total charges for the course.

(vi) It is emphasized that $500 is the maximum that may be paid for any course of less than 30 weeks.

(vii) If the veteran is pursuing an excess cost course on a part-time basis, his entitlement may be extended, if in order, through application of the criteria contained in this section on a fractional basis, i. e., the segments will be one-quarter, one-half, or three-quarters of a $250 or $167 full-time segment, as applicable.

(viii) In determining date of discontinuance of subsistence allowance where payable in flight courses which provide for minimum and maximum number of hours of instruction and varying costs, the determinations respecting extension of entitlement will be premised in each case upon the maximum cost of the course divided by the maximum length of the course in weeks as expressed in the contract. The average hours of training per week for subsistence allowance rates will be determined by dividing the maximum number of hours of instruction by the maximum number of weeks of training. The ending date of subsistence allowance payments will be derived by dividing the dollar value of remaining entitlement by the cost per day of instruction, e. g., veteran with $250 value of remaining entitlement including extension enters flight course on September 1 which has maximum cost of $360 and maximum completion time of 12 weeks or 84 days. Dividing the maximum cost of $360 by 84 days equals $4.28 cost per day. $250 entitlement value divided by $4.28 equals 58 days of entitlement. Therefore, for subsistence allowance purposes the award will be terminated as of the 58th day, that is, October 28. This will not alter the standing policy of terminating subsistence alowance upon expiration of the average length of flight training course in weeks as stipulated by the contract where the dollar value of remaining entitlement is sufficient to complete the course.

(ix) In all excess cost courses where the dollar value of remaining entitlement including any statutory extension is not sufficient to cover the term, semester, or period of enrollment, the converted value of the veteran's remaining entitlement, having been determined by the registration officer and reported on VA Form 7–1907c or VA Form 7–1907c–1, will not be exceeded by the finance activity, and this amount may be paid regardless of the time in the course when charges for tuition, fees, supplies, etc., fall due; the time limit determined for subsistence payment shall not preclude the payment of the total amount of charges for tuition, etc., as authorized in this section in an extension of entitlement.

* * * * *

11. Section 21.53a is amended to read as follows:

§ 21.53a *Termination of entitlement.* On the exact date that entitlement, as defined in § 21.50 or in § 21.53, has been exhausted in accordance with the charges made against entitlement pursuant to the provisions of § 21.52, training status will be terminated for all purposes under the law. (See § 21.55.)

12. In § 21.56, paragraphs (c) (5) and (d) are added as follows:

§ 21.56 *Adjustments in entitlement through renouncement of leave or training status extensions.* * * *

(c) * * *

(5) A veteran will not be permitted to refund subsistence allowance in an amount less than that which represents the whole of any particular period for which his training status was extended or for which leave was granted.

(d) When a veteran has secured one extension of entitlement through repurchase of leave or training status exten-

sion, he will have no further entitlement remaining after completion of the quarter, term, or semester in which the extension was granted, and he may not thereafter create additional entitlement by refund, repurchase of leave, or otherwise.

13. A new § 21.153 is added as follows:

§ 21.153 *Study in a foreign country under the auspices of an approved institution of higher learning in the United States.* A veteran who is enrolled under the provisions of Part VIII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12), in an institution of higher learning located in the United States, may pursue a part of his course in a foreign country for graduate or undergraduate credit, provided the following conditions are met:

(a) A responsible official of the parent institution in which the veteran is enrolled certifies to the regional office having jurisdiction:

(1) That the veteran is enrolled as a bona fide student in the parent institution for course specified.

(2) The date the veteran will actually begin his training abroad and the date he will complete his training abroad.

(3) Where the course is undergraduate, the number of semester hours per semester of credit (or the equivalent in terms of quarter hours or other units) to be awarded for the course or, where the course is graduate, whether such course is one-fourth, one-half, three-fourths, or full time.

(4) As to how the veteran will be supervised by the parent institution and the means or methods by which the veteran's conduct and progress will be determined, subject to subparagraph (5) of this paragraph.

(5) That the parent institution:

(i) Will obtain information once each month as to the veteran's conduct and progress. (This information may be based on written reports of progress made to the parent institution by the institution or individual where or under whom the trainee is studying in the foreign country, or, in the case of a graduate student engaged in research, on the written reports which such student submits to the dean of the graduate school or the chairman of his committee.)

(ii) Will notify the regional office immediately at any time the institution has evidence, through the reports submitted or otherwise, that the veteran is no longer pursuing his course according to the established standards and practices of the institution or that his conduct or program is unsatisfactory in accordance with the standards and practices of the institution.

(b) Payment will be made by the Veterans' Administration to the parent institution for tuition, fees, books, supplies, and equipment at the rates customarily charged other (nonveteran) students pursuing the same courses. Payment for books, supplies, and equipment will be limited to those items customarily required to be owned personally by all other students (nonveteran) taking the same or comparable course, and in no instance will the items be greater in variety, quality, or amount than required of other students. No payment will be made directly or indirectly to cover cost of transportation, board, lodging, laundry, sightseeing tours, or other noninstructional expenses not ordinarily covered by charges for tuition and fees.

(c) The parent institution will assume full responsibility for compensating the foreign institution, establishment, or individual, where or under whom the veteran is pursuing training, for all costs of instruction, supplies, and equipment, and other allowable charges incident to such training.

(d) Subsistence allowance will be authorized if otherwise in order for the time actually spent in pursuit of the course of training but not for time spent in travel.

(Sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9, sec. 2, 57 Stat. 43, as amended, sec. 400, 58 Stat. 287, as amended; 38 U. S. C. 11a, 701, 707, ch. 12 note. Interprets or applies secs. 3, 4, 57 Stat. 43, as amended, secs. 300, 1500–1504, 1506, 1507, 58 Stat. 286, 300, as amended; 38 U. S. C. 693g, 697–697d, 697f, g, ch. 12 note)

This regulation is effective April 10, 1952.

[SEAL] O. W. CLARK,
Deputy Administrator.

[F. R. Doc. 52-4103; Filed, Apr. 9, 1952; 8:51 a. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

[S. O. 865, Amdt. 24]

PART 95—CAR SERVICE

DEMURRAGE ON FREIGHT CARS

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 4th day of April A. D. 1952.

Upon further consideration of Service Order No. 865 (15 F. R. 6197, 6256, 6330, 6452, 7800; 16 F. R. 320, 819, 1131, 2040, 2894, 3619, 5175, 6184, 7359, 8583, 9901, 10994, 11313, 12096, 13102; 17 F. R. 896, 1857, 2850), and good cause appearing therefor: It is ordered, that:

Section 95.865 *Demurrage on freight cars* of Service Order No. 865, as amended, be and it is hereby suspended until 11:59 p. m., May 31, 1952, on all freight cars except cars described in the current Official Railway Equipment Register, Agent M. A. Zenobia's I. C. C. 302, supplements thereto and reissues thereof, as Class "G"—Gondola Car Type and Class "F"—Flat Car Type.

It is further ordered, that this amendment shall become effective at 7:00 a. m., April 9, 1952, and a copy be served upon the State railroad regulatory bodies of each State, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(Sec. 12, 24 Stat. 383, as amended; 49 U. S. C. 12. Interprets or applies secs. 1, 15, 24 Stat. 379, as amended, 384, as amended; 49 U. S. C. 1, 15)

By the Commission, Division 3.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 52-4085; Filed, Apr. 9, 1952; 8:48 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR Part 932]

[Docket No. AO-33-A18]

MILK IN FORT WAYNE, INDIANA, MARKETING AREA

NOTICE OF EXTENSION OF TIME FOR FILING EXCEPTIONS

Notice is hereby given that the time within which interested parties may file written exceptions to the recommended decision of the Acting Assistant Administrator, Production and Marketing Administration, United States Department of Agriculture, with respect to a proposed amendment to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Fort Wayne, Indiana, marketing area, which was issued on March 24, 1952, and published in the FEDERAL REGISTER on March 27, 1952 (17 F. R. 2675), is hereby extended to the close of business on April 10, 1952. Exceptions filed pursuant to this notice should be filed with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., in quadruplicate.

Dated: April 7, 1952, at Washington, D. C.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator.

[F. R. Doc. 52-4108; Filed, Apr. 9, 1952; 8:52 a. m.]

[7 CFR Part 980]

[Docket No. AO-183-A3]

HANDLING OF MILK IN THE TOPEKA, KANSAS, MARKETING AREA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO A PROPOSED AMENDMENT TO THE TENTATIVE MARKETING AGREEMENT, AND TO THE ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of

1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Assistant Administrator, Production and Marketing Administration, United States Department of Agriculture, with respect to a proposed amendment to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Topeka, Kansas, marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C. not later than the close of business the 5th day after publication of this decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. The hearing, on the record of which the proposed amendment to the tentative marketing agreement and to the order, as amended, was formulated, was conducted at Topeka, Kansas, on February 21, 1952, pursuant to notice thereof which was issued on February 12, 1952 (17 F. R. 1480).

Proposed amendments were submitted by the Shawnee County Milk Producers Association, Beatrice Foods Company, and the Dairy Branch, Production and Marketing Administration.

The material issues proposed on the record of hearing and on which findings and conclusions are herein set forth are concerned with:

(1) The definition of "producer" as it pertains to milk received at a pool plant supplying Class I milk to a United States Government institution or base.

(2) The establishment of conditions of performance with which a plant must comply in order to remain in the pool.

(3) The classification of milk disposed of as concentrated milk and aerated cream products and to unapproved plants.

(4) The level of prices for Class I and Class II milk.

(5) Increasing the rate of "take-out" in the fall incentive plan and adding April to the "take-out" months.

(6) Various administrative changes.

By decision of the Acting Secretary of Agriculture issued March 17, 1952 (17 F. R. 2396) action has been taken with respect to prices for Class I and Class II milk to apply for the month of April 1952.

Findings and conclusions. The findings and conclusions with respect to the aforementioned material issues, all of which are based on the evidence introduced at the hearing and the record thereof, are as follows:

1. *Producer definition.* The definition of producer should be clarified as it pertains to milk which is received at a plant supplying Class I milk to a United States Government institution or base. The order now provides that any person who produces milk acceptable to agencies of the United States Government for fluid consumption in its institutions or bases would be considered a producer under the order, provided that his milk was received at a plant supplying Class I milk to such an institution or base in the marketing area. The recommended change would consider such a person as a producer only if the milk produced by him and delivered to a pool plant was acceptable to agencies of the United States Government for fluid consumption in its institutions or bases as Type I; Type II, No. 1; or Type III, No. 1. These categories are defined in the Federal specifications C–M–381e. The quality of milk thus defined is similar to that established for Grade A milk in the area. Types I, II, and III are pasteurized certified milk, pasteurized milk, and homogenized pasteurized milk, respectively. The grades other than No. 1 under Types II and III include milk of a poorer quality, No. 2 permitting a standard plate count not to exceed 500,000 bacteria per milliliter, No. 3 not exceeding 1,000,000 bacteria per milliliter. In effect, milk which is similar in quality to Grade A would be pooled under the order and milk of lower quality would be excluded from the pool as other source milk. The policy of the governmental institutions and bases is to use milk of lower quality only when milk of a quality approximating Grade A, described above as Type I; Type II, No. 1; or Type III, No. 1, is not available. The change herein recommended would not affect the status of any handler or producer currently on the market but would set forth in the order the language of the Federal specification which establishes the standards of quality for milk delivered to governmental institutions and bases.

2. *Pool plant qualifications.* The milk to be "pooled" (included in the computation of the uniform price) for the months of July through February should be that received from producers at a plant from which at least 15 percent of the receipts of approved milk is disposed of as Class I milk and Class II milk in the marketing area. For the months of March through June, the milk to be pooled should be that received from producers at a plant which disposed of a substantial portion of its receipts as Class I and Class II milk in the marketing area during four preceding fall months (August through November).

The order presently provides for pooling all Grade A milk received at or diverted from a plant from which any milk is disposed of as Class I or as Class II milk in the marketing area. It was proposed to designate as "pool plants" those approved plants which disposed of a minimum percentage of their receipts of producer milk as Class I and Class II milk in the marketing area and to restrict the milk to be pooled to that received or diverted from pool plants.

Under the provisions of the order approval of local health authorities with respect to both dairy farmers and plants does not constitute a means of identifying certain milk with the fluid trade of the Topeka area. The order recognizes as Grade A milk in the Topeka market any milk which is produced under a dairy farm permit or rating issued by the health authorities of any municipal or State government, regardless of whether such jurisdiction is located outside the marketing area. Consequently, there is opportunity under the present provisions of the order for considerable volumes of milk to be pooled on the basis of very slight contribution to the Class I and Class II needs of the marketing area. Token sales of Class I or Class II milk may now be made during periods of flush production from a plant at which the milk received is principally used for manufacturing dairy products and the entire receipts of approved milk at such a plant would be pooled. The pooling of all milk received at such a plant reduces the uniform price received by producers whose milk is used regularly in the market and tends to discourage them from producing sufficient milk to meet the needs of the market.

Plants which dispose of a minor portion of their receipts of approved milk in the marketing area can hardly be considered to have fully identified such receipts as a part of the regular supply for the Topeka market to which uniform prices to producers should apply. It is likely that the Topeka market is not the primary market for which such milk is produced and that other markets may have first claim on the supplies of such a plant.

The requirement that not less than 15 percent of milk received at a plant from approved dairy farmers be disposed of as Class I or Class II in the marketing area in order to qualify as a pool plant during any of the months of July through February provides a reasonable standard for establishing a plant's association with the Topeka market. The 15 percent rate was proposed by producers and was unopposed at the hearing. No plant now regularly associated with the market would have been affected if the provision had been in effect heretofore.

The pool should not be diluted during the spring months of flush production by plants that had not supplied the market in the preceding short season. A plant which had disposed of more than half of its receipts from approved dairy farmers as Class I and Class II in the marketing area during the preceding short production months of August through November would have established its association with the market and would be considered a pool plant during the months of March through June. Exception to having a plant qualify in this manner should be made only with regard to a plant that became newly associated with the market in the spring months by reason of doing a substantial portion of its business in the marketing area. Provision should be made for such a plant to become a pool plant during any of the spring months during which not less than 40 percent of the milk received at such plant from approved dairy farmers was disposed of as Class I and Class II in the marketing area. The 40 percent rate used here was proposed by producers, was not excepted to at the hearing, and establishes a reasonable standard for qualifying a plant which had not been associated with the market throughout all the preceding qualifying fall months.

Provision must be made to establish the responsibility of a handler who operates a plant from which Class I and Class II milk is disposed in an amount less than

that required for such plant to qualify as a pool plant. Provision should be included to price handler's milk uniformly. Producers regularly supplying the market also need assurance that unpriced milk will not reduce their sales in the higher classes. The non-pool handler should report his receipts and utilization to the market administrator in order that his status may be determined. He should pay to the producer-settlement fund of the order the lesser of (a) the difference between the Class III price and the price for the class of use with respect to all milk disposed of as Class I or Class II milk in the marketing area or (b) the difference, if any, between the cost of all of his receipts of approved milk at the class prices of the order and his payments to the approved dairy farmers who would be considered producers under the present provisions of the order. In addition such a handler should pay his pro rata share of the costs of administration of the order. Such provisions will insure uniformity of costs of milk among handlers, and will recognize the payments that non-pool handlers, through choice or competition, make to approved dairy farmers.

3. *Classification.* (a) Fresh concentrated milk and milk drinks disposed of for fluid consumption should be classified as Class I milk on the basis of their volume before concentration.

Concentrated milk referred to herein is fresh fluid milk from which water has been removed so that the volume of the product is less than that of the fluid milk from which it is made. It is packaged and distributed to consumers in the same style container as is fluid milk. The consumer in utilizing the concentrated milk may add a quantity of water equal to that which was removed in its manufacture to prepare it for fluid use. Concentrated milk differs from evaporated milk in that it is not sterilized and packed in hermetically sealed cans. Plain condensed milk used for manufacture (in ice cream, etc.) is not included in this definition.

Concentrated milk has not yet been distributed or offered for sale in the Topeka market, although it is now being sold in a number of other markets throughout the country. Should it be sold in the Topeka market, it would compete with Class I products in both the supply side of the market and in the various sales outlets wherein fluid milk and cream products are sold. It appears that milk meeting the same quality standards and subject to the same seasonal distribution of production as is required for Class I milk would be required to make concentrated milk.

(b) Cream used to produce aerated cream products should be classified as Class III.

At present the order provides a Class II classification for cream used in aerated cream products. Such aerated cream as is made locally from Grade A milk must compete in the Topeka market with aerated cream which is manufactured some distance from Topeka, and which is made from cream purchased at the manufacturing price in another market. Conversely, aerated cream made in the Topeka market is distributed over wide areas and must compete with the same product made by handlers from cream purchased at manufacturing prices, which are nearer the level of the Class III than the Class II price under the Topeka order.

(c) The provisions which determine the classification of milk, skim milk and cream moved from approved plants to unapproved plants should be clarified to avoid conflict in interpretation that is likely to arise under the present provisions. The provisions should also be modified to permit classification of cream moved more than 100 miles to be the manufacturing class (Class III) if such cream is moved without Grade A certification. Cream can move economically considerable distances for manufacturing use. The provisions adopted are essentially those proposed at the hearing by producers with a modification to safeguard classification of movements to the unapproved plant which a handler operates in the marketing area. Such modification was approved on the record by the handler affected.

4. *The levels of prices for Class I and Class II milk.* The price for Class I milk should be the same as that established under Federal Order No. 13 for the nearby Greater Kansas City market. The price per hundredweight for Class II milk should be 25 cents less than the Class I price.

The Topeka market draws a major portion of its milk supply from areas from which the Greater Kansas City market is also supplied with milk. There is consequently considerable competition for producer milk between the Topeka and Greater Kansas City markets. The points of greatest competition are in the areas from which producers supplying Greater Kansas City deliver milk to receiving stations at Lawrence and Tonganoxie, Kansas. Since first issued (January 1948) the Topeka order has provided for a Class I price 15 cents per hundredweight less than that of the Greater Kansas City order, which was then subject to a location differential for milk delivered to these receiving stations. Kansas City handlers paid their producers without deducting the location differential and it is no longer included in the Kansas City order. Since early in 1949 Topeka handlers have consistently paid premiums over the minimum prices of the order so that they might compete with Kansas City. The premiums paid in 1951 averaged 15.74 cents per hundredweight of Class I and Class II milk.

A hearing was held in Kansas City on February 18–19, 1952, on proposals to change Class I prices in the Kansas City market. This record indicated the necessity for official notice of the decision with respect to the proposals in Kansas City. In a separate decision it has been concluded that the differentials added to basic formula prices in the Kansas City order should be increased 12.5 cents on the annual average, and that this should be accomplished by an increase of 45 cents in the differentials for the months of March and August, and an increase of 15 cents in the differentials for April, May, June and July. It has also been concluded that the Class I prices in the Kansas City market should be adjusted automatically in response to changes in the ratio of producer receipts to Class I sales in that market.

The supply situation in the Topeka market is currently quite similar to that of the Kansas City market. Furthermore, the competitive situation between the two markets is such that changes in Kansas City prices require changes in Topeka prices either through amendment to the order or by premiums paid by handlers. Producers and handlers are in agreement that the Class I price of the Topeka order should be the same as that of the Kansas City order. With identical Class I prices in the two markets any differences in the level of supply of producer milk as related to sales will be reflected in the uniform producer prices of the orders, and producers may be expected to shift to the market with the higher uniform price. Topeka is a much smaller market than Kansas City, so that the shifting of a given volume of milk to or from the Kansas City market will affect producer prices in Topeka much more than in Kansas City. Under the present competitive situation if Class I prices are maintained at the same level in the two markets, Topeka should not be short of milk unless Kansas City is also short of milk, nor should Topeka be oversupplied unless Kansas City is oversupplied. The supply-demand ratio of the major Kansas City market is considered an appropriate basis for adjustment of Class I prices in both markets.

In order that the automatic adjustment of Kansas City Class I prices may be reflected in the Topeka Class I price, the order provisions adopted refer specifically to the Class I price of the Kansas City order. Thus any future changes of the Class I price in the Kansas City order will affect prices under the Topeka order. Experience has shown that whenever changes in the Kansas City Class I price were made, identical changes were also necessary in Topeka prices.

The price for Class II milk should be maintained at its present relationship to the Class I price which is 25 cents per hundredweight less than the Class I price.

5. *Fall production incentive plan.* The rate of deduction or take-out under the fall production incentive plan should be 40 cents per hundredweight on all milk received from producers during the months of April through July. The order currently provides for a rate of 20 cents during the months of May, June and July.

The need for increasing the amount of take-out was uncontroverted on the hearing record. Production of more milk in the fall months is needed in the Topeka market. An increase in returns to producers for this production through the fall production incentive plan would be an incentive for producers to level out their production.

Producers proposed a take-out of 75 cents per hundredweight on all Class I and Class II milk instead of computing the take-out on all milk received from producers as now provided for in the order. Using Class I and Class II sales

instead of production as a basis for the take-out was not shown to be of advantage to the market.

On the basis of Class I and Class II sales in the take-out months of 1951 a 75 cent take-out would have been the equivalent of 59.4 cents per hundredweight on all milk received from producers during those months. The Class I and Class II prices substantiated by the record, and discussed in Issue No. 4 do not provide an adequate increase to make available such funds for a take-out. However, the recommended increase in the Class I and Class II prices approximates the recommended increase in the take-out in the spring months.

Adding April to the take-out months as proposed by producers would have four months in the take-out period and three months in the pay-back. April is generally associated with the months of flush production in the Topeka market. The take-out in this month will contribute significantly toward increasing the fall production incentive plan payments. The prices currently provided in the order have not sufficiently improved the seasonality of production with regard to the supply of milk for the fall months. The increased moneys set aside by adding April to the take-out months together with increasing the rate of take-out will result in correspondingly larger payments to producers for milk delivered to the market in October, November, and December. This will accentuate in a desired manner the seasonality of uniform prices returned to producers.

6. *Administrative changes.* The following changes, which are largely of an administrative nature, should be made in the order:

(a) Provisions should be added with respect to the period of time within which handlers are required to retain records and with respect to termination of obligations arising under the order. The provisions adopted are those common to all milk orders and their usefulness was established on the record.

(b) An amended order should be issued with the sections, paragraphs, subparagraphs and subdivisions numbered in accordance with the codification requirements of the Federal Register. In connection with this revision some rearrangement and rewording of the present provisions has been included without any substantive change.

Rulings on proposed findings and conclusions. Briefs were filed on behalf of the Shawnee County Producers Association and Beatrice Foods Company.

The briefs contained statements of fact, proposed findings and conclusions and arguments with respect to the provisions of the proposed amendments. Every point covered in the briefs was carefully considered along with the evidence in the record in making the findings and reaching the conclusions hereinbefore set forth. To the extent that the findings and conclusions proposed in the briefs are inconsistent with the findings and conclusions contained herein, the request to make such findings or to reach such conclusions is denied on the basis of the facts found and stated in connection with the conclusions in this recommended decision.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply of and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed order, as amended, and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Recommended marketing agreement and order. The following amended order is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be identical with those contained in the amended order hereby proposed.

Sec.

Definitions

§ 980.1 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246 (1937) 7 U. S. C. 1940 ed. 501 et seq.), as amended.

§ 980.2 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the United States Department of Agriculture authorized to exercise the powers and to perform the duties of the Secretary of Agriculture of the United States.

§ 980.3 *Person.* "Person" means any individual, partnership, corporation, association, or any other business unit.

§ 980.4 *Cooperative association.* "Cooperative association" means any cooperative association of producers which the Secretary determines:

(a) To be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act;"

(b) To have its entire activities under the control of its members; and

(c) To have and to be exercising full authority in the sale of milk of its members.

§ 980.5 *Topeka, Kansas, marketing area.* "Topeka, Kansas, marketing area" hereinafter called "marketing area" means the city of Topeka and all the territory in Shawnee County, Kansas.

§ 980.6 *Approved dairy farmer.* "Approved dairy farmer" means any person who:

(a) Holds a permit or rating issued by the health authority of any municipal or State government for the production of milk to be disposed of as Grade A milk, or

(b) Produces milk acceptable to agencies of the United States Government for fluid consumption in its institutions or bases as Type I; Type II, No. 1; or Type III, No. 1; which milk is received at an approved plant supplying Class I or Class II milk products to such an institution or base in the marketing area.

§ 980.7 *Producer.* "Producer" means any approved dairy farmer (except a producer-handler) whose milk is:

(a) Received at a pool plant, or

(b) Diverted by either the handler who operates a pool plant or a cooperative association to a non-pool plant for the account of such handler or cooperative association.

§ 980.8 *Approved plant.* "Approved plant" means any milk plant or portion thereof which is:

(a) Approved by the health authority of any municipal or State government for the handling of milk for consumption as Grade A milk and from which Class I milk or Class II milk is disposed of within the marketing area, or

(b) Supplying Class I or Class II milk products to any agency of the United States Government located within the marketing area.

§ 980.9 *Pool plant.* "Pool plant" means any approved plant other than that of a producer-handler during:

(a) Any delivery period of January, February, July, August, September, October, November or December within which such plant disposes of on routes or through plant stores as Class I or Class II milk in the marketing area not less than 15 percent of such plant's receipts of milk from approved dairy farmers; and

(b) Each of the delivery periods of March, April, May and June, if during the preceding delivery periods of August, September, October and November, such plant:

(1) Was a pool plant during each such delivery period; and

(2) Disposed of as Class I and Class II milk in the marketing area a total amount of milk equal to 50 percent or more of such plant's total receipts of milk from approved dairy farmers during such delivery periods: *Provided,* That an approved plant which was not an approved plant during each of the preceding delivery periods of August, September, October and November shall be a pool plant during any of the delivery periods of March, April, May and June within which such plant disposes of as Class I and Class II milk in the marketing area an amount of milk equal to 40 percent or more of such plant's receipts of milk from approved dairy farmers.

For the purpose of definition, milk diverted from an approved plant for the account of the handler operating such approved plant shall be considered a receipt at the approved plant from which it was diverted, and milk diverted from an approved plant to an unapproved plant for the account of a cooperative association which does not operate a plant shall be deemed to have been received by such cooperative association at a pool plant.

§ 980.10 *Handler.* "Handler" means (a) any person in his capacity as the operator of an approved plant, or (b) any cooperative association with respect to the milk of any producer which such cooperative association causes to be diverted from a pool plant to another milk plant for the account of such cooperative association.

§ 980.11 *Producer - handler.* "Producer-handler" means any person who produces milk, operates an approved plant, and receives no milk from producers or from sources other than pool plants.

§ 980.12 *Producer milk.* "Producer milk" means all milk produced by a producer, other than a producer-handler, which is received by a handler either directly from such producers or from other handlers.

§ 980.13 *Other source milk.* "Other source milk" means all milk and milk products other than producer milk.

§ 980.14 *Milk product.* "Milk product" means any product manufactured from milk or milk ingredients except those products which are included in the definition of Class III milk pursuant to § 980.41 (c) and which is disposed of in the form in which received without further processing or packaging by the handler.

§ 980.15 *Delivery period.* "Delivery period" means calendar month or the portion thereof during which this part is in effect.

MARKET ADMINISTRATOR

§ 980.20 *Designation.* The agency for the administration of this part shall be a market administrator who shall be a person selected by the Secretary. Such person shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

§ 980.21 *Powers.* The market administrator shall:

(a) Administer the terms and provisions hereof;

(b) Report to the Secretary complaints of violations of the provisions hereof;

(c) Make rules and regulations to effectuate the terms and provisions hereof; and

(d) Recommend to the Secretary amendments hereto.

§ 980.22 *Duties.* The market administrator shall:

(a) Within 45 days following the date upon which he enters upon his duties, execute and deliver to the Secretary a bond, conditioned upon the faithful performance of his duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Pay out of the funds provided by § 980.89 the cost of his bond, his own compensation, and all other expenses necessarily incurred in the maintenance and functioning of his office, except as provided by § 980.88;

(c) Keep such books and records as will clearly reflect the transactions provided for herein and surrender the same to his successor or to such other person as the Secretary may designate;

(d) Publicly disclose, unless otherwise directed by the Secretary, the name of any person who, within 10 days after the date upon which he is required to perform such acts, has not made reports pursuant to §§ 980.30 through 980.32, or payments pursuant to §§ 980.80 and 980.84; and

(e) Promptly verify the information contained in the reports submitted by handlers.

REPORTS, RECORDS AND FACILITIES

§ 980.30 *Reports of receipts and utilization.* On or before the 5th day after the end of each delivery period each handler, except a producer-handler, shall report to the market administrator in the detail and on forms prescribed by the market administrator with respect to receipts within such delivery period, as follows:

(a) The receipts at each plant of milk from each producer, the butterfat content thereof, and the number of days on which milk was received from each producer who did not deliver milk during the entire delivery period;

(b) The receipts from such handler's own farm production and the butterfat content thereof;

(c) The receipts of milk, cream, and milk products from handlers who receive milk from producers and the butterfat content thereof;

(d) The receipts of other source milk;

(e) The respective quantities of milk and milk products and the butterfat content thereof which were sold, distributed, or used, including sales to other handlers, for the purpose of classification pursuant to § 980.40;

(f) The disposition of Class I and Class II products outside the marketing area; and

(g) Such other information with respect to receipts and utilization as the market administrator may prescribe.

§ 980.31 *Payroll reports.* On or before the 20th day of each delivery period, each handler operating a pool plant shall submit to the market administrator his producer payroll for receipts during the preceding delivery period which shall show:

(a) The total pounds and the average butterfat test of milk received from each producer and cooperative association;

(b) The amount of payment to each producer and cooperative association; and

(c) The nature and amount of any deductions or charges involved in such payments.

§ 980.32 *Other reports.* Each handler who is not required to submit reports pursuant to § 980.30 shall submit such reports with respect to his handling of milk or milk products at the time and in such manner as the market administrator may request and shall permit the market administrator to verify such reports.

§ 980.33 *Verification of reports and payments.* The market administrator shall verify all reports and payments of each handler by audit of such handler's

records and the records of any other handler or person upon whose disposition of milk the classification depends. Each handler shall keep adequate records of receipts and utilization of milk and milk products and shall, during the usual hours of business, make available to the market administrator such records and facilities as will enable the market administrator to:

(a) Verify the receipts and disposition of all milk and milk products and in the case of errors or omissions, ascertain the correct figures;

(b) Weigh, sample, and test for butterfat content the milk purchased or received from producers and any product of milk upon which classification depends; and

(c) Verify payments to producers.

§ 980.34 *Retention of records.* All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the calendar month to which such books and records pertain: *Provided,* That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

Classification

§ 980.40 *Milk to be classified.* All milk and milk products received within the delivery period by each handler which are required to be reported pursuant to § 980.30 shall be classified by the market administrator pursuant to the provisions of §§ 980.41 to 980.46, inclusive.

§ 980.41 *Classes of utilization.* Subject to the conditions set forth in §§ 980.42 and 980.43 the classes of utilization shall be as follows:

(a) Class I milk shall be all milk and skim milk:

(1) Disposed of for consumption as milk, skim milk, buttermilk, flavored milk and milk drinks;

(2) In milk, flavored milk, or flavored milk drinks in concentrated form (fresh or frozen) neither sterilized nor in hermetically sealed cans, packaged and disposed of on routes or through plant stores for fluid consumption; and

(3) Not specifically accounted for as Class II or Class III milk.

(b) Class II milk shall be all milk used to produce:

(1) Cream which is disposed of in the form of cream other than for use in products specified in paragraph (c) of this section;

(2) Milk products sold or disposed of in the form of cream testing less than 18 percent butterfat; and

(3) Cottage cheese and eggnog.

(c) Class III milk shall be all milk:

(1) Used to produce butter, cheese (other than cottage cheese), evaporated milk, condensed milk, aerated cream products, ice cream, ice cream mix, frozen desserts, and powdered milk;

(2) Disposed of as livestock feed;

(3) Used for starter churning, wholesale baking and candy making purposes;

(4) In the milk equivalent of butterfat accounted for as loss in products where salvage of fat is impossible; and

(5) In the milk equivalent of unaccounted for butterfat not in excess of 3 percent of the total receipts of butterfat other than receipts from other handlers.

§ 980.42 *Responsibility of handlers in establishing the classification of milk.* In establishing the classification as required in § 980.41 of any milk received by a handler from producers, the burden rests upon the handler who received the milk from producers to account for the milk and to prove to the market administrator that such milk should not be classified as Class I milk.

§ 980.43 *Transfers of milk.* Milk, skim milk or cream transferred from an approved plant to other milk plants shall be classified as follows:

(a) Milk or skim milk moved in fluid form from an approved plant to an unapproved plant located more than 100 miles from the approved plant shall be Class I milk;

(b) Cream moved in fluid form from an approved plant to an unapproved plant located more than 100 miles from the approved plant shall be Class II milk if moved under Grade A certification and shall be Class III milk if so moved without Grade A certification;

(c) Milk, skim milk, or cream moved in fluid form from an approved plant to an unapproved plant located not more than 100 miles from the approved plant and from which fluid milk and cream are distributed, shall be Class I if moved in the form of milk or skim milk and Class II if moved in the form of cream: *Provided,* That if the purchaser certifies that the market administrator may verify the necessary records such milk, skim milk, or cream, shall be classified as follows: (1) determine the classification of all milk received in the unapproved plant, and (2) allocate the milk, skim milk or cream received from the approved plant to the highest use classification, the receipts of milk at such unapproved plant directly from dairy farmers who the market administrator determines constitute its regular source of milk for Class I and Class II use;

(d) Except as provided in paragraph (c) of this section milk, skim milk, or cream moved from an approved plant to an unapproved plant located not more than 100 miles from the approved plant and which does not distribute fluid milk or cream shall be classified as Class III milk;

(e) Milk, skim milk or cream moved from an approved plant to an unapproved plant (1) operated by the handler operating such approved plant or by an affiliate of such handler, (2) located in the marketing area, and (3) from which milk, skim milk or cream is moved to any other milk plant, shall be classified as though moved directly from the approved plant to such other milk plant, to the extent of the volume moved from such unapproved plant to other milk plants;

(f) Milk or skim milk moved from an approved plant to the approved plant of another handler, except a producer-handler, shall be Class I, and cream so moved shall be Class II, unless utilization in another class is indicated in writing by both the seller and the buyer on or before the 5th day after the end of the delivery period, but in no event shall the amount classified in any class exceed the total use in such class by the receiving handler; *Provided,* That if either or both handlers have purchased other source milk, milk, skim milk, or cream so moved shall be classified at both plants so as to return the highest class utilization to producer milk.

(g) Milk or skim milk disposed of from an approved plant to a producer-handler shall be Class I, and cream so disposed of shall be Class II.

§ 980.44 *Computation of milk in each class.* For each delivery period each handler shall compute, in the manner and on forms prescribed by the market administrator, the amount of milk in each class as defined in § 980.41 as follows:

(a) Determine the total pounds of milk received at approved plants from producers, other handlers and other sources.

(b) Determine the total pounds of butterfat in milk received at approved plants from producers, other handlers and other sources; and add together the resulting amounts.

(c) Determine the total pounds of milk in Class I as follows:

(1) Convert to pounds the quantity of Class I milk on the basis of 2.15 pounds per quart (except that in the case of converting milk, flavored milk or flavored milk drinks in concentrated form such conversion shall apply to the volume of milk used in the production of the concentrated product rather than to the volume of the finished product), and subtract the weight of any flavoring materials included, (2) multiply the result by the average butterfat test of such milk, and (3) if the quantity of butterfat so computed when added to the pounds of butterfat in Class II milk and Class III milk, computed pursuant to paragraphs (d) (2) and (e) (3) of this section is less than the total pounds of butterfat received computed in accordance with paragraph (b) of this section, an amount equal to the difference shall be divided by 3.8 percent and added to the quantity of milk determined pursuant to subparagraph (1) of this paragraph.

(d) Determine the total pounds of milk in Class II as follows: (1) multiply the actual weight of each of the several products of Class II milk by its average butterfat test, (2) add together the resulting amounts, and (3) divide the

result obtained in subparagraph (2) of this paragraph by 3.8 percent.

(e) Determine the total pounds of milk in Class III as follows: (1) multiply the actual weight of each of the several products of Class III by its average butterfat content, (2) add together the resulting amounts, (3) add the amount of butterfat allowed as plant shrinkage pursuant to paragraph (f) of this section, and (4) divide the resulting sum by 3.8 percent.

(f) The amount of butterfat to be allowed as plant shrinkage shall be the smaller of the following amounts: (1) 3 percent of the total receipts of butterfat by the handler, exclusive of receipts from other handlers, or (2) the amount, if any, by which the sum of the pounds of butterfat computed pursuant to subparagraphs (c) (2), (d) (2), and (e) (2) of this section is less than the total receipts of butterfat by the handler.

§ 980.45 *Allocation of milk classified.* Determine the classification of milk received from producers as follows:

(a) Subtract from the total pounds of milk in each class, determined pursuant to § 980.44 the pounds of other source milk allocated to such class pursuant to the following:

Receipts of other source milk shall be allocated to Class III except that other source milk may be allocated to Class II to the extent that Class II milk exceeds the amount of all producer milk classified as Class II milk; and other source milk may be allocated to Class I only to the extent that the total amount of the Class I milk of the handler exceeds the total amount of producer milk received by such handler.

(b) Subtract from the remaining pounds of milk in each class the pounds of producer milk which were received from other handlers and used in such class.

§ 980.46 *Reconciliation of utilization of milk by classes with receipts of milk from producers.* In the event of a difference between the total quantity of milk used in the several classes as computed pursuant to § 980.45 and the quantity of milk received from producers, except for excess milk or milk equivalent of butterfat pursuant to § 980.64, such difference shall be reconciled as follows:

(a) If the total utilization of milk in the various classes for any handler, as computed pursuant to § 980.45, is less than the receipts of milk from producers, the market administrator shall increase the total pounds of milk in Class III for such handler by an amount equal to the difference between the receipts of milk from producers and the total utilization of milk by classes for such handler.

(b) If the total utilization of milk in the various classes for any handler, as computed pursuant to § 980.45, is greater than the receipts of milk from producers, the market administrator shall decrease the total pounds of milk for such handler by subtracting in series beginning with the lowest class use of such handler an amount equal to the difference between the receipts of milk from producers and the total utilization of milk by classes for such handler.

MINIMUM PRICES

§ 980.50 *Class prices.* Subject to the butterfat differential set forth in § 980.51, each handler shall pay producers at the time and in the manner set forth in § 980.80 not less than the following prices per hundredweight of milk received during each delivery period from producers:

(a) *Class I milk.* The price of Class I milk for each delivery period shall be the same as the Class I price for that delivery period provided for in Order No. 13, regulating the handling of milk in the Greater Kansas City marketing area.

(b) *Class II milk.* The price of Class II milk shall be the Class I price minus 25 cents.

(c) *Class III milk.* The price of Class III milk shall be the average price ascertained by the market administrator to have been paid or to be paid for ungraded milk of 3.8 percent butterfat content received during such delivery period at the following plants: The Jensen Creamery Company at its plant at Topeka, Kansas, the Beatrice Foods Company at its plant at Topeka, Kansas, and the Meyer Sanitary Milk Company at its plant at Valley Falls, Kansas.

§ 980.51 *Butterfat differential.* If the average butterfat content of milk received from producers by any handler during any delivery period is more or less than 3.8 percent, there shall be added or subtracted per hundredweight of such milk for each one-tenth of 1 percent above or zelow 3.8 percent an amount equal to the Class III price for such delivery period, divided by 38.

APPLICATION OF PROVISIONS

§ 980.60 *Producer-handlers.* Sections 980.40 through 980.45, 980.50, 980.51, 980.61 through 980.65, 980.70, 980.71, and 980.80 through 980.89 shall not apply to a producer-handler.

§ 980.61 *Handler operating an approved plant which is not a pool plant.* Each handler who operates an approved plant which is not a pool plant during a delivery period shall in lieu of the payments required pursuant to § 980.84 pay to the market administrator, for the producer-settlement fund, on or before the 25th day after the end of such delivery period, the amount resulting from the computations of either paragraph (a) or paragraph (b) of this section, whichever is less.

(a) The sum of (1) the product of the quantity of milk received by such handler which was disposed of in the marketing area as Class I milk during the delivery period multiplied by the difference between the price for Class I milk pursuant to § 980.50 (a) and the price for Class III milk pursuant to § 980.50 (c), and (2) the product of the quantity of milk received by such handler which was disposed of in the marketing area as Class II during the delivery period multiplied by the difference between the price for Class II milk pursuant to § 980.50 (b) and the price for Class III milk pursuant to § 980.50 (c).

(b) Any plus amount resulting from the following computation: From an amount equal to the net pool obligation which would be computed pursuant to § 980.70 for such handler for such delivery period if such handler operated a pool plant. Deduct the gross payments made by such handler to approved dairy farmers for milk received during such delivery period.

§ 980.62 *Handlers subject to other orders.* In the case of any handler who the Secretary determines disposes of a greater portion of his milk as Class I and Class II milk in another marketing area regulated by another milk marketing order issued pursuant to the act, the provisions of this part shall not apply except as follows:

(a) The handler shall, with respect to his total receipts and utilization of milk, make reports to the market administrator at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator.

(b) If the prices which such handler is required to pay under the other order to which he is subject for milk which would be classified as Class I milk or Class II milk under this part, are less than the respective prices provided pursuant to this order, such handler shall pay to the market administrator for deposit into the producer-settlement fund (with respect to all milk disposed of as Class I milk or Class II milk within the marketing area) an amount equal to the difference between the value of such milk as computed pursuant to paragraphs (a) and (b) of § 980.50, and its value as determined pursuant to the other order to which he is subject.

§ 980.63 *Other source milk.* If a handler has received other source milk the market administrator, in determining the net pool obligation of the handler pursuant to § 980.70 shall consider such milk as Class III milk. If the receiving handler sells or disposes of such milk for other than Class III purposes, the market administrator shall add an amount equal to the difference between (a) the value of such milk according to its utilization by the handler, and (b) the value at the Class III price. This additional payment shall not apply if the market administrator determines that such other source milk was used in Class I and Class II only to the extent that producer milk was not available to the handler at the class prices provided pursuant to paragraphs (a) and (b) of § 980.50.

§ 980.64 *Excess milk.* If a handler, after subtracting receipts from other handler and receipts of other source milk, has disposed of a greater quantity of milk than that which, on the basis of his reports, has been credited to his producers as having been delivered by, the market administrator, in determining the net pool obligation of the handler, pursuant to § 980.70, shall add an amount equal to the value of such milk according to its untilization by the handler.

§ 980.65 *Diversion.* Milk which is caused to be diverted by a handler directly from producers' farms to the pool plant of another handler for not more than 15 days during any delivery period shall be considered an inter-han-

dler transfer of milk, and shall be considered as having been received by the handler who caused the milk to be diverted.

DETERMINATION OF UNIFORM PRICES

§ 980.70 *Net pool obligation of handlers.* The net pool obligation of each handler for milk received during each delivery period shall be a sum of money computed by the market administrator as follows:

(a) Multiply the pounds of milk in each class computed pursuant to § 980.45 by the class prices set forth in § 980.50 and add together the resulting values;

(b) Add, if the average butterfat content of all milk received from producers is more than 3.8 percent and deduct if the average butterfat content of all milk received from producers is less than 3.8 percent, an amount equal to the total value of the butterfat differential applicable pursuant to § 980.51; and

(c) Add an amount equal to the total values pursuant to § 980.63 and § 980.64.

§ 980.71 *Computation and announcement of the uniform price.* The market administrator shall compute and announce the uniform price per hundredweight for milk received from producers during each delivery period in the following manner:

(a) Combine into one total the net pool obligation computed pursuant to § 980.70 of all handlers who made the reports prescribed in § 980.30 and who made the payments prescribed in § 980.80 and § 980.84 for the previous delivery period;

(b) For each of the delivery periods of April, May, June, and July, subtract an amount equal to 40 cents per hundredweight of the total amount of milk received by handlers from producers and included in these computations to be retained in the producer-settlement fund until distributed pursuant to § 980.85 (c);

(c) Add not less than one-half of the unobligated balance in the producer-settlement fund;

(d) Deduct, if the average butterfat content of all milk received from producers is more than 3.8 percent, and add, if the average butterfat content of all milk received from producers is less than 3.8 percent, the total value of the butterfat differential applicable pursuant to § 980.82;

(e) Divide by the hundredweight of milk received by handlers from producers and included in these computations;

(f) Subtract not less than 4 cents nor more than 5 cents for the purpose of retaining in the producer-settlement fund a cash balance to provide against errors in reports and payments or delinquencies in payments by handlers. This result shall be known as the uniform price for such delivery period for the milk of producers containing 3.8 percent butterfat; and

(g) On or before the 8th day after the end of such delivery period, mail to all handlers (1) such of these computations as do not disclose information confidential pursuant to the act; (2) the uniform price per hundredweight computed pursuant to paragraph (f) of this section; (3) the prices for Class I milk, Class II milk, and Class III milk; and (4) the butterfat differentials computed pursuant to §§ 980.51 and 980.82.

§ 980.80 *Time and method of payment.* On or before the 12th day after the end of each delivery period, each handler, after deducting the amount of the payment made pursuant to § 980.81 and subject to the butterfat differential set forth in § 980.82, shall make payment to each producer at not less than the uniform price for all milk received from such producers: *Provided*, That with respect to producers whose milk was caused to be delivered to such handler by a cooperative association which is authorized to collect payment for such milk, the handler shall, if the cooperative association so requests, pay such cooperative association an amount equal to the sum of the individual payments otherwise payable to such producers in accordance with this section.

§ 980.81 *Half Delivery Period Payments.* On or before the 25th day of each delivery period, each handler shall make payment to each producer for milk received from him during the first 15 days of the delivery period at not less than the Class III price for the preceding delivery period: *Provided*, That with respect to producers whose milk was caused to be delivered to such handler by a cooperative association which is authorized to collect payment for such milk, the handler shall, if the cooperative association so requests, pay such cooperative association an amount equal to the sum of the individual payments otherwise payable to such producers in accordance with this section.

§ 980.82 *Producer butterfat differential.* In making payments pursuant to § 980.80, there shall be added to or subtracted from the uniform price for each one-tenth of 1 percent that the average butterfat content of the milk received from the producer is above or below 3.8 percent, and amount computed by adding 4 cents to the simple average as computed by the market administrator of the daily wholesle selling price (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter per pound at Chicago, as reported by the U. S. Department of Agriculture during the delivery period, dividing the resulting sum by 10, and rounding to the nearest one-tenth of a cent.

§ 980.83 *Producer-settlement fund.* (a) The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to §§ 980.61, 980.62, 980.84 and 980.86, and out of which he shall make all payments to handlers pursuant to §§ 980.85 and 980.86: *Provided*, That the market administrator shall offset any such payment to any handler against payments due from such handler.

(b) Immediately after computing the uniform price for each delivery period, the market administrator shall compute the amount by which each handler's net pool obligation is greater or less than the sum obtained by multiplying the hundredweight of milk of producers by the appropriate prices required to be paid producers by handlers pursuant to § 980.80 and adding together the resulting amounts, and shall enter such amount on each handler's account as such handler's pool debit or credit, as the case may be, and render such handler a transcript of his account.

§ 980.84 *Payments to the producer-settlement fund.* On or before the 10th day after the end of each delivery period, each handler shall pay to the market administrator for payment to producers through the producer-settlement fund, the amount by which the net pool obligation of such handler is greater than the sum required to be paid producers by such handler pursuant to § 980.80.

§ 980.85 *Payments out of the producer-settlement fund.* (a) On or before the 11th day after the end of each delivery period, the market administrator shall pay to each handler for payment to producers the amount by which the sum required to be paid producers by such handler pursuant to § 980.80 is greater than the net pool obligation of such handler.

(b) If the balance in the producer-settlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available. No handler who, on the 12th day after the end of the delivery period, has not received the balance of such reduced payment from the market administrator, shall be deemed to be in violation of § 980.80 if he reduces his payments to producers by not more than the amount of the reduction in payment from the producer-settlement fund.

(c) On or before the 15th day after the end of each of the delivery periods of October, November, and December, the market administrator shall pay out of the producer-settlement fund to each producer an amount computed as follows: divide one-third of the total amount held pursuant to § 980.71 (b) the hundredweight of producer milk received during the delivery period involved (October, November or December, as above) and apply the resulting amount per hundredweight to the milk of each producer for such delivery period: *Provided*, That payment under this paragraph due any producer who has given authority to a cooperative association to receive payments for his milk shall be made to such cooperative association if such cooperative association requests receipt of such payment.

§ 980.86 *Adjustment of errors in payment.* Whenever verification by the market administrator of reports or payments of any handler discloses errors made in payments to the producer-settlement fund pursuant to § 980.84, the market administrator shall promptly bill such handler for any unpaid amount and such handler shall, within 4 days of such billing, make payment to the market administrator of the amount so billed. Whenever verification discloses

that payment is due from the market administrator to any handler pursuant to § 980.85 the market administrator shall, within 5 days, make such payment to such handler or offset any such payment due any handler against payments due from such handler. Whenever verification by the market administrator of the payment by a handler to any producer, for milk received by such handler discloses payment to such producer of less than is required by § 980.80, the handler shall make up such payment to the producer not later than the time of making payments to producers next following such disclosure.

§ 980.87 *Statements to producers.* In making payments to producers as prescribed in § 980.80, each handler shall furnish each producer with a supporting statement, in such form that it may be retained by the producer which shall show:

(a) The delivery period and the identity of the handler and of the producer;

(b) The total pounds of milk delivered by the producer and the average butterfat test thereof, and the pounds per shipment if such information is not furnished to the producer each day;

(c) The minimum rate or rates at which payment to the producer is required pursuant to §§ 980.80 and 980.82;

(d) The rate which is used in making the payment if such rate is other than the applicable minimum rate;

(e) The amount or the rate of each deduction claimed by the handler, including any deduction made pursuant to §§ 980.81 and 980.88 together with a description of the respective deductions; and

(f) The net amount of payment to the producer.

§ 980.88 *Marketing services*—(a) *Deductions for marketing services.* Except as set forth in paragraph (b) of this section, each handler shall deduct 3 cents per hundredweight from the payments made to each producer other than himself pursuant to § 980.80 with respect to all milk of each producer purchased or received by such handler during the delivery period and shall pay such deductions to the market administrator on or before the 12th day after the end of such delivery period. Such moneys shall be expended by the market administrator for market information to, and for the verification of weights, sampling, and testing of milk received from said producers.

(b) *Producers' Cooperative Association.* In the case of producers for whom a cooperative association is actually performing the services set forth in paragraph (a) of this section, each handler shall make deductions from the payments to be made pursuant to § 980.80 which are authorized by such producers, and on or before the 12th day after the end of each delivery period, pay such deductions to the market administrator for the account of the association of which such producers are members.

§ 980.89 *Expense of administration.* As his pro rata share of the expense of administration hereof each handler shall pay to the market administrator, on or before the 12th day after the end of each delivery period, 2 cents per hundredweight, or such lesser amount as the Secretary may from time to time prescribe with respect to all milk received during such delivery period from approved dairy farmers.

MISCELLANEOUS PROVISIONS

§ 980.90 *Termination of obligation.* The provisions of this section shall apply to any obligation under this order for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall contain but need not be limited to the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representative all books and records required by this order to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files pursuant to section 8c (15) (A) of the act, a petition claiming such money.

§ 980.91 *Effective time.* The provisions of this part, or any amendment to this part, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to § 980.92.

§ 980.92 *Suspension or termination.* Any or all of the provisions of this part, or any amendment to this part, may be suspended or terminated as to any or all handlers after such reasonable notice as the Secretary shall give and shall, in any event, terminate whenever the provisions of the act cease to be in effect.

§ 980.93 *Continuing power and duty of the market administrator.* (a) If, upon the suspension or termination of any or all provisions of this part there are any obligations arising under this part the final accrual or ascertainment of which requires further acts by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination: *Provided*, That any such acts required to be performed by the market administrator shall, if the Secretary so directs, be performed by such other person, persons or agency as the Secretary may designate.

(b) The market administrator, or such other person as the Secretary may designate, shall (1) continue in such capacity until removed, (2) from time to time account for all receipts and disbursements and when so directed by the Secretary deliver all funds on hand, together with the books and records of the market administrator, or such person, to such person as the Secretary shall direct, and (3) if so directed by the Secretary execute assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property, and claims vested in the market administrator or such person pursuant thereto.

§ 980.94 *Liquidation after suspension or termination.* Upon the suspension or termination of any or all provisions of this part the market administrator, or such person as the Secretary may designate shall, if so directed by the Secretary, liquidate the business of the market administrator's office and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions of this part, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

§ 980.95 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

§ 980.96 *Separability of provisions.* If any provision of this part, or its application to any person or circumstances, is held invalid, the application of such provision and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

Filed at Washington, D. C., this 8th day of April 1952.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator.

[F. R. Doc. 52-4149; Filed, Apr. 9, 1952; 10:11 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 2]

[Docket No. 10166]

FREQUENCY ALLOCATIONS AND RADIO TREATY MATTERS; GENERAL RULES AND REGULATIONS

NOTICE OF PROPOSED RULE MAKING

In the matter of amendment of Part 2 of the Commission's rules and regulations concerning the allocation of frequencies in the bands 14,350–14,400 kc and 20,000–25,000 kc.

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

2. In accordance with the agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951) the Commission has instituted proceedings to modify the authorizations of certain stations operating in the 14,350–14,400 kc band of frequencies and in the 20–25 Mc band and of frequencies so as to bring all authorizations in those bands into conformity with the Atlantic City (1947) Table of Frequency Allocations as of May 1, 1952. It is therefore proposed to amend the Commission's Table of Frequency Allocations in § 2.104 (a) of the Commission's rules to provide that, as of May 1, 1952, frequencies in the 14,350–14,400 kc and 20–25 Mc bands will be available for use only in accordance with the Atlantic City Table of Frequency Allocations.

3. The proposed amendment is issued under authority of sections 301, 303 (c) and 303 (r) of the Communications Act of 1934, as amended.

4. Any interested party who is of the opinion that the proposed rule should not be adopted or should not be adopted in the form set forth herein may file with the Commission, on or before April 17, 1952, a written statement or brief setting forth his comments. The Commission will consider all comments that are received before taking final action in the matter.

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

Adopted: April 3, 1952.

Released: April 4, 1952.

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

[F. R. Doc. 52-4104; Filed, Apr. 9, 1952; 8:51 a. m.]

[47 CFR Parts 7, 8]

[Docket No. 10167]

STATIONS ON LAND IN THE MARITIME SERVICES; STATIONS ON SHIPBOARD IN THE MARITIME SERVICES

NOTICE OF PROPOSED RULE MAKING

In the matter of amendment of §§ 7.206, 7.208 (d) (2) (e), 7.304, 7.306, 8.321, 8.323 (c), 8.324 (e), (f) (2), 8.351 and 8.355 to delete authority for operation by coast stations on each currently assignable frequency between 21,750–22,720 kc, to delete authority for telegraph operation by ship and aircraft stations in the Maritime Mobile Service on frequencies in the 22,000–22,070 kc band and for all operation on the frequency 23,000 kc.

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

2. The Atlantic City (1947) Table of Frequency Allocations, ratified by the United States on June 18, 1948, allocates the 21,750–21,850 kc and 22,720–23,200 kc bands for use by stations in the Fixed Service, the band 21,850–22,000 kc for use by stations in the Aeronautical Fixed Service and in the Aeronautical Mobile Service, and the band 22,000–22,720 kc for use by stations in the Maritime Mobile Service. Further, Article 9 of the Radio Regulations of Atlantic City (1947) sub-divides the new Maritime Mobile frequency band 22,000–22,720 kc into the following categories:

(a) Ship stations, telephony: 22,000–22,070 kc;

(b) Coast stations, telephony: 22,650–22,720 kc;

(c) Ship stations, telegraph: 22,070–22,400 kc;

(d) Coast stations, telegraph: 22,400–22,650 kc.

The agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951), to which the United States is a signatory, contains provisions which permit stations in the Fixed Service to be licensed in the band 21,750–21,850 kc at this time, provisions which permit stations in the Aeronautical Fixed Service and stations in the Aeronautical Mobile Service to be licensed in the band 21,850–22,000 kc at this time, and provisions which permit stations in the Maritime Mobile Service to be licensed, according to the class of station and the use of telegraph or telephony, on specific frequencies in the respective categories of the band 22,000–22,720 kc.

3. It is imperative, in order to protect the telecommunications interests of the United States and to carry out existing international obligations, that stations in the Maritime Mobile Service cease operating in the 21,750–22,000 kc band and on the frequency 23,000 kc, that ship and aircraft stations using telegraphy cease operating in the band 22,000–22,070 kc, and that coast stations cease operating on their currently assigned frequencies in the band 22,070–22,720 kc, by May 1, 1952, in order that the Commission may issue authorizations in those bands to stations in the Fixed Service, the Aeronautical Fixed Service, the Aeronautical Mobile Service, and the Maritime Mobile Service in accordance with the Atlantic City Table and Article 9 of the Radio Regulations of Atlantic City (1947).

4. It is proposed to amend §§ 7.206, 7.208 (d) (2), (e), 7.304, 7.306, 8.321, 8.323 (c), 8.324 (e), (f) (2), 8.351, and 8.355 of the Commission's rules and regulations, effective May 1, 1952, by deleting the provisions authorizing Coast Stations in the Maritime Mobile Service to operate on currently assignable frequencies in the 21,750–22,400 kc band and in the 22,400–22,720 kc band; and by deleting the provisions authorizing Ship Stations and Aircraft Stations operating in the Maritime Mobile Service to operate on frequencies in the 22,000–22,070 kc band and on the frequency 23,000 kc. It should be noted in the latter connection, however, that no change is being proposed at this time in the status of 22,080 kc as a calling frequency for ship telegraph stations.

5. The proposed amendments to the rules are issued under the authority of sections 303 (c), (f) and (r) of the Communications Act of 1934, as amended, the Final Acts of the International Telecommunication and Radio Conferences, Atlantic City (1947) and the Agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951).

6. Any interested person who is of the opinion that the proposed amendments should not be adopted may file with the Commission on or before April 17, 1952, a written statement or brief setting forth his comments. Persons desiring to support the amendments may also file comments by the same date. The Commission will consider all comments and briefs presented before taking final action with respect to the proposed amendments.

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

Adopted: April 3, 1952.

Released: April 4, 1952.

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

[F. R. Doc. 52-4105; Filed, Apr. 9, 1952; 8:51 a. m.]

[47 CFR Parts 7, 8]

[Docket No. 10168]

STATIONS ON LAND IN THE MARITIME SERVICES; STATIONS ON SHIPBOARD IN THE MARITIME SERVICES

NOTICE OF PROPOSED RULE MAKING

In the matter of amendment of §§ 7.206, 7.304, 7.306, 8.321, 8.351 and 8.355 of the Commission's rules and regulations to authorize use of certain frequencies in the band 22,000–22,070 kc by Ship Stations and Aircraft Stations using telephony, certain frequencies in the band 22,070–22,400 kc by Ship Stations and Aircraft Stations using telegraphy, certain frequencies in the band 22,400–22,650 kc by Coast Stations in particular geographic areas using telegraphy, and certain frequencies in the band 22,650–22,720 kc by Coast Stations in particular geographic areas using telephony; amendment of §§ 7.132 and 7.134 of the Commission's rules and regulations to change the authorized emission and power, respectively, of Coast Stations operating in the 22,400–22,720 kc band; and amendment of § 8.132 of the Commission's rules and regulations to change the authorized emission of Ship Stations and Aircraft Stations operating in the 22,070–22,400 kc band.

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

2. The Atlantic City (1947) Table of Frequency Allocations, ratified by the United States on June 18, 1948, allocates the 22,000–22,720 kc band of frequencies for use by stations of the Maritime Mobile Service. Article 9 of the Atlantic City Radio Regulations (1947) subdivides this band into the following categories:

a. Ship Stations, telephony: 22,000–22,070 kc;

b. Coast Stations, telephony: 22,650–22,720 kc;

c. Ship Stations, telegraphy: 22,070–22,400 kc;

d. Coast Stations, telegraphy: 22,400–22,650 kc.

3. Further, Article 33 of the Atlantic City Radio Regulations (1947) together with Appendix 10 of these regulations, designates, in accordance with the categories of sub-bands established to telegraphy by Article 9 thereof, the specific calling and working frequencies assignable for telegraphy thereunder to passenger and cargo ships and to aircraft stations for communication with stations of the Maritime Mobile Service. The agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951), to which the United States is a signatory, contains provisions which permit ship, aircraft and coast stations in the Maritime Mobile Service to be licensed in these bands at this time, provided A–1 emission only is authorized for telegraphy and the mean power is limited in each case as prescribed by the Geneva Conference.

4. It is, accordingly, proposed to amend §§ 7.132, 7.134, 7.206, 7.304, and 7.306 of the Commission's rules and regulations to authorize Coast Stations to operate, commencing May 1, 1952, on particular frequencies (in particular geographic areas) in the band 22,650–22,720 kc when using telephony with a mean[1] power not in excess of 20 kw, or equivalent, and on particular frequencies (in particular geographic areas) in the band 22,400–22,650 kc when using telegraphy by means of Class A–1 emission only with maximum power to be specified for use on each particular frequency (not in excess of 15 kw mean[1] power or equivalent) as follows:

For Coast Stations using telephony

In the vicinity of New York, N. Y.	22677.5, 22716 kc.
In the vicinity of San Francisco, Calif.	22692.9 kc.

For Coast Stations using telegraphy

For Coast Stations located in that portion of the seacoast area of the continental United States designated below:	Frequencies in kc assignable to coast stations located in area designated in column on left.
North Atlantic	22407, 22485, 22521, 22599, 22617.
South Atlantic and Gulf of Mexico	22431, 22569.
North and South Atlantic	22503.
South Pacific and Gulf of Mexico	22467.
South Pacific	22413.
Central Pacific	22425, 22479, 22515, 22557, 22635.
North Pacific	22539.
For Coast Stations located in the Territory of Hawaii	22509 kc.

In addition to the foregoing, other frequencies within bands allocated under international agreement for use of coast stations, telegraphy or telephony respectively, shall be available for assignment if such assignment is found to be in the public interest.

5. It is further proposed to amend §§ 8.132, 8.321, 8.351, and 8.355 of the Commission's rules and regulations to authorize Ship Stations and Aircraft Stations operating in the Maritime Mobile Service to operate commencing May 1, 1952, on particular frequencies in the band 22,000–22,070 kc when using telephony, and on particular frequencies in the band 22,070–22,400 kc (in addition to the currently assignable frequencies 22,080, 22,100, 22,110, 22,120, and 22,140 kc, which will continue to be assignable until further order) when using telegraphy by means of Class A–1 emission only as follows:

For telephony only (kc)

22,004.2	22,027.3	22,050.4
22,011.9	22,035.0	22,058.1
22,019.6	22,042.7	22,065.8

For telegraphy only (kc)

For ship stations on board passenger[2] ships, and for aircraft stations for communication with stations of the Maritime Mobile Service (working frequencies):

22,075	22,125	22,165
22,085	22,135	22,175
22,095	22,145	22,195
22,105	22,155	22,215
22,115		

For ship stations on board cargo[3] ships (working frequencies): 50 frequencies, spaced 2.5 kc apart, beginning at 22,272.5 kc inclusive, and ending at 22,395 kc, inclusive.

For ship stations on board any class of vessel (calling frequencies):

22,225	22,240	22,260
22,230	22,250	22,265
22,235	22,255	

Calling frequency for aircraft stations operating in the Maritime Mobile Service: 22,245.

6. It is proposed to license the frequencies herein designated for ship stations using telegraphy (except 22,080, 22,100, 22,110, 22,120, and 22,140 kc which would continue to be licensed without change until further order) in accordance with an appropriate procedure to be determined by the Commission so that the ultimate objective of this assignment to mobile stations pursuant to the applicable provisions of Article 33 of the Atlantic City Radio Regulations (1947) will be attained as soon as is practicable.

7. The proposed amendments to the rules are issued under the authority of sections 303 (c), (f) and (r) of the Communications Act of 1934, as amended, and the provisions of the final acts of the International Telecommunications and Radio Conference, 1947, and the agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951).

8. Any interested person who is of the opinion that the proposed amendments should not be adopted may file with the Commission on or before April 17, 1952, a written statement or brief setting forth his comments. Persons desiring to support the amendments may also file comments by the same date. The Commission will consider all comments and briefs presented before taking action with respect to the proposed amendments.

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

Adopted: April 3, 1952.

Released: April 4, 1952.

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

[F. R. Doc. 52-4106; Filed, Apr. 9, 1952; 8:52 a. m.]

[1] See paragraph 63, Article 1, Atlantic City Radio Regulations (1947).

[2] "A passenger ship" for this purpose is defined in existing § 8.2 (0) (2) of the Commission's rules.

[3] "A cargo ship" for this purpose is defined in existing § 8.2 (0) (2) of the Commission's rules.

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 240]

EXEMPTION OF CERTAIN TRANSACTIONS FROM SECTION 16 (b)

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the Securities and Exchange Commission has under consideration a proposal to adopt an exemptive rule pursuant to authority vested in it by the Securities Exchange Act of 1934, particularly sections 3 (a) (12), 16 (b), and 23 (a) thereof. Under the proposed rule certain transactions in which a security is acquired or disposed of in connection with a merger or consolidation plan would be exempt from the operation of section 16 (b) of the Securities Exchange Act.

Section 16 (b) provides in part that "for the purpose of preventing the unfair use of information which may have been obtained" by reason of the relationship between officials or other insiders and certain issuers of securities "any profit realized by" such insiders "from any purchase and sale, or any sale and purchase, of any equity security of such issuer * * * within any period of less than 6 months * * * shall inure to and be recoverable by the issuer." It is further provided that "this subsection shall not be construed to cover * * * any transaction or transactions which the Commission by rules and regulations may exempt as not comprehended within the purpose of such subsection."

The term "purchase" is defined to include any contract to buy, purchase, or otherwise acquire. The term "sale" is defined to include "any contract to sell or otherwise dispose of." See subparagraphs (13) and (14) of section 3 (a). A recent decision holds that a "purchase" within the meaning of section 16 (b) occurs when an insider receives new stock in exchange for old stock incident to a merger. See Blau v. Hodgkinson, 100 F. Supp. 361 (S. D. N. Y. 1951). It would seem to follow from this decision that the term "sale" includes disposition of stock incident to such a merger.

The Commission filed a brief amicus curiae in Blau v. Hodgkinson in which it supported the above interpretations as in accord with the statutory definitions of purchase and sale and also urged that to exclude from these terms all acquisitions and dispositions incident to mergers would be contrary to the purposes of section 16 (b). The exemption presently proposed, however, is designed to cover a limited class of mergers in which it does not appear to be in accordance with the purposes of section 16 (b) to treat the transaction as involving a purchase or sale.

The purpose of section 16 (b) is to discourage, by eliminating the possibility of profiting therefrom, short swing speculation in equity securities by insiders. Profits are required to be surrendered to the issuer irrespective of proof that such speculation may have involved manipulative activity or abuse of inside information. The act permits the insider to make long term investments and in that connection leaves him free to select his own time for buying or selling, in the absence of actual proof of abuse in connection with the transactions. Short swing speculation is deemed to involve incentives and opportunities to profit improperly to a degree not present in connection with the long term investment and changes in investment position. The arbitrary period of six months was selected as roughly marking the distinction between short swing speculation and long term investment.

The policy of section 16 (b) to discourage short swing trading by insiders seems highly relevant to purchases or sales within six months of a merger if the merger involves a significant change in the character of the enterprise carried on by an issuer which is subject to section 16 (b). Thus a purchase on the eve of the merger may well be motivated by advance information and the receipt by merger of a new security having different economic characteristics from that purchased involves elements of realization of a short term profit. In addition to preventing abuse of inside information, requiring an insider to surrender any profit resulting from a purchase or sale within six months of a merger is related to the policy of section 16 (b) to eliminate motives for manipulative activity. The significance of a merger may be greatly exaggerated by rumor, particularly in periods of unusual speculative activity in the security markets. If insiders were free to take advantage of such a situation to unload at temporarily inflated prices securities received in the merger, the opportunity and motive for manipulative activity might well be greater than the ordinary short swing purchase and sale where both are cash transactions.

Despite the foregoing considerations it is suggested that certain types of mergers are of relatively minor significance to the stockholders of a particular company, do not present significant opportunities to insiders to profit by advance information concerning the prospect of the merger, and indeed, because of their trivial importance, do not significantly alter in an economic sense the type of security which the insider held prior to the merger.

Where a parent corporation merges into its subsidiary, or when a merger is made solely for the purpose of changing the state of incorporation, it is assumed that the stockholders do not thereby acquire a significantly new or different interest. The form of their holdings have changed without affecting the substance of their interest in the enterprise. Similarly, the acquisition of a comparatively minor group of assets by a merger or consolidation with a small company would, normally, have little material effect upon the holdings of the stockholders. In such instances the merger or consolidation may be merely the technique used to give effect to a routine business judgment which, usually is implemented by a simple cash purchase of assets. Such a merger would not be likely to involve significant opportunities to the insider for abuse of inside information or for manipulation.

The proposed rule would exempt from the operation of section 16 (b) certain transactions prusuant to a plan of merger or consolidation (1) in which the assets acquired represent no more than five percent of the book value of the combined assets of the companies involved and the gross revenues of the smaller company were less than five percent of the combined gross revenues as of a date immediately preceding the merger or consolidation and (2) between parents and almost wholly owned subsidiaries. The proposed rule would exempt the acquisition or disposition of the stock of the larger corporation only. The acquisition or surrender of stock in the smaller company would still be subject to the liabilities of section 16. In determining whether a given plan falls within the exemption, the fact that the larger corporation may have assumed the name of the smaller corporation is irrelevant, for the rule looks through the form of the transaction and the essential determination is whether the enterprise is materially different in character from what it was prior to the merger or consolidation.

In order to prevent the rule from being used to insulate from liability insiders who purchase or sell the old security prior to the merger and reverse the transaction after merger, relying upon the different name the security has assumed to avoid liability, it is provided that the rule shall be unavailable to insiders under such circumstances.

The proposed rule would provide substantially as follows:

§ 240.16b–7 *Exemption from section 16 (b) of certain acquisitions and dispositions of securities pursuant to mergers or consolidations.* (a) The following transactions shall be exempt from the provisions of section 16 (b) as not comprehended within the purpose of said subsection:

(1) The acquisition of a security of a company, pursuant to a merger or consolidation, in exchange for a security of a company which, prior to said merger or consolidation, owned 95 percent or more of the equity securities of the other company involved in the merger or consolidation;

(2) The disposition of a security, pursuant to a merger or consolidation of a company which, prior to said merger or consolidation, owned 95 percent or more of the equity securities of the other company involved in the merger or consolidation;

(3) The acquisition of a security of a company, pursuant to a merger or consolidation, in exchange for a security of a company which, (i) prior to said merger or consolidation, held over 95 percent of the combined assets of all the companies undergoing merger or consolidation, computed according to their book values prior to the merger or consolidation, and (ii) had gross revenues in excess of 95 percent of the gross revenues of all the companies undergoing reorganization or merger, computed by reference to their most recent financial statements for a twelve month period prior to the merger or consolidation.

(4) The disposition of a security, pursuant to a merger or consolidation, of a company which (i) prior to said merger or consolidation, held over 95 percent of the combined assets of all the companies undergoing merger or consolidation, computed according to their book values prior to the merger or consolidation, and (ii) had gross revenues in excess of 95 percent of the gross revenues of all the companies undergoing reorganization or merger, computed by reference to their most recent financial statements for a twelve month period prior to the merger or consolidation.

(b) Notwithstanding the foregoing, if an officer, director or stockholder shall make any purchase (other than a purchase exempted by this section) of a security in any company involved in the merger or consolidation and any sale (other than a sale exempted by this section) of a security in any other company involved in the merger or consolidation within any six month period during which the merger or consolidation took place the exemption provided by this section shall be unavailable to such officer, director or stockholder.

The Commission invites all interested persons to submit their comments upon the proposed rule on or before April 30, 1952.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

APRIL 3, 1952.

[F. R. Doc. 52-4064; Filed, Apr. 9, 1952; 8:47 a. m.]

NOTICES

DEPARTMENT OF DEFENSE

Office of Public Information

MANUFACTURERS HOLDING CONTRACTS AWARDED BY ARMY, NAVY OR AIR FORCE

PUBLIC INFORMATION SECURITY GUIDANCE

I. *Supersedure.* This notice supersedes and cancels the previous notice on the same subject published in 16 F. R. 10041, October 1, 1951.

II. *Purpose.* It is the purpose of this notice to provide public information security guidance governing the public release of information by manufacturers holding Army, Navy or Air Force contracts.

III. *Applicability.* This notice is applicable to all agencies of the Department of Defense and the Departments of the Army, Navy and Air Force and to manufacturers who receive from the Departments of the Army, Navy and Air Force awards of classified or unclassified contracts, letters of intent or supplemental agreements for production of military equipment or supplies.

IV. *Releasable and non-releasable information.* A. Manufacturers who receive from the Departments of the Army, Navy, and Air Force awards of classified or unclassified contracts, letters of intent or supplemental agreements for production of military equipment or supplies or for increased production of materials now being produced may release to the public information of the following general nature concerning any individual contract without further specific clearance by the Department of Defense:

1. A statement that a contract (or letter of intent) has been received.

2. Type of item in general terms (i. e., aircraft of standard types, tanks, trucks, ammunition, clothing, etc.) provided that the designation of the item or equipment itself is not classified.

3. In the case of unclassified negotiated or formally advertised contracts, releases may include the name of the purchasing office, a brief description of the commodity or service, quantity, and dollar amount of the contract.

4. A statement that workers in certain fields are required. Number of additional personnel needed by the plant may be announced.

5. Subject to restrictions listed in this Guidance, a contractor may advertise for bids from prospective subcontractors for component parts or services in those cases where the subsequent contract itself will be unclassified.

6. Information previously officially approved for release.

B. Contractors will not release to the public information of the following nature concerning such contracts, unless specifically approved and cleared by the Security Review Branch, Office of Public Information, Office of the Secretary of Defense:

1. Production schedules, future planning on production schedules, or rates of delivery.

2. Information on sources of supply, quantities and qualities of strategic or critical supplies and movements, assembly or storage of supplies or matériel.

3. Information on sabotage attempts or plant security measures.

4. Information on any research and/or development contracts.

5. Information, including any photograph, sketch or plan concerning first models of weapons or equipment, outstanding production achievements, or performance of weapons or equipment.

6. Information on material for shipment to allied governments under MDAP, etc.

7. Movement of military aircraft. (This restriction is applicable to all cases, including those where actual movement order is unclassified. This action is to reduce unauthorized disclosure of aircraft deliveries, modification and conversion programs.)

8. Movement of naval vessels, unless approved by the responsible commander.

9. Classified information.

C. A subcontractor or branch plant involved in military production programs may also release information subject to paragraphs A and B above, provided he does not:

1. Indicate he is the sole supplier.

2. Indicate the percentage of the prime contractor's requirements he provides in terms of quantity or dollar value.

3. Reveal rates of production or deliveries.

D. Manufacturers outside the Continental United States may, after initial public release by the Secretary of Defense, release to the public information subject to the provisions of this guidance. For initial release the contracting agency should forward pertinent information regarding the contract, together with the manufacturer's proposed release, through the Departments of the Army, Navy, or Air Force, as the case may be, to the Secretary of Defense. The Office of Public Information will make the original release if appropriate.

E. In order that manufacturers holding classified contracts may make state of business reports to stockholders, stock exchange, etc., the total company-wide dollar value of backlog may be released provided:

1. That only the Department of Defense total is used and not broken down by individual military service or item.

2. That the release does not reveal the quantity or volume of individual orders.

3. That the report is not made for periods of less than three months.

F. In case of doubt as to the releasability of information, contractors, factories, subcontractors, etc., may contact the Security Review Branch for advice, or may refer to the contracting agency.

For the Assistant to the Secretary for Public Information.

JOSEPH S. EDGERTON,
Lt. Colonel, U. S. Air Force, Chief, Security Review Branch, Office of Public Information.

[F. R. Doc. 52-4089; Filed, Apr. 9, 1952; 8:48 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

ALASKA

SHORESPACE RESTORATION NO. 480

APRIL 2, 1952.

By virtue of the authority contained in the act of June 5, 1920 (41 Stat. 1059, 48 U. S. C. 372), and pursuant to § 2.22 (a) (3), of Order No. 1, Bureau of Land Management, Region VII, approved by the Acting Secretary of the Interior on August 20, 1951 (16 F. R. 8625), it is hereby determined that the lands described below are not necessary for harborage uses and purposes and that no shorespace reserve in such lands shall now or hereafter be created under the act of May 14, 1898 (30 Stat. 409), as amended by the act of March 3, 1903 (32 Stat. 1028, 48 U. S. C. 371) by the initiation of claims under the public land laws:

All lands abutting or lying within 80 rods of the shores of unsurveyed Snowshoe Lake, Alaska, located at approximate latitude 62°02'30" N., longitude 146°41'00" W.

HAROLD T. JORGENSON,
Chief,
Division of Land Planning.

[F. R. Doc. 52-4054; Filed, Apr. 9, 1952; 8:45 a. m.]

ALASKA SMALL TRACT CLASSIFICATION ORDER NO. 52

NOTICE OF CANCELLATION

APRIL 2, 1952.

Alaska Small Tract Classification Order No. 52 of February 5, 1952 (17 F. R. 1359) is hereby canceled.

HAROLD T. JORGENSON,
Chief,
Division of Land Planning.

[F. R. Doc. 52-4055; Filed, Apr. 9, 1952; 8:45 a. m.]

FEDERAL POWER COMMISSION

[Project No. 1651]

STAR VALLEY POWER AND LIGHT CO.

NOTICE OF APPLICATION FOR AMENDMENT TO LICENSE

APRIL 3, 1952.

Public notice is hereby given that Star Valley Power and Light Company, of Afton, Wyoming, has filed application under the Federal Power Act (16 U. S. C. 791a–825r) for amendment of the license for waterpower Project No. 1651 located on Swift Creek, in Lincoln County, Wyoming, to provide for the construction of a wing to the upper powerhouse of the project and the installation therein of a 400 kw hydroelectric unit.

Any protest against the approval of this application or request for hearing thereon, with the reasons for such protest or request and the name and address of the party or parties so protesting or requesting, should be submitted before May 19, 1952, to the Federal Power Commission, Washington 25, D. C.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 52-4057; Filed, Apr. 9, 1952; 8:45 a. m.]

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

SALES OF CERTAIN COMMODITIES AT FIXED PRICES

APRIL 1952 DOMESTIC AND EXPORT PRICE LISTS

Pursuant to the Pricing Policy of Commodity Credit Corporation issued March 22, 1950 (15 F. R. 1583), and subject to the conditions stated therein, the following commodities are available for sale in the quantities and at the prices stated:

APRIL 1952 DOMESTIC PRICE LIST

Commodity and approximate quantity available (subject to prior sale)	Domestic sales price
Dried whole eggs, 1950 pack (packed in barrels and drums), in carload lots only, 1,000,000 pounds.	$1.63 per pound "in store" at location of stock in Illinois, Indiana, Iowa, Michigan, Ohio, Oklahoma, Kansas, Missouri, Nebraska, and Minnesota ("in store" means in storage at warehouse, but with any prepaid storage and out-handling charges for the benefit of the buyer).
Nonfat dry milk solids, 1951 production, in carload lots only, 17,000,000 pounds.	Spray process, U. S. Extra Grade, 17 cents per pound "in store" at location of stock in any State ("in store" means at the processor's plant or in storage at warehouse, but with any prepaid storage and out-handling charges for the benefit of the buyer).
Linseed oil, raw, 200,000,000 pounds..	Market price on date of sale. (See note on Ceiling Price Certification at the end of this price list.)
Cottonseed oil, bleachable prime summer yellow, 45,000,000 pounds.	Market price or 17¾ cents per pound, whichever is higher, f. o. b. tank cars at points of storage location.
Dry edible beans.....	On all beans, for areas other than those shown below, adjust prices upward or downward by an amount equal to the price support program differential between areas. Where no price support differential occurs, the price listed will apply. For other grades of all beans, adjust by market differentials. Prices listed below, on all beans, are at point of production. Amount of paid-in freight to be added, as applicable.
Pinto, bagged, 780,000 hundredweight.	No. 1 Grade, 1949 crop: $8.05 per 100 pounds, basis f. o. b. Denver rate area; $7.65 per 100 pounds, basis f. o. b. Idaho area.
Great Northern, bagged, 760,000 hundredweight.	No. 1 Grade, 1948,[1] 1949, and 1950 crops: $8.05 per 100 pounds, basis f. o. b. Twin Falls, Idaho, area; $8.42 per 100 pounds, basis f. o. b. Morrill, Nebr., area.
Baby lima, bagged, 490,000 hundredweight.	No. 1 Grade, 1949 [1] crop: $7.23 per 100 pounds, basis f. o. b. California area.
Cranberry beans, bagged, 32,000 hundredweight.	No. 1 Grade, 1949 crop: $9.48 per 100 pounds, basis f. o. b. Michigan area.
Austrian Winter pea seed, bagged, 2,215,000 hundredweight.	$4.50 per 100 pounds, basis f. o. b. point of production plus paid-in freight, as applicable.
Austrian Winter peas, bagged, not certified for purity or germination, 1,743,000 hundredweight.	In Portland, Oreg., and San Francisco areas only. The domestic market price for feed but not less than $3.50 per 100 pounds, f. o. b. point-of storage, plus paid-in freight, as applicable. Purchaser must certify that commodity will be used for feed purposes only.
Blue lupine seed, bagged, 1,125,000 hundredweight.	$5 per 100 pounds, basis f. o. b. point of production, plus paid-in freight, as applicable.
Common and Willamette vetch seed, bagged, 130,000 hundredweight.	$7 per 100 pounds, basis f. o. b. point of production, plus paid-in freight, as applicable.
Red Clover seed (uncertified), bagged, 27,500 hundredweight.	$38.49 per 100 pounds, basis f. o. b. point of production, plus paid-in freight, as applicable.
Wheat, bulk, 25,000,000 bushels.....	Basis in store, the market price but in no event less than the applicable 1951 loan rate for the class, grade, quality, and location, plus: (1) 34 cents per bushel if received by truck, or (2) 29 cents per bushel if received by rail or barge. Examples of minimum prices, per bushel: Kansas City, No. 1 HW, ex rail or barge, $2.74; Minneapolis, No. 1 DNS, ex rail or barge, $2.76; Chicago, No. 1 RW, ex rail or barge, $2.79. NOTE: No wheat will be for sale in the Portland, Oreg., area until further notice.
Oats, bulk, 4,500,000 bushels.....	At points of production, basis in store, the market price but not less than the applicable 1951 county loan rate plus: (1) 16 cents per bushel, if received by truck, or (2) 15 cents per bushel, if received by rail or barge. At other points, the foregoing plus average paid-in freight. Examples of minimum prices, per bushel: Chicago, No. 3 or better, ex rail or barge, 99 cents; Minneapolis, No. 3 or better, ex rail or barge, 95 cents.
Barley, bulk, 8,000,000 bushels.....	Basis in store, the market price but in no event less than the applicable 1951 loan rate for the class, grade, quality and location, plus: (1) 23 cents per bushel if received by truck, or (2) 20 cents per bushel if received by rail or barge. Examples of minimum prices per bushel: Minneapolis, No. 1 Barley, ex rail or barge, $1.52; San Francisco, No. 1 Western Barley, ex rail or barge $1.57
Corn, bulk, 50,000,000 bushels.....	At points of production, basis in store, the market price but not less than the applicable 1951 county loan rate for No. 3 yellow plus: (1) 22 cents per bushel, if received by truck, or (2) 20 cents per bushel, if received by rail or barge. At other locations, the foregoing plus average paid-in freight Examples of minimum prices per bushel: Chicago, No. 3 yellow, $1.95; St. Louis, No. 3 yellow, $1.97; Minneapolis, No. 3 yellow, $1.86; Omaha, No. 3 yellow, $1.88; Kansas City, No. 3 yellow, $1.93. For other classes, grades, and quality, market differentials will apply.
Flaxseed, bulk, 216,000 bushels.....	Market price on date of sale at place of delivery, provided delivery takes place within 15 days unless otherwise agreed upon.

[1] These same lots also are available at export sales prices announced today.

Ceiling Price Certification. Any purchaser from CCC of raw linseed oil, must be able and will be required to certify that the price paid to CCC does not exceed the highest ceiling price he could pay any of his usual suppliers for the commodity in the quantity and at the place and season that delivery is made.

APRIL 1952 EXPORT PRICE LIST

Commodity and approximate quantity available (subject to prior sale)	Export price list
Dry edible beans.....	No. 1 Grade delivered on track present location, on basis costs and freight paid to f. a. s. vessel at locations shown below.
Great Northern bagged, 1948 crop, 305,000 hundredweight.[1] [2]	$6.50 per 100 pounds, Portland, Oreg. (10,000 hundredweight only stored at The Dalles, Oreg.; $6.60 per 100 pounds, U. S. Gulf ports (see note below).
Baby lima, bagged, 1949 crop, 490,000 hundredweight.[1]	$5 per 100 pounds, San Francisco Bay area.
	NOTE: "U. S. Gulf ports" means ports with freight rates not greater than to New Orleans. Any excess freight will be for account of the buyer.
	Discounts for grades on all beans: No. 2, 25 cents less than No. 1; No. 3, 50 cents less than No. 1; appropriate discounts will also be given for "off-color" beans. At CCC's option, 1949 crop beans may be furnished in place of 1948 beans in instances where stocks of 1948 beans of the type and grade desired are exhausted.
Austrian winter peas, bagged, not certified for purity or germination, 1,743,000 hundredweight.[1]	In Portland, Oreg., and San Francisco areas only. The domestic market price for feed but not less than $3.50 per 100 pounds, f. o. b. point of storage plus paid-in freight, as applicable.

[1] These same lots are available at domestic sales prices announced today.

[2] *Ceiling Price Certification.* Any purchaser from CCC of Great Northern beans for export, must be able and will be required to certify that the price paid to CCC does not exceed the highest ceiling price he could pay any of his usual suppliers for the commodity in the quantity and at the place and season that delivery is made.

APRIL 1952 EXPORT PRICE LIST—Continued

Commodity and approximate quantity available (subject to prior sale)	Export price list
Wheat, bulk, 25,000,000 bushels	Market price on date of sale at point of delivery, provided delivery takes place within 15 days unless otherwise agreed upon.
Oats, bulk, 4,500,000 bushels	Market price on date of sale at point of delivery, provided delivery takes place within 15 days unless otherwise agreed upon.
Barley, bulk, 8,000,000 bushels	Market price on date of sale at place of delivery, provided delivery takes place within 15 days unless otherwise agreed upon.

(Pub. Law 439, 81st. Cong.)

Issued: April 7, 1952.

[SEAL] HAROLD K. HILL,
Acting President, Commodity Credit Corporation.

[F. R. Doc. 52-4109; Filed, Apr. 9, 1952; 8:52 a. m.]

Soil Conservation Service

CHIEF OF SOIL CONSERVATION SERVICE

DELEGATION OF AUTHORITY WITH RESPECT TO DETERMINING AND ADVISING THE DIRECTOR, BUREAU OF LAND MANAGEMENT, CONCERNING DEVELOPMENT OF MINERALS

By virtue of the authority vested in the Secretary of Agriculture, I, Charles F. Brannan, Secretary of Agriculture, do hereby delegate to the Chief of the Soil Conservation Service the authority to determine and advise the Director, Bureau of Land Management, whether development of minerals, including oil and gas, under authority of the Secretary of the Interior pursuant to the Mineral Leasing Act for Acquired Lands, approved August 7, 1947 (61 Stat. 913, 30 U. S. C. 351-359), and to the provisions of section 402, Reorganization Plan No. 3 of 1946 (11 F. R. 7875, 60 Stat. 1097), on lands under the jurisdiction of the Soil Conservation Service will interfere with the primary purposes for which the lands have been acquired or are being administered, and to consent to such development subject to such conditions as the Chief of the Soil Conservation Service may prescribe to insure the adequate utilization of the lands for such purposes.

The Chief of the Soil Conservation Service may delegate to other officers and employees of the Soil Conservation Service such of the authority granted hereunder as he may consider desirable in carrying out the purposes of the Mineral Leasing Act for Acquired Lands and the Reorganization Plan.

(Act of August 7, 1947, 61 Stat. 913, 30 U. S. C. 351-359; Reorg. Plan No. 3 of 1946, 11 F. R. 7875, 60 Stat. 1097; 5 U. S. C. 22)

Done at Washington, D. C., this 4th day of April 1952. Witness my hand and the seal of the Department of Agriculture.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 52-4074; Filed, Apr. 9, 1952; 8:47 a. m.]

ECONOMIC STABILIZATION AGENCY

Office of Price Stabilization

[Ceiling Price Regulation 83, Section 2, Special Order 13, Amdt. 3]

FORD MOTOR CO.

BASIC PRICES AND CHARGES FOR NEW PASSENGER AUTOMOBILES

Statement of considerations. Special Order 13 established a schedule of prices and charges pursuant to section 2 of Ceiling Price Regulation 83 for sellers of new passenger automobiles and factory installed extra equipment manufactured by the Ford Motor Company. Subsequent to the issuance of Special Order 13 the Ford Motor Company has introduced new items of factory installed extra, special or optional equipment on its automobiles. Special Order 13 is, therefore, amended to include charges for the new items of factory installed extra, special or optional equipment. In addition several items of extra, special or optional equipment which are no longer available as factory installed equipment are deleted from Special Order 13 by this amendment.

Ford Motor Company has also reduced the price to dealers on one item of extra equipment and this amendment establishes a basic charge for this item to reflect this reduction in cost to the dealers.

Special provisions. For the reasons set forth in the Statement of Considerations and pursuant to section 2 of Ceiling Price Regulation 83, this amendment to Special Order 13 is hereby issued.

1. The following charges for factory installed extra, special or optional equipment are added to the list of extra, special or optional equipment contained in paragraph 2 of Special Order 13.

FORD AUTOMOBILES

Wheel covers, full (all lines and series)	$13.60

MERCURY AUTOMOBILES

Speaker, rear seat (all lines and series except Station Wagons and Convertibles)	$10.45
Tires, 5 (7.10 x 15, 4 ply) white sidewall, 5 wheels (all lines and series except Station Wagons)	25.64
Trim, all leather (Monterey Hard Top and Convertibles)	90.00

LINCOLN COSMOPOLITAN AUTOMOBILES

Tires, 5 (8.00 x 15, 4 ply) white sidewall, 5 wheels (all lines and series except Convertibles)	$34.50
Tires, 5 (8.20 x 15, 4 ply) white sidewall tires (Convertibles only)	35.16

2. The following items are deleted from the list of factory installed extra, special or optional equipment contained in paragraph 2 of Special Order 13:

MERCURY AUTOMOBILES

Mirror, outside, rear view (all lines and series)	$5.95
Trim, vinyl (2-door and Sport Coupe)	29.88

LINCOLN COSMOPOLITAN AUTOMOBILES

Mirror, outside, rear view (all lines and series)	$5.95

3. The following amendment is made in the list of factory installed extra, special or optional equipment contained in paragraph 2 of Special Order 13;

The item for Mercury Automobiles which reads,

Lights, back up (all lines and series)	$10.16

is amended to read as follows:

Lights, back up (all lines and series):	
(when delivered by the manufacturer subsequent to March 1, 1952)	$7.50
(When delivered by the manufacturer prior to March 1, 1952)	10.16

Effective date. This Amendment 3 to Special Order 13 shall become effective April 9, 1952.

ELLIS ARNALL,
Director of Price Stabilization.

APRIL 9, 1952.

[F. R. Doc. 52-4184; Filed, Apr. 9, 1952; 11:46 a. m.]

HOUSING AND HOME FINANCE AGENCY

Public Housing Administration

CENTRAL OFFICE; FIELD ORGANIZATION

DESCRIPTION OF AGENCY AND PROGRAMS AND FINAL DELEGATIONS OF AUTHORITY

1. Section II, *Central Office organization and final delegations of authority to Central Office officials,* is amended as follows:

Subparagraph (j) of paragraph II d 6 is amended as follows:

(j) Effective January 23, 1952, to execute and approve main construction contracts and contract changes.

2. Section III, *Field organization and final delegations of authority,* is amended as follows:

Subparagraph (j) of paragraph III b 13 is amended as follows:

(j) Effective January 23, 1952, to execute and approve main construction contracts and contract changes.

Date approved: April 3, 1952.

[SEAL] JOHN TAYLOR EGAN,
Commissioner.

[F. R. Doc. 52-4058; Filed, Apr. 9, 1952; 8:46 a. m.]

FIELD ORGANIZATION

DESCRIPTION OF AGENCY AND PROGRAMS AND FINAL DELEGATIONS OF AUTHORITY

Section III, *Field organization and final delegations of authority,* is amended as follows:

Subparagraph (v) is added to paragraph b 8 as follows:

(v) After the Commissioner has determined that there has occurred a substantial default or a substantial breach, as defined in sections 506 and 507, respectively, of the "Terms and Conditions Constituting Part Two of an Annual Contributions Contract between Local Authority and Public Housing Administration," to execute an agreement by and between the PHA and the Local Authority evidencing transfer of possession to the PHA of the Projects as then constituted, as provided in sections 501 and 502 of the said Terms and Conditions.

Date approved: April 3, 1952.

[SEAL] JOHN TAYLOR EGAN, *Commissioner.*

[F. R. Doc. 52-4059; Filed, Apr. 9, 1952; 8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-2828]

NIAGARA MOHAWK POWER CORP.

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE WITH RESPECT TO PROPOSED AMENDMENT TO CHARTER TO INCREASE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK

APRIL 4, 1952.

Niagara Mohawk Power Corporation ("Niagara Mohawk"), a public utility company and an exempt holding company, of which The United Corporation, a registered holding company, owns 9.63 percent of the outstanding voting securities as of March 15, 1952, having filed a declaration pursuant to section 7 of the Public Utility Holding Company Act of 1935 ("Act") with respect to the following proposed transaction:

Niagara Mohawk proposes, at the forthcoming annual meeting of its stockholders to be held on May 6, 1952, to submit to the stockholders, among other things, a proposal to amend the charter of Niagara Mohawk so as to increase the number of authorized shares of common stock from 11,094,662 shares to 12,594,662 shares, an increase of 1,500,000 shares. It is stated that the proposed increase in the number of authorized shares of common stock is for the purpose of placing the management in a flexible position with respect to the formulation of future financing programs. Niagara Mohawk states that it has no present plans for the sale of additional shares of common stock in the immediate future. As of March 15, 1952, Niagara Mohawk had issued and outstanding 9,073,887 shares of common stock and 1,382,523 shares of Class A stock.

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, to the extent that the provisions of section 7 are applicable to the proposed transaction, the Commission finding that such provisions are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and the interest of investors and consumers that the said declaration be permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that the declaration be, and it 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. 52-4061; Filed, Apr. 9, 1952; 8:46 a. m.]

[File No. 70-2835]

CENTRAL VERMONT PUBLIC SERVICE CORP.

NOTICE OF REQUEST TO AMEND ARTICLES OF ASSOCIATION TO CHANGE SHARES OF COMMON STOCK FROM NO PAR VALUE TO PAR VALUE; AND SOLICITATION OF STOCKHOLDERS

APRIL 4, 1952.

Notice is hereby given that a declaration has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("act"), by Central Vermont Public Service Corporation ("Central Vermont"), a public utility subsidiary of New England Public Service Company, a registered holding company. Declarant has designated sections 6 (a) (2), 7 and 12 (e) of the act and Rules U-60, U-61, and U-62 promulgated thereunder as applicable to the proposed transactions.

Notice is further given that any interested person may, not later than April 14, 1952, at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law raised by said declaration proposed to be controverted, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after April 14, 1952, said declaration, as filed or as amended, may be permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 (a) and U-100 thereof.

All interested persons are referred to said declaration which is on file in the office of this Commission for a statement of the transactions therein proposed, which are summarized as follows:

Central Vermont proposes to solicit proxies to be used at its annual meeting of stockholders to be held May 6, 1952, or any adjournment thereof, in connection with the following proposals:

(1) To amend its Articles of Association by changing the 1,076,700 shares of authorized common stock without par value (including the 653,400 shares now outstanding) into the same number of shares of common stock with a par value of $6 per share;

(2) To transfer on the books of the company the amount of $2,552,243.47 (being the excess of the present aggregate stated value of the outstanding 653,400 shares of common stock without par value over the aggregate par value of the same number of shares of common stock with a par value of $6 per share) from "Capital Stock-Common" account to "Premium on Common Stock" account without distributing any part thereof to stockholders, and to provide that (i) no dividend shall be charged to such account and (ii) no other charge shall be made to such account without the affirmative vote of a majority of the shares of Common Stock at the time outstanding, except to the extent of any amount in such account which is applicable to shares of Common Stock thereafter retired and canceled after such transfer;

(3) To authorize the Board of Directors to issue and sell, from time to time, upon such terms and conditions as it may determine, all of the 423,300 authorized but unissued shares of Common Stock, $6 par value, subject, however, to the provisions relating to the issuance of stock contained in the Articles of Association.

The solicitation material to be sent to stockholders has been filed as part of the declaration. It is represented that the company may, in addition to solicitation by mail and by regular employees or officers of the company, request banks and brokers to solicit beneficial owners, the cost of which is estimated not to exceed $100.

The declaration states that the adoption of the above proposals will require the affirmative vote of two-thirds of the outstanding shares of common stock.

It is further represented that the Public Service Commission of Vermont must certify that the amendment to the company's Articles of Association changing the shares of common stock from no par value to $6 par value will promote the general good of the State of Vermont, and such certificate, together with the amendment, must be recorded with the Secretary of State of the State of Vermont. It is stated that such certificate will be obtained and filed.

Declarant requests acceleration of the Commission's order herein and that it become effective upon the issuance thereof.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 52-4062; Filed, Apr. 9, 1952; 8:46 a. m.]

[File No. 70-2837]

SOUTH JERSEY GAS CO.

NOTICE OF FILING REGARDING PROPOSED ACQUISITION OF COMMON STOCK OF PUBLIC UTILITY COMPANY; DISSOLUTION OF SUCH COMPANY; AND ISSUANCE AND SALE OF NOTES BY THE ACQUIRING COMPANY

APRIL 4, 1952.

Notice is hereby given that an application-declaration has been filed with this Commission pursuant to the Public

Utility Holding Company Act of 1935 ("Act") by South Jersey Gas Company ("South Jersey"), a subsidiary of The United Corporation, a registered holding company. Applicant-declarant has designated sections 6, 7, 9, 10, and 12 of the act and Rule U-42 promulgated thereunder as applicable to the proposed transactions.

Notice is further given that any interested person may, not later than April 21, 1952, at 5:30 p. m., e. s. t., request the Commisssion in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest and the issues of fact or law raised by said application-declaration which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after April 21, 1952, said application-declaration, as filed or as amended, may be granted and permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act or the Commission may exempt such transaction as provided in Rules U-20 (a) and U-100 thereof.

All interested persons are referred to said application-declaration which is on file in the office of this Commission for a statement of the transactions therein proposed, which are summarized as follows:

South Jersey, a public utility company, proposes to acquire all of the outstanding 2,000 shares of common stock, of the par value of $100 per share, of Cumberland County Gas Company ("Cumberland County") which is engaged in the business of distributing and selling natural gas in the vicinity of Millville, New Jersey. Such stock will be acquired from The Training School at Vineland, New Jersey, The Burlington County Hospital at Mount Holly, New Jersey, and Millville Hospital Corporation ("The Charities") owning jointly 1,959 shares of such stock, and from four individual holders owning an aggregate of 41 shares of such stock.

It is proposed that the Charities will receive, in payment for the shares of common stock of Cumberland County sold by them, $195,900 principal amount of Five Year Serial Notes of South Jersey bearing interest at the rate of 3 percent per annum, dated as of the date of delivery of such common stock and payable in substantially equal annual installments beginning one year from the date thereof. The four individual minority holders will receive cash in the amount of $100 per share for each of the shares of such common stock sold by them.

Upon the acquisition by South Jersey of all of the common stock of Cumberland County, South Jersey proposes to bring about the immediate dissolution and liquidation of Cumberland County.

In addition to its common stock Cumberland County has outstanding, as of February 29, 1952, the following securities: $376,000 principal amount of 5 Percent First Mortgage Bonds, of which amount $225,500 principal amount are owned jointly by the Charities, the balance being publicly held; $250,000 principal amount of income debentures owned jointly by the Charities; $45,000 principal amount of 4 Percent Demand Notes owned jointly by the Charities; $350,000 principal amount of 3¼ Percent Bank Notes due July 1, 1953, held by The Chase National Bank of the City of New York ("The Chase Bank"); $19,000 principal amount of 3½ Percent Notes due July 1, 1952, held by The Chase Bank; and $50,000 principal amount of 4 Percent Demand Notes held by the Millville National Bank.

Upon the liquidation of Cumberland County each of the Charities has agreed to accept in exchange for the debt securities of Cumberland County jointly held by them, an equal principal amount of Five Year Serial Notes of South Jersey identical with the Five Year Serial Notes to be issued to them in payment for the common stock of Cumberland County.

South Jersey also proposes to acquire from the Utilco Company ("Utilco"), its business and certain of the assets of Utilco at cost, less accrued depreciation, or approximately $47,311.26, in cash subject to certain adjustments. Utilco is a New Jersey corporation engaged in the business of selling bottled gas in the same general service area served by Cumberland County. All of the outstanding capital stock of Utilco is owned jointly by the Charities.

In accordance with the terms of a Credit Agreement, South Jersey proposes to borrow an aggregate amount not in excess of $1,100,000 from the following banks in the following respective amounts:

The Chase Bank	$710,600
The Philadelphia National Bank	341,000
Boardwalk National Bank	34,650
Guarantee Bank & Trust Co	13,750
	1,100,000

Notes of South Jersey to be issued in evidence of such loans will bear interest at the rate of 3¼ percent per annum and will mature December 10, 1952. South Jersey has agreed to pay the banks a commitment fee of one-half of 1 percent per annum on the average daily amount of any unused credit under the Credit Agreement during the period from February 21, 1952, to June 30, 1952.

The proceeds of such bank loans will be used by South Jersey for the payment of the remaining outstanding indebtedness of Cumberland County in the aggregate principal amount of $569,500; payment of the purchase price of $4,100 for the 41 shares of common stock of Cumberland County held by the minority holders; the purchase of the assets of the Utilco company for a consideration of approximately $47,311; and the balance to be used for construction, general corporate purposes and expenses of the proposed transactions.

South Jersey states that it deems it advisable and economical to finance the proposed transactions initially with short term obligations and to fund such obligations at or prior to maturity through the issuance of mortgage bonds.

South Jersey has filed an application with the Board of Public Utility Commissioners of the State of New Jersey with respect to the proposed issue of $1,100,000 of promissory notes and the order of said Commission will be filed by amendment.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 52-4060; Filed, Apr. 9, 1952; 8:46 a. m.]

[File No. 812-775]

GRAHAM-PAIGE CORP.

NOTICE OF APPLICATION

APRIL 4, 1952.

Notice is hereby given that Graham-Paige Corporation (G-P), a registered, management investment company under the Investment Company Act of 1940, has filed an application pursuant to section 18 (i) of the act for an order by the Commission permitting the applicant to issue a maximum of 426,787.5 shares of common stock, in accordance with the terms of an exchange offer to be made to all holders of 5 Percent Cumulative Preferred Stock A, and 5 Percent Convertible Preferred Stock, Cumulative. The following equity securities of the issuer are presently outstanding:

970 shares of Preferred Stock A, par value $50 a share, redemption premium $2.50 a share, 50 votes a share, accrued dividends $12.50 a share to December 31, 1951;

42,985 shares of Convertible Preferred, par value $25 a share, redemption premium $2.50 a share, one vote a share, accrued dividends $6.146 a share to December 31, 1951; and

5,351,614 shares of Common Stock, without par value, one vote a share.

It is proposed to invite tenders or a series of tenders for the exchange of from 17 to 19 shares of additional common stock (the number of common shares depending upon the closing market price for the common stock on the New York Stock Exchange on the day prior to the initial offering date) in exchange for each share of Preferred Stock A, and from 8.5 to 9.5 shares of additional common stock (determined as aforesaid) in exchange for each share of Convertible preferred, without adjustment in either case for accrued dividends. No commission or other remuneration will be paid or given, directly or indirectly, to any person soliciting the exchange. Each such invitation for tenders will be open from three to four weeks and no offer under this application will commence after May 1, 1953.

The common stock is listed on the New York Stock Exchange and the Convertible Preferred Stock is listed on the New York Curb Exchange; no market quotations are available for the Preferred Stock A. At December 31, 1951, the Common Stock had a book value of $1.15 a share, computing the preferred stocks at liquidating values plus accrued dividends.

Section 18 (i), as it relates to this application, requires that stock issued after the effective date of the act by a registered management investment company be a voting stock having equal

voting rights with every other outstanding voting stock, provided that this provision shall not apply to shares issued in accordance with any orders which the Commission may make permitting such issue. The common stock proposed to be issued, which has one vote a share, will not have equal voting rights with unexchanged Preferred Stock A which has 50 votes a share.

All interested persons are referred to said application which is on file at the Washington, D. C., offices of this Commission for a more detailed statement of the matters of fact and law therein asserted.

Notice is further given that an order granting the application in whole or in part and upon such conditions as the Commission may see fit to impose may be issued by the Commission at any time after April 21, 1952, unless prior thereto a hearing upon the application is ordered by the Commission, as provided in Rule N-5 of the rules and regulations promulgated under the act. Any interested person may, not later than April 18, 1952, at 5:30 p. m., e. s. t., submit to the Commission in writing his views or any additional facts bearing upon this application or the desirability of a hearing thereon, or request the Commission in writing that a hearing be held thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C., and should state briefly the nature of the interest of the person submitting such information or requesting a hearing, the reasons for such request, and the issues of fact or law raised by the application which he desires to controvert.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 52-4063; Filed, Apr. 9, 1952; 8:47 a. m.]

UNITED STATES TARIFF COMMISSION

[Investigation No. 13]

WOOD SCREWS

NOTICE OF INVESTIGATION

Upon application made April 1, 1952, by the United States Wood Screw Service Bureau, New York, N. Y., the United States Tariff Commission on the 4th day of April 1952, under the authority of section 7 of the Trade Agreements Extension Act of 1951, approved June 16, 1951, and section 332 of the Tariff Act of 1930, instituted an investigation to determine whether the products described below are, as a result, in whole or in part, of the duty or other customs treatment reflecting the concessions granted on such product under the General Agreement of Tariffs and Trade, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

Tariff Act of 1930:	*Description of product*
Par. 338----	Screws, commonly called wood screws, of iron or steel.

Inspection of application: The application is available for public inspection at the office of the Secretary, United States Tariff Commission, Eighth and E Streets NW., Washington, D. C., and in the New York Office of the Tariff Commission, located in Room 437 of the Custom House, where it may be read and copied by persons interested.

I certify that the above investigation was instituted by the Tariff Commission on the 4th day of April 1952.

[SEAL] DONN N. BENT, *Secretary.*

[F. R. Doc. 52-4090; Filed, Apr. 9, 1952; 8:49 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 26937]

OLIVES FROM SOUTHERN PORTS TO COLORADO AND WYOMING

APPLICATION FOR RELIEF

APRIL 7, 1952.

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: H. M. Engdahl, Agent, for carriers parties to his tariff ICC No. 113.

Commodities involved: Olives, in packages, carloads.

From: Gulf, Florida and South Atlantic ports.

To: Points in Colorado and Wyoming.

Grounds for relief: Competition with rail carriers, circuitous routes, to maintain port rate relations.

Schedules filed containing proposed rates: H. M. Engdahl, Agent, ICC No. 113, supp. 32.

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. 52-4075; Filed, Apr. 9, 1952; 8:47 a. m.]

[4th Sec. Application 26938]

PEAT AND HUMUS FROM GULF PORTS TO POINTS IN KANSAS, NEBRASKA AND WYOMING

APPLICATION FOR RELIEF

APRIL 7, 1952.

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: H. M. Engdahl, Agent, for carriers parties to his tariff ICC No. 113.

Commodities involved: Peat and humus, carloads.

From: Gulf ports.

To: Points in Kansas, Nebraska and Wyoming.

Grounds for relief: Competition with rail carriers, circuitous routes, to maintain port rate relations.

Schedules filed containing proposed rates: H. M. Engdahl, Agent, ICC No. 113, supp. 32.

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. 52-4076; Filed, Apr. 9, 1952; 8:47 a. m.]

[4th Sec. Application 26939]

CRUDE PETROLATUM FROM KANSAS AND OKLAHOMA TO POINTS IN PENNSYLVANIA, WEST VIRGINIA, OHIO, AND NEW YORK

APPLICATION FOR RELIEF

APRIL 7, 1952.

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: F. C. Kratzmeir, Agent, for carriers parties to his tariff ICC No. 3651.

Commodities involved: Crude petrolatum, having A P I gravity not to exceed 42 degrees baume, in tank-car loads.

From: Specified points in Kansas and Oklahoma.

To: Points in Pennsylvania, West Virginia, Ohio and New York.

Grounds for relief: Competition with rail carriers, circuitous routes.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, ICC No. 3651, supp. 283.

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. 52-4077; Filed, Apr. 9, 1952; 8:47 a. m.]

[4th Sec. Application 26940]

DRY FORMALDEHYDE FROM BISHOP, TEX., AND TALLANT, OKLA., TO OFFICIAL TERRITORY

APPLICATION FOR RELIEF

APRIL 7, 1952.

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: F. C. Kratzmeir, Agent, for carriers parties to his tariff ICC Nos. 3967 and 3919.

Commodities involved: Formaldehyde, dry, carloads.

From: Bishop, Tex., and Tallant, Okla.

To: Points in official territory.

Grounds for relief: Competition with rail carriers, circuitous routes.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, ICC No. 3919, supp. 97; F. C. Kratzmeir, Agent, ICC No. 3967, supp. 97.

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. 52-4078; Filed, Apr. 9, 1952; 8:47 a. m.]

[4th Sec. Application 26941]

LARD AND RELATED ARTICLES FROM DUBUQUE, IOWA, TO NEW ORLEANS, LA.

APPLICATION FOR RELIEF

APRIL 7, 1952.

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: R. G. Raasch, Agent, for carriers parties to his tariff ICC No. 699.

Commodities involved: Lard, lard compounds and substitute, cooking and salad oils, and related articles, carloads.

From: Dubuque, Iowa.

To: New Orleans, La.

Grounds for relief: Circuitous routes.

Schedules filed containing proposed rates: R. G. Raasch, Agent, ICC No. 699, Supp. 38.

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. 52-4079; Filed, Apr. 9, 1952; 8:47 a. m.]

[4th Sec. Application 26942]

MAGAZINES AND PERIODICALS FROM SPARTA, ILL., TO NEW YORK, N. Y. AND PHILADELPHIA, PA.

APPLICATION FOR RELIEF

APRIL 7, 1952.

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 ICC No. 3758, pursuant to fourth-section order No. 9800.

Commodities involved: Magazines or periodicals, also magazine parts or sections, and newspaper supplements, carloads.

From: Sparta, Ill.

To: New York, N. Y., and Philadelphia, Pa.

Grounds for relief: Competition with rail carriers, circuitous routes.

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. 52-4080; Filed, Apr. 9, 1952; 8:48 a. m.]

[4th Sec. Application 26943]

MAGAZINES AND PERIODICALS FROM DAYTON AND SPRINGFIELD, OHIO TO NEW ORLEANS, LA.

APPLICATION FOR RELIEF

APRIL 7, 1952.

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 ICC No. 4367, pursuant to fourth section order No. 9800.

Commodities involved: Magazines or periodicals, magazine sections or parts, and newspaper supplements, carloads.

From: Dayton and Springfield, Ohio.

To: New Orleans, La.

Grounds for relief: Circuitous routes.

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. 52-4081; Filed, Apr. 9, 1952; 8:48 a. m.]

[4th Sec. Application 26944]

IRON AND STEEL ARTICLES FROM POINTS IN ILLINOIS AND OFFICIAL TERRITORIES TO SOUTHERN VIRGINIA

APPLICATION FOR RELIEF

APRIL 7, 1952.

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: R. E. Boyle, Jr., Agent, for carriers parties to Agent L. C. Schuldt's tariff ICC No. 3772.

Commodities involved: Iron and steel articles, manufactured, in carloads.

From: Points in Illinois and official territories.

To: Points in southern Virginia.

Grounds for relief: Competition with rail carriers, circuitous routes, to maintain grouping.

Schedules filed containing proposed rates: L. C. Schuldt, Agent, ICC No. 3772, Supp. 129.

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. 52-4082; Filed, Apr. 9, 1952; 8:48 a. m.]

[4th Sec. Application 26945]

LOGS FROM JASPER AND LAKE CITY, FLA., TO MACON, GA.

APPLICATION FOR RELIEF

APRIL 7, 1952.

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: R. E. Boyle, Jr., Agent, for the Atlantic Coast Line Railroad Company and Central of Georgia Railway Company.

Commodities involved: Logs, native wood, Canadian wood and Mexican pine, carloads.

From: Jasper and Lake City, Fla.

To: Macon, Ga.

Grounds for relief: Competition with rail carriers, circuitous routes.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1282, Supp. 2.

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. 52-4083; Filed, Apr. 9, 1952; 8:48 a. m.]

[4th Sec. Application 26946]

ILMENITE ORE FROM MELBOURNE, FLA., TO PITTSBURGH, PA.

APPLICATION FOR RELIEF

APRIL 7, 1952.

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: R. E. Boyle, Jr., Agent, for carriers parties to Agent C. A. Spaninger's tariff ICC No. 1188.

Commodities involved: Ilmenite ore and ilmenite ore concentrates, carloads.

From: Melbourne, Fla.

To: Pittsburgh and Pittsburgh (West End), Pa.

Grounds for relief: Competition with rail carriers, circuitous routes.

Schedules filed containing proposed rates; C. A. Spaninger, Agent, ICC No. 1188, supp. 39.

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. 52-4084; Filed, Apr. 9, 1952; 8:48 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

ROBERT JEAN ACHILLE ROLLAND

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

Robert Jean Achille Rolland, Uccle-Brussels, Belgium; Claim No. 38036; an undivided one-half part of the property described in Vesting Order No. 316 (7 F. R. 9849, November 26, 1942) relating to United States Patent Application Serial No. 166,034 (now Patent No. 2,322,991).

Executed at Washington, D. C., on April 4, 1952.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON, *Assistant Attorney General, Director, Office of Alien Property.*

[F. R. Doc. 52-4091; Filed, Apr. 9, 1952; 8:49 a. m.]

DR. JAN LOLKEMA

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

Dr. Jan Lolkema, Jan Sangerslaan 9, Hoogezand (Province of Groningen), The Netherlands; Claim No. 41635; property described in Vesting Order No. 291 (7 F. R. 9834, November 26, 1942) relating to Patent Application Serial No. 380,562 on which Reissue Patent No. 23443 was issued.

Executed at Washington, D. C., on April 4, 1952.

For the Attorney General.

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

[F. R. Doc. 52-4092; Filed, Apr. 9, 1952; 8:49 a. m.]

MARGARET PALMER SOUTTER VON LUETTICHAU

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:

Claimant, Claim No., Property, and Location

Margaret Palmer Soutter von Luettichau, Mehlem, bei Bad Godesberg, Germany; Claim No. 36453; $54,185.29 in the Treasury of the United States. All right, title and interest of Margaret von Luttichau in and to the trust created under the Last Will and Testament of Thomas C. Meyer, deceased. All right, title and interest of Margaret Soutter von Luttichau in and to the trust agreement dated July 29, 1926 by and between Margaret Soutter von Luttichau, grantor, and James Speyer, and President and Directors of the Manhattan Company, trustees.

The following securities presently in custody of the Safekeeping Department of the Federal Reserve Bank of New York: 2 shares no par value capital stock of The Woodlawn Cemetery; 30 receipts for coupons (Minister of Finance) Greek Government, 40 year Secured Sinking Fund Gold Bonds, Refugee Loan of 1924, 7 percent, dated November 1, 1924, due November 1, 1964; 30 coupons, Greek Government, Refugee Loan of 1924 Sinking Fund Gold Bonds, 7 percent, dated November 1, 1924, due November 1, 1964.

The following securities presently in custody of the Office of Alien Property, 120 Broadway, New York, New York: 35 shares $100 par value capital stock of Central Park North & East River Railroad Company; 40 shares $100 par value capital stock of Second Avenue Railroad Company; 22 shares $100 par value capital stock of South Brooklyn Saw Mill Company.

Executed at Washington, D. C., on April 4, 1952.

For the Attorney General.

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

[F. R. Doc. 52-4093; Filed, Apr. 9, 1952; 8:49 a. m.]

JEAN EMILE FRANCOIS GOBIN DIT DAUDE

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

Jean Emile Francois Gobin dit Daude, Paris, France; Claim No. 41687; property described in Vesting Order No. 293 (7 F. R. 9836, November 26, 1942), relating to Patent Applications Ser. Nos. 414,192 (now U. S. Patent No. 2,330,573), 406,071 (now U. S. Patent No. 2,376,684), 406,072 (now U. S. Patent No. 2,378,546) and 416,269 (now U. S. Patent No. 2,387,575).

Executed at Washington, D. C., on April 4, 1952.

For the Attorney General.

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

[F. R. Doc. 52-4094; Filed, Apr. 9, 1952; 8:49 a. m.]