THE NATIONAL ARCHIVES
LITTERA SCRIPTA MANET

FEDERAL REGISTER

OF THE UNITED STATES 1934

VOLUME 17 NUMBER 217

Washington, Wednesday, November 5, 1952

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 27—EXCLUSION FROM PROVISIONS OF THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED, AND THE CLASSIFICATION ACT OF 1949, AS AMENDED, AND ESTABLISHMENTS OF MAXIMUM STIPENDS FOR POSITIONS IN GOVERNMENT HOSPITALS FILLED BY STUDENT OR RESIDENT TRAINEES

U. S. PUBLIC HEALTH SERVICE

1. Effective November 1, 1952, the list of positions for which maximum stipends have been prescribed in § 27.2 is amended by the addition of the following:

§ 27.2 *Maximum stipends prescribed.*

* * *

Student practical nurse—U. S. Public Health Service Hospital, New Orleans, Louisiana: Approved training during clinical affiliation, per month, $42.

(61 Stat. 727; 5 U. S. C. 1051-1058)

UNITED STATES CIVIL SERVICE COMMISSION
[SEAL] C. L. EDWARDS,
Executive Director.

[F. R. Doc. 52-11871; Filed, Nov. 4, 1952; 8:49 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 5924]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

RAINBOW GIRL COAT COMPANY, INC., ET AL.

Subpart—*Misbranding or mislabeling:* § 3.1190 *Composition: Wool Products Labeling Act;* § 3.1325 *Source or origin—Wool Products Labeling Act.* Subpart—*Neglecting, unfairly or deceptively, to make material disclosure:* § 3.1845 *Composition—Wool Products Labeling Act;* § 3.1900 *Source or origin—Wool Products Labeling Act.* In connection with the introduction or manufacture for introduction into commerce, or the offering for sale, sale, transportation, or distribution in commerce of girls' coats or other wool products, as defined in and subject to the Wool Products Labeling Act of 1939, which contain, purport to contain, or in any way are represented as containing "wool", "reprocessed", or "reused wool", as those terms are defined in said act, misbranding such products by (1) falsely or deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of the constituent fibers therein; (2) failing to securely affix or to place on each such product a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner, (a) the percentage of the total fiber weight of such wool product, exclusive of ornamentation not exceeding five per centum of said total fiber weight of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five per centum or more, and (5) the aggregate of all other fibers; (b) the maximum percentage of the total weight of such wool products of any non-fibrous loading, filling, or adulterating matter; and (c) the name or the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce, or in the offering for sale, sale, transportation, distribution or delivering for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939; or by, (3) failing to separately and distinctly set forth on the required stamp, tag, label, or other means of identification affixed to or placed on any such product, the character and amount of the constituent fibers appearing in the linings thereof which purport to contain, or in any manner are represented as containing wool, reprocessed wool, or reused wool; prohibited, subject to the proviso, however, that the foregoing provisions concerning misbranding shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939; and to the further provision that nothing contained in the order shall be construed as limiting any applicable provisions of said act or the rules and regulations promulgated thereunder.

(Sec. 6, 38 Stat. 722, sec. 6, 54 Stat. 1131; 15 U. S. C. 4, 68d. Interprets or applies sec. 5, 38 Stat. 719, as amended, sec. 2-5, 54 Stat. 1128-1130; 15 U. S. C. 45, 68-68c) [Cease and desist order, Rainbow Girl Coat Com-

(Continued on next page)

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FEDERAL REGISTER

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

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

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

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CODIFICATION GUIDE

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

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pany, Inc. et al., Springfield, Mass., Docket 5924, August 9, 1952.]

In the Matter of Rainbow Girl Coat Company, Inc., a Corporation, and Arnold Freed and Harold Freed, Individually and as Officers of Said Corporation

This proceeding was heard by Earl J. Kolb, hearing examiner, upon the complaint of the Commission, and a stipulation whereby it was stipulated and agreed that a statement of facts executed by counsel supporting the complaint and counsel for respondents might be taken as the facts in the proceeding and in lieu of evidence in support of and in opposition to the charges stated in the complaint, and that such statement of facts might serve as the basis for findings as to the facts and conclusion based thereon and an order disposing of the proceeding without presentation of proposed findings and conclusions or oral argument.

Thereafter the proceeding regularly came on for final consideration by said examiner, theretofore duly designated by the Commission, upon said complaint and stipulation as to the facts, which also provided that upon appeal to or review by the Commission such stipulation might be set aside by it and the matter remanded for further proceedings under the complaint, and which had been approved by him ,and said examiner, having duly considered the record, and having found that the proceeding was in the interest of the public, made his initial decision comprising certain findings as to the facts,[1] conclusion drawn therefrom,[1] and order to cease and desist.

No appeal having been filed from said initial decision of said hearing examiner as provided for in Rule XXII, nor any other action taken as thereby provided to prevent said initial decision becoming the decision of the Commission thirty days from service thereof upon the parties, said initial decision, including said order to cease and desist, accordingly, under the provisions of said Rule XXII became the decision of the Commission on August 9, 1952.

The said order cease and desist is as follows:

It is ordered, That the respondent, Rainbow Girl Coat Company, Inc., a corporation, and its officers, and the re-

[1] Filed as part of the original document.

spondents, Arnold Freed and Harold Freed, individually and as officers of said respondent corporation, and said respondents' respective representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction or manufacture for introduction into commerce, or the offering for sale, sale, transportation, or distribution in commerce, as "commerce" is defined in the aforesaid act, of girls' coats or other wool products, as such products are defined in and subject to the Wool Products Labeling Act of 1939, which products contain, purport to contain, or in any way are represented as containing "wool," "reprocessed wool," or "reused wool," as those terms are defined in said act, do forthwith cease and desist from misbranding such products by:

1. Falsely or deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of the constituent fibers therein;

2. Failing to securely affix or to place on each such product a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner:

(a) The percentage of the total fiber weight of such wool product, exclusive of ornamentation not exceeding five percentum of said total fiber weight of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five percentum or more, and (5) the aggregate of all other fibers;

(b) The maximum percentage of the total weight of such wool product of any non-fibrous loading, filling, or adulterating matter;

(c) The name or the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce, or in the offering for sale, sale, transportation, distribution or delivering for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939;

3. Failing to separately and distinctly set forth on the required stamp, tag, label, or other means of identification affixed to or placed on any such product, the character and amount of the constituent fibers appearing in the linings thereof which purport to contain, or in any manner are represented as containing wool, reprocessed wool, or reused wool.

Provided, That the foregoing provisions concerning misbranding shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939; and

Provided further, That nothing contained in this order shall be construed as limiting any applicable provisions of said act or the rules and regulations promulgated thereunder.

By "Decision of the Commission and order file report of compliance", Docket 5924, August 8, 1952, which announced and decreed fruition of said initial decision, report of compliance was required as follows:

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

Issued: August 8, 1952.

By the Commission.

[SEAL] WM. P. GLENDENING, JR.,
Acting Secretary.

[F. R. Doc. 52-11870; Filed, Nov. 4, 1952; 8:49 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

Subchapter C—Loans, Purchases, and Other Operations

[1952 C. C. C. Grain Price Support Bulletin 1, Supplement 2, Corn]

PART 601—GRAINS AND RELATED COMMODITIES

SUBPART—1952 CORN LOAN AND PURCHASE AGREEMENT PROGRAM

SUPPORT RATES

Correction

In the table of support rates under § 601.1611 in F. R. Doc. 52-11393, appearing at page 9547 of the issue for Tuesday, October 21, 1952, the following changes should be made:

1. Under "Kentucky", the rates per bushel for Floyd, Robertson, and Rockcastle Counties should read "1.78", "1.72", and "1.78", respectively.

2. Under "Missouri", the rate per bushel for Barry County should read "1.65".

3. Under "Oklahoma", the rates per bushel for Cleveland and Texas Counties should read "1.65" and "1.64", respectively, and the county listed between "Tillman" and "Wagoner" should read "Tulsa" instead of "Texas" and its rate per bushel should read "1.66".

4. Under "Texas", "Bandora" County should read "Bandera".

TITLE 20—EMPLOYEES' BENEFITS

Chapter III—Bureau of Old-Age and Survivors Insurance, Social Security Administration, Federal Security Agency

[Regs. No. 3, Further Amended]

PART 403—FEDERAL OLD-AGE AND SURVIVORS INSURANCE

EXTENSION FOR FILING APPLICATIONS FOR LUMP-SUM DEATH PAYMENTS

Section 403.701 (g) of Regulations No. 3, as amended (20 CFR 403.701 (g)) is amended to read as follows:

§ 403.701 *Filing of application and other forms.* * * *

(g) *Time of filing applications for lump sums.* An application for a lump sum must be filed within 2 years after the date of the death of the individual upon the basis of whose wages such lump sum is claimed (see § 403.408 (a) (3)) with the following exceptions:

(1) As provided in paragraph (j) of this section; or

(2) Where the death of such individual occurred outside the forty-eight States and the District of Columbia after December 6, 1941, and before August 10, 1946, such application may be filed prior to September 1952; or

(3) Where the death of such individual occurred outside the forty-eight States and the District of Columbia on or after June 25, 1950, and prior to September 1950 and while he was in the active military or naval service of the United States and where he is returned to any of such States, the District of Columbia, Alaska, Hawaii, Puerto Rico, or the Virgin Islands for interment or reinterment, such application may be filed prior to the expiration of 2 years after the date of such interment or reinterment, but only if it is filed by or on behalf of the person equitably entitled to the lump-sum death payment (see § 403.408 (b) (2)).

(Sec. 1102, 49 Stat. 647, as amended; 42 U. S. C. 1302. Interprets or applies sec. 205, 53 Stat. 1368, as amended, sec. 101, 64 Stat. 432, Pub. Law 590, 82d Cong.; 42 U. S. C. and Sup. 402, 405)

[SEAL] W. L. MITCHELL,
Acting Commissioner for Social Security.

Approved: October 29, 1952.

JOHN L. THURSTON,
Acting Federal Security Administrator.

[F. R. Doc. 52-11847; Filed, Nov. 4, 1952; 8:47 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter VII—Department of the Air Force

Subchapter C—Claims and Accounts

PART 836—CLAIMS AGAINST THE UNITED STATES

REIMBURSEMENT TO OWNERS AND TENANTS OF LAND ACQUIRED BY THE DEPARTMENT OF THE AIR FORCE PURSUANT TO PUBLIC LAW 534, 82D CONGRESS

Sections 836.121 to 836.128 are added to Part 836 as follows:

Sec.
836.121 Statutory provisions.
836.122 Definitions of terms as used in §§ 836.121 to 836.128.
836.123 Scope.
836.124 Delegation.
836.125 Filing of application.
836.126 Limitation of amount of payment.
836.127 Conditions of reimbursement.
836.128 Payment.

AUTHORITY: §§ 836.121 to 836.128 issued under Pub. Law 534, 82d Cong.

§ 836.121 *Statutory provisions.* The Secretary of the Air Force is authorized, to the extent he determines to be fair and reasonable, under regulations approved by the Secretary of Defense, to reimburse the owners and tenants of land to be acquired for any public works project of the Department of the Air Force for expenses and other losses and

damages incurred by such owners and tenants, respectively, in the process and as a direct result of the moving of themselves and their families and possessions because of such acquisition of land, which reimbursement shall be in addition to, but not in duplication of, any payments in respect of such acquisition as may otherwise be authorized by law: *Provided*, That the total of such reimbursement to the owners and tenants of any parcel of land shall in no event exceed 25 per centum of the fair value of such parcel of land as determined by the Secretary of the Air Force. No payment in reimbursement shall be made unless application therefor, supported by an itemized statement of the expenses, losses, and damages so incurred, shall have been submitted to the Secretary of the Air Force within one year following the date of such acquisition. The authority for reimbursement of owners and tenants for moving costs conferred by this subsection shall be in addition to but not in duplication of authority contained in subsection 501 (b) of the act of September 28, 1951 (65 Stat. 365) for the reimbursement to owners and tenants of land acquired pursuant to authorization in said act.

NOTE: Regulations implementing subsection 501 (b) of the act of September 28, 1951 (65 Stat. 365) are contained in §§ 836.131 to 836.138 (17 F. R. 5391).

§ 836.122 *Definitions of terms as used in §§ 836.121 to 836.128*—(a) *The act.* Public Law 534, 82d Congress, approved July 14, 1952.

(b) *Owner.* Any owner of land who moves himself, his family, or his possessions because of acquisition of his land for any public works project of the Department of the Air Force.

(c) *Tenant.* One who under proper authority uses or occupies land and who moves himself, his family, or his possessions because of acquisition of such land for any public works project of the Department of the Air Force.

(d) *Land to be acquired for any public works project.* Acquisition by the Department of the Air Force of any interest in land required for military purposes, except industrial installations not within the boundaries of an authorized multiple ownership project being acquired under circumstances similar to those involved in the normal acquisition of property for an airfield, camp or reservoir.

(e) *Industrial installations.* Any unit of real property which when acquired by the United States is being used or is useful for the production of matériel, munitions and supplies or for industrial research and development.

(f) *Date of acquisition.* The date on which title to land being acquired vests in the United States or the date on which the temporary term commences if a possessory interest only is being acquired.

(g) *Fair value.* The value of the land as determined in accordance with Department of the Air Force appraisal procedure.

§ 836.123 *Scope.* Pursuant to the provisions of the act, reimbursement may only be made to the extent determined fair and reasonable for items of expense and other losses and damages incurred by owners or tenants in the process and as a direct result of the moving of themselves and their families and possessions. The types of reimbursable items and non-reimbursable items described in paragraphs (a) and (b) of this section are not intended to be exclusive.

(a) *Types of reimbursable items.* (1) Moving expenses, such as costs of transportation, insurance, crating and uncrating.

(2) Temporary storage expenses.

(3) Expenditures for obtaining new site or land such as cost of appraisals, surveys, and title searches, where such expenses are normally borne by the purchaser. This does not include any part of the purchase price for the new site or any expenditures for the purpose of adding to the value or utility of the new site.

(b) *Types of non-reimbursable items.* (1) Costs of conveying property to the Government.

(2) Consequential damages or losses, such as loss of good will, loss of profits, loss of trained employees, or expenses of sales and losses because of such sales.

§ 836.124 *Delegation.* Authority is delegated to the Chief of Engineers, Department of the Army, and such of his officers or employees in the Office, Chief of Engineers, as he may designate and are approved by the Secretary of the Air Force to perform all functions and make all determinations which are authorized to be performed by the Secretary of the Air Force with respect to reimbursement under the provisions of section 401 (b) of the act.

§ 836.125 *Filing of application.* All applications for reimbursement will be filed with the appropriate Division or District Engineer, Corps of Engineers, Department of the Army, for forwarding to the Chief of Engineers for final action. Such applications must be delivered to or mailed to such Division or District Engineer within one year from the date of acquisition and must be supported by an itemized statement of the expenses, and the losses and damages incurred and for which reimbursement is requested.

§ 836.126 *Limitation of amount of payment.* The act provides that the total amount of reimbursement to all owners and tenants of any parcel of land shall not exceed 25 per centum of the fair value of such parcel of land. In the event that the approved amount of reimbursement for all owners and tenants exceeds 25 per centum of the fair value of the land, each applicant will receive the same proportion of the 25 per centum of the fair value as the approved amount for each application is of the total amount approved for all applications.

§ 836.127 *Conditions of reimbursement.* In determining whether reimbursement will be made and the extent and amount thereof, consideration will be given to the following:

(a) Reimbursement shall not be made unless and until reasonable proof of the expenses or other losses and damages incurred, in the form of receipts therefor or the next best evidence thereof when receipts are not available, have been submitted.

(b) Reimbursement shall not be made to the extent the applicant's negligence, or wrongful act has contributed to the amount of the expenses, losses or damages.

(c) Reimbursement shall not be made for any expenses, losses or damages which were allowed in establishing the compensation paid or to be paid for the interest acquired in the land.

§ 836.128 *Payment.* Appropriate action will be taken to accomplish payment in accordance with prescribed procedure and regulations. Reimbursement will be made from funds appropriated to the Department of the Air Force pursuant to any act authorizing military public works projects for the Department of the Air Force, to the extent available.

[SEAL] H. B. HOHMAN,
Colonel, U. S. Air Force,
Acting Air Adjutant General.

[F. R. Doc. 52-11836; Filed, Nov. 4, 1952; 8:45 a. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

PART 24—UNIFORM SYSTEM OF ACCOUNTS FOR PERSONS FURNISHING CARS OR PROTECTIVE SERVICES AGAINST HEAT AND COLD

REPAIRS TO REFRIGERATING DEVICES IN CARS AND REPAIRS OF DAMAGE TO CARS CAUSED BY TOP OR BODY ICE

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 27th day of October A. D. 1952.

The matter of modifying the "Uniform System of Accounts for Persons Furnishing Cars or Protective Services against Heat or Cold," being under consideration pursuant to section 20 of the Interstate Commerce Act, as amended (54 Stat. 917, 49 U. S. C. 20 (6)); and,

It appearing, that a notice dated September 18, 1952, was served on all persons which furnish cars or protective service against heat or cold to or on behalf of any carrier by railroad or express company subject to provisions of section 20 (6) of the act, to the effect that certain modifications had been approved, such notice also being published in the FEDERAL REGISTER on September 30, 1952 (17 F. R. 8669) pursuant to the provisions of section 4 of the Administrative Procedure Act; and,

It further appearing, that, although the notice provided that objections to such modifications could be filed by any interested party on or before October 22, 1952, no representations of any kind were received during the prescribed period: It is ordered, That:

Modifications. Effective December 1, 1952 the following modifications shall be observed:

1. In § 24.310, *Car repairs*, add the following as a note to the text of the account:

NOTE: The cost of repairs to refrigerating devices in cars and repairs of damage to cars caused by top or body ice shall be charged to account 410, "Repairs—Refrigeration service facilities."

2. In § 24.410 *Repairs; refrigeration service facilities,* add the following as the last sentence of the text: "It shall also include the cost of repairs to refrigerating devices in cars and repairs of damage to cars caused by top or body ice."

Notice. A copy of this order shall be served on the companies subject to accounting regulations prescribed for persons which furnish cars or protective service against heat or cold to or on behalf of any carrier by railroad or express company and notice of the order shall be given to the general public by depositing a copy thereof in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

(Sec. 12, 24 Stat. 383, as amended; 49 U. S. C. 12)

By the Commission, Division 1.

[SEAL] GEORGE W. LAIRD, *Acting Secretary.*

[F. R. Doc. 52-11841; Filed, Nov. 4, 1952; 8:46 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 29, Revision 1]

CPR 29—PURE NICKEL SCRAP, MONEL METAL SCRAP, STAINLESS STEEL SCRAP, AND OTHER SCRAP MATERIALS CONTAINING NICKEL AND CHROME, ETC.

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Revision 1 to Ceiling Price Regulation 29 is hereby issued.

STATEMENT OF CONSIDERATIONS

This revision accomplishes a number of changes, the need for which has arisen since the issuance of the nickel scrap regulation on May 3, 1951. In operating under the regulation for more than one year, the industry has encountered a number of problems which have indicated the need for the clarification and changes accomplished by this revision.

This revision extends the coverage of Ceiling Price Regulation 29 to include steel scrap with a nickel content exceeding 6.99 percent or a chrome content exceeding 10.99 percent. Preparation services which are defined as the services performed in preparing the commodities covered by the regulation for direct industrial consumption are also now included in the coverage of CPR 29. To avoid the possible application of this regulation to certain items intended to be covered in CPR 46, copper nickel solids and borings, and nickel silver solids and borings meeting the specifications set out in CPR 46 are specifically excluded from this regulation. A number of provisions have been added to enable the industry to operate more easily under the regulation. Other provisions have been modified to more nearly conform with industry practices and a basic definition of stainless steel has been added.

To aid the industry to operate more easily under the regulation Table A has been broadened in several respects. In order to avoid the pricing of certain stainless steel grades under Table A, which table is not intended to price these grades, the item in that table of ferro-nickel-chrome-iron scrap containing from 20 percent to 90 percent nickel has been revised to specifically except standard A1S1 stainless steel grades which must be priced under Table B as stainless steel grades. The category covering monel clippings and rods is considered too limited in that it does not include other standard shapes similarly priced. In order to correct this shortcoming sheet, skeleton and rods which are standard shapes have been added to the category. Table A also lacked a category covering grades of miscellaneous nickel bearing scrap, including grindings, spent catalyst, sludges, and mud and filter cakes. A category has been added to Table A covering these materials and the ceiling price of 32 cents a pound for miscellaneous nickel copper and nickel copper iron scrap containing less than 40 percent nickel has been made applicable.

It has also been determined that for the type of material covered by Table A, more than one dealer often participates in preparing the material for direct industrial consumption by a consumer. CPR 29 as issued permitted payment of the preparation premium only to the dealer selling directly to the consumer. In view of the fact that this provision is too restrictive and does not conform to industry practice, this revision permits the preparation fee set forth in Table A to be divided by the dealer selling directly to the consumer, with another dealer who participates in the preparation, to an extent not greater than 50 percent of the preparation fee.

Prior to this revision the regulation contained no definition of "stainless steel." This created some confusion and certain difficulties in distinguishing between some of the materials covered by Table A and certain grades of nickel bearing stainless steel which were intended to be covered by Table B. Stainless steel is now defined in this revision as heat and corrosion resistant steel containing 50 percent or more iron and 11 percent or more chromium with or without nickel, molybdenum or other elements. Material meeting this definition and also containing 1 percent or more nickel is now defined as "nickel bearing stainless steel." For the purposes of this regulation and establishing ceiling prices these definitions are considered to conform more nearly with present industry concepts.

The ceiling prices of the volume grades of nickel bearing stainless steel scrap remain unchanged. These are $130 per gross ton for sheets, clippings and solids, and $110 per gross ton for turnings and borings containing 16 to 20 percent chrome and 7 to 10 percent nickel. The regulation as originally issued also established ceiling prices for nickel bearing stainless steel scrap containing over 20 percent chrome and 10 percent nickel. This was found to be too limited, in that ceiling prices for nickel bearing stainless steel containing less than 16 percent chrome and 7 percent nickel were not established. Hence for all grades or types of "nickel bearing stainless steel" scrap the revision establishes a ceiling price for sheets, clippings and solids of 40 cents per pound of nickel contained and 12 cents per pound of chrome contained; and for turnings and borings establishes a ceiling price of 15 percent less than the applicable price per gross ton for sheets, clippings and solids.

This does not apply, however, to nickel bearing stainless steel scrap with a nickel content of 3 percent or less which is to be priced as a straight chrome grade under Table B. This conforms to historical practice in the industry and results in a higher and fairer ceiling price than if the scrap were priced on the basis of the nickel and chrome contained at 40 cents and 12 cents per pound, respectively. To further conform with historical industry practice a differential of $5.00 per ton less than the carload price is established on sales of less than carload lots of the straight chrome grades of stainless steel. A similar pricing pattern of $10.00 per ton less for less-than-carload lots was established by the regulation as originally issued for the nickel bearing grades of stainless steel.

Controversies have arisen under CPR 29 both as to the proper interpretation of the preparation premium provision for stainless steel scrap and the type of material for which a preparation premium was payable. In some instances consumers in order to obtain stainless steel scrap, have had to pay the preparation premium for unsuitable material, and pay an additional preparation premium to another for a suitable preparation. The revision corrects this problem by setting forth the explicit forms in which stainless steel scrap must be prepared or generated before a premium becomes payable. Before the premium becomes payable the scrap must also be suitable without further preparation for direct charging into an electric furnace. This means that if the consumer is required to have the scrap further prepared prior to charging it into its electric furnace the premium may not be paid. This change conforms to industry practice.

The brokerage commission provision has been eliminated from the regulation. In its place a provision has been substituted providing for payment of a premium to a seller of stainless steel scrap other than the generator, who sells to a consumer, and in addition meets the other conditions specified in the regulation. Further to more nearly conform with industry practice and because of the smaller volume in which stainless steel scrap moves, a seller other than the generator who sells to a consumer is permitted to accumulate less than carload lots and charge the consumer a premium on the basis of the carload price.

A provision has been added permitting the intransit preparation of stainless steel scrap sold for shipment in rail carload lots or in a minimum quantity of 30,000 pounds for shipment by truck. This conforms with industry practice and provides a flexibility that will facilitate the movement of stainless steel scrap. There has also been added a provision for application for establishment of ceiling prices for unlisted grades and for special preparations, such as for use in a small electric furnace of 500 pounds to two tons capacity.

"Carload" as defined in the original regulation means the minimum quantity required to obtain the carload freight rate from the point of shipment to destination. This definition is realistic insofar as solid materials are concerned which do not in some cases occupy the full capacity of a freight car. However, bulky material like turnings and borings in most cases will occupy a full car without aggregating the minimum weight necessary to obtain the carload rate on a shipment of solids. In addition, freight cars throughout the country vary in size causing further confusion. Therefore, in order to provide a fair standard of uniform applicability, the definition of a "carload" has been changed to mean the shipment by rail of a minimum quantity of 30,000 pounds from the point of shipment to destination, or the minimum quantity required to load a car to visible capacity and so certified on the railroad bill of lading. If delivery is made by truck, a carload shall consist of a minimum quantity of 30,000 pounds if complete delivery is made in three calendar days exclusive of Saturdays, Sundays, and legal holidays.

In the judgment of the Director of Price Stabilization the provisions of this ceiling price regulation are generally fair and equitable and are necessary to effectuate the purposes of the Defense Production Act of 1950, as amended.

So far as practicable, the Director has given due consideration to the national effort to achieve maximum production in furtherance of the objectives of the Defense Production Act of 1950, as amended, and to relevant factors of general applicability. In the judgment of the Director, the ceiling prices established in this regulation are not below the lower of the prices prevailing just before the issuance of this regulation or the prices prevailing during the period January 25, 1951, to February 24, 1951, inclusive.

In formulating this regulation three Industry Advisory Committee meetings were held, the Director consulted with other industry representatives, including trade association representatives, and has given full consideration to their recommendations.

The provisions of this ceiling price regulation and their effect upon business practices, cost practices, or means or aids to distribution in the industry have been considered. It is believed that no changes in such practices or methods have been effected. To the extent, however, that the provisions of this regulation may operate to compel changes in such practices or methods, such provisions are necessary to prevent circumvention or evasion of the regulation and to effectuate the policies of the act.

REGULATORY PROVISIONS

Sec.

AUTHORITY: Sections 1 to 17 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, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SEC. 1. *What this regulation does*—(a) *Commodities and services covered.* (1) This regulation establishes ceiling prices for pure nickel scrap, monel metal scrap, stainless steel scrap and other scrap materials containing nickel or chrome with or without any other alloy or any combination of alloys.

(2) This regulation also establishes ceiling prices for preparation services. As used in this regulation the term "preparation service" means the service performed by you in preparing the commodities covered by this regulation for direct industrial consumption.

(3) This regulation does not apply to the following commodities:

(i) Brass mill nickel scrap suitable for brass mill use. For the purposes of this regulation brass mill nickel scrap includes new cupro-nickel scrap containing a maximum of 31 percent nickel, and new nickel-silver scrap which is the waste or by-product of any fabrication of new sheet, tube, rod or other brass mill product. Brass mill nickel scrap also includes any unused sheet, tube, rod, or other brass mill product sold for remelting whether such products are in the form originally sold by the brass mill or have been further fabricated, processed, altered or assembled. Any material described in this paragraph which is unsuitable for brass mill use is covered by this regulation.

(ii) Steel scrap with a nickel content up to 6.99 percent, or a chrome content up to 10.99 percent, ceiling prices for which are set forth in Ceiling Price Regulation 5—Iron and Steel Scrap.

(iii) Any scrap materials meeting the specifications of "copper nickel solids and borings" or "nickel silver solids and borings" as set out in Ceiling Price Regulation 46, Table A, the ceiling prices of which are set forth in that regulation.

(b) *Persons and transactions covered.* (1) This regulation applies to any person located in the United States or Alaska, Guam, Hawaii, Puerto Rico or the Virgin Islands who sells any of the commodities, or furnishes any of the preparation services, or any person who in the regular course of trade or business buys or receives any of the commodities or preparation services covered by this regulation.

(2) This regulation applies to sales for export, export sales and sales by an importer.

SEC. 2. *Ceiling prices for sales of pure nickel scrap, ferro-nickel-chrome-iron scrap, monel metal scrap, cupro-nickel alloy scrap and certain other scrap materials containing nickel*—(a) *Ceiling prices for unprepared material.* Your ceiling price for the kind and grade of scrap material described in column 1 of Table A is the applicable price set forth in column 2 of Table A:

TABLE A

Column 1 Kind or grade of scrap material	Column 2 Price f. o. b. point of shipment	Column 3 Preparation fee
Pure nickel scrap:		
Containing 98 percent or more nickel and not more than ½ percent copper.	40½ cents per pound of material	4 cents per pound of material.
Containing from 90 up to 98 percent nickel	40½ cents per pound of nickel contained; no payment for any other metals contained.	4 cents per pound of material.
Premiums on shipments of 2,000 pounds or more of pure nickel scrap at one time.	½ cent per pound of material	
Ferro-nickel-chrome-iron scrap containing from 20 up to 90 percent nickel except standard AISI stainless steel grades which shall be priced as stainless steel grades.	40½ cents per pound of nickel contained; 12 cents per pound of chrome contained; no payment for any other metals contained.	2½ cents per pound of material.
Premiums on shipments of 10,000 pounds or more of ferro-nickel-chrome-iron scrap.	½ cent per pound of material	
Ferro-nickel-iron scrap containing from 14 up to 90 percent nickel and no chrome.	40½ cents per pound of nickel contained; no payment for any other metals contained.	2½ cents per pound of material.
Premium on shipments of 10,000 pounds or more of ferro-nickel-iron scrap at one time.	½ cent per pound of material	
Edison batteries A and B free of wood cases and lugs, containing a minimum of 18 percent nickel.	5 cents per pound of material	2½ cents per pound of material.
Premium on shipments of 20,000 pounds or more of Edison batteries A and B at one time.	½ cent per pound of material	
Monel metal scrap, standard grades, new monel metal clippings, rods, sheet, skeleton, and punchings.	33 cents per pound of material	4 cents per pound of material.
Old and soldered monel metal sheet	28 cents per pound of material	4 cents per pound of material.
No. 1 grade monel castings and turnings, containing a minimum of 60 percent nickel, 30 percent copper, and not more than 3 percent free iron, clean and dry.	26 cents per pound of material	4 cents per pound of material.

TABLE A—Continued

Column 1 Kind or grade of scrap material	Column 2 Price f. o. b. point of shipment	Column 3 Preparation fee
K and S grades of new monel metal scrap:		
Clippings, rods, sheet, skeleton, and punchings	31 cents per pound of material	4 cents per pound of material.
Turnings	24 cents per pound of material	4 cents per pound of material.
Premium on shipments of 20,000 pounds or more of monel metal scrap, standard and K and S grades, at one time.	½ cent per pound of material	
Cupro-nickel alloy scrap, containing 90 percent or more of combined nickel and copper.	35 cents per pound of nickel contained; 15 cents per pound of copper contained; no payment for any other metals contained.	4 cents per pound of material.
Miscellaneous nickel copper or nickel copper iron scrap containing not less than 40 percent nickel:		
40 to 49.99 percent nickel	32 cents per pound of nickel contained; no payment for any other metals contained.	4 cents per pound of material.
50 to 59.99 percent nickel	36 cents per pound of nickel contained; no payment for any other metals contained.	4 cents per pound of material.
60 percent and over nickel	40 cents per pound of nickel contained; no payment for any other metals contained.	4 cents per pound of material.
Premium on shipments of 20,000 pounds or more at one time of miscellaneous nickel copper or nickel copper iron scrap containing not less than 40 percent nickel.	½ cent per pound of material	
All grades of miscellaneous nickel copper or nickel copper iron scrap containing less than 40 percent nickel and all grades of miscellaneous nickel bearing residues, including grindings, spent catalyst, sludges, mud, and filter cakes.	32 cents per pound of nickel contained; no payment for any other metal contained.	None.

(b) *Ceiling prices for prepared material.* Your ceiling price for the kind and grade of scrap material described in column 1 of Table A when prepared in accordance with paragraph (c) of this section is the applicable price set forth in column 2, plus the applicable preparation fee set forth in column 3 of Table A.

(c) In order to consider material prepared and to charge the preparation fees set forth in column 3, the seller must be other than the generator of the scrap and must perform all of the following:

(1) Sells the scrap for which he proposes to charge a premium directly to the consumer thereof;

(2) Determines, by chemical test or assay, the metal constituents of the scrap;

(3) On the basis of such test or assay sorts, grades, treats, packages, or briquettes by power press, and otherwise prepares, the scrap so that it is suitable for direct industrial consumption;

(4) Guarantees the delivery of scrap in an agreed amount and analysis.

(d) If a person other than the generator participates in preparing the material as provided in paragraph (c) of this section, the seller may divide the preparation fee with such person to an extent not greater than 50 percent.

(e) Payment of the ceiling prices set forth in Table A shall be based on:

(1) A standard analysis made in accordance with established industry practice.

(2) Weight of the material determined at the buyers receiving point.

SEC. 3. *Ceiling prices for stainless steel scrap.* (a) (1) Your ceiling price f. o. b. point of shipment for carload quantities of the grades of stainless steel scrap listed in column 1 of Table B is the applicable price set forth in column 2 or 3. Payment of these ceiling prices must be based upon a standard analysis made in accordance with established industry practice, and the weight of the material determined at the buyer's receiving point.

TABLE B

Column 1 Kind of grade of scrap material	Column 2 Sheets, clippings and solids	Column 3 Turnings and borings
Nickel bearing: Containing 16-20 percent chrome and 7-10 percent nickel.	$130 per gross ton	$110 per gross ton.
All other grades or types of nickel-bearing stainless steel scrap.	40 cents per pound of nickel contained; 12 cents per pound of chrome contained; no payment for any other metals contained.	15 percent less than the applicable price for sheets, clippings and solids.
Straight chrome:		
Containing 11-14 percent chrome	$62.50 per gross ton	62-50 percent per gross ton.
Containing 14-18 percent chrome	$72.50 per gross ton	62-50 percent per gross ton.
Containing over 18 percent chrome	$72.50 per gross ton plus 12 cents per pound for each pound of chrome in excess of 20 percent.	$10 per gross ton less than the applicable price for sheets, clippings and solids.
Any nickel bearing stainless-steel scrap with a nickel content of 3 percent or less shall be priced as a straight chrome grade.		

(2) In addition to the ceiling prices set forth in paragraph (1) of this section a premium not exceeding $12.00 per gross ton may be charged for stainless steel scrap prepared or generated in the forms and meeting the criteria set forth in paragraph (b) of this section.

(3) A carload shipment may be made up of chrome nickel and straight chrome grades, if properly separated as to grade or analysis, so as not to be physically mixed when received at buyer's receiving point.

(4) If less than a carload shipment is made your ceiling price for the nickel bearing grades is $10.00 per gross ton less and for the straight chrome grades $5.00 per gross ton less than the applicable price set forth in Column 2 or 3 of Table B.

(b) *Preparation services.* (1) Your ceiling price for preparation services of stainless steel scrap is $12.00 per gross ton when prepared or generated in the following forms:

(i) Busheling consisting of material 1/16 inch and over in thickness and not exceeding 12 inches in any dimension.

(ii) Bundles, bales or briquettes mechanically or hydraulically compressed and suitable without further preparation for direct charging into an electric furnace.

(iii) Mandrel wound bundles tightly secured and suitable without further preparation for direct charging into an electric furnace.

(iv) Plate, bar or heavier material ¼ inch or more in thickness and not exceeding 18 inches in width and 36 inches in length.

(2) No premium or fee for preparation services may be paid unless the material is suitable without further preparation for direct charging into an electric furnace, and no further preparation is required by the consumer prior to charging the scrap into an electric furnace.

SEC. 4. *Premiums on sales of stainless steel scrap.* (a) In addition to the applicable ceiling prices set forth in section 3, a seller of stainless steel scrap other than the generator, who sells to a consumer, may charge the consumer a premium not exceeding the following:

(1) For nickel bearing grades. Five percent of the applicable ceiling price set forth in Table B.

(2) For straight chrome grades. $5.00 per gross ton.

(b) Such premium may be paid and received only if:

(1) The seller guarantees the grade and delivery of a specific tonnage of scrap;

(2) The scrap is purchased by the consumer at a price no higher than the ceiling price established by this regulation;

(3) The scrap is sold in carload lots to the consumer at the same price with the same discounts and allowances, at which he purchased it. However, if the seller purchases less than carload lots of stainless steel scrap and accumulates and sells the scrap in carload shipments the premium may be charged on the basis of the carload shipment price;

(4) The seller does not include in the shipping point price any cost, fee, or charge incurred in placing the scrap at its shipping point;

(5) The premium is shown as a separate item in invoicing and billing;

(6) The seller does not split or divide the premium with the consumer or the generator from whom he purchased the scrap, and does not split or divide the

premium with a sub-seller to an extent greater than 50 percent; and

(7) The seller does not hold a substantial financial interest in the generator of the scrap, directly or indirectly, and the generator does not hold such an interest, directly or indirectly, in the seller.

(c) No premium is payable on preparation fees.

SEC. 5. *Ceiling delivered prices.* (a) When any of the scrap covered by this regulation is sold on a delivered basis, the ceiling price is the applicable ceiling price, f. o. b. point of shipment, determined in accordance with sections 2, 3 and 4 of this regulation, plus whichever of the following charges is applicable:

(1) When delivery is made to the buyer's receiving point by way of a public (common or contract) carrier, an amount not in excess of the actual charge (including transportation taxes) made by such carrier;

(2) When delivery is made to the buyer's receiving point by a vehicle owned or controlled by the seller, or by private carrier not owned or controlled by the buyer, an amount, not in excess of the published and applicable motor common carrier charge (not including transportation taxes) for transporting the material being priced from the point of shipment to the buyer's receiving point.

SEC. 6. *Intransit preparation of stainless steel.* (a) Where stainless steel scrap is sold to a consumer for shipment in rail carload lots, or sold in a minimum quantity of 30,000 pounds for shipment by truck and for complete delivery within three consecutive calendar days exclusive of Saturdays, Sundays and legal holidays, after the first shipment is picked up by truck, a consumer may designate a dealer or dealers to prepare stainless steel scrap on a preparation fee basis.

(b) No fee may be paid to the person preparing scrap intransit pursuant to the provisions of this section if the scrap originates in the preparer's yard, unless such scrap is allocated by the National Production Authority. Nor may a fee be paid if the preparation does not meet the conditions specified in sections 3 and 7.

(c) Whenever intransit preparation of stainless steel scrap is permissible pursuant to the provisions of this section, the ceiling delivered price shall be the ceiling shipping point price, plus the premium on sales to a consumer when permitted by this regulation, plus the rail transportation or trucking charges to the point of preparation, plus the applicable ceiling preparation fee as provided in section 3 or 7, plus the permissible transportation charges from the preparation yard to the point of delivery.

(d) (1) When in the course of an intransit preparation delivery is made to the preparer's yard or buyer's receiving point by way of a public (common or contract) carrier, the delivery charge for either may not exceed the actual charge (including transportation taxes) made by such carrier.

(2) When in the course of intransit preparation delivery is made to the preparer's yard or buyer's receiving point by a vehicle owned or controlled by the seller, or after preparation of the material delivery is made to the buyer's receiving point by a vehicle owned or controlled by the preparer; or if delivery is made to either point by a private carrier not owned or controlled by the buyer, the charge for any type delivery may not exceed the published and applicable motor common carrier charge (not including taxes) for transporting the material from the point of shipment to the preparer's yard and from the preparer's yard to the buyer's receiving point.

SEC. 7. *Application for establishment of ceiling prices*—(a) *Ceiling prices for unlisted grades.* (1) Your ceiling price for any grade of pure nickel scrap, monel metal scrap, stainless steel scrap, and other scrap materials containing nickel or chrome with or without any other alloy or any combination thereof, not listed in Tables A and B is the price established by OPS upon application by the seller.

(b) *Ceiling prices for specially prepared material and special preparations.* A consumer desiring to purchase scrap specially prepared to his specifications, or to have scrap owned by him specially prepared to his specifications, such as for use in a small electric furnace of 500 pounds to two tons capacity, must apply to OPS for the establishment of a ceiling price.

(c) Any application pursuant to this section must be signed by an authorized person and filed by registered mail, return receipt requested, with the Industrial Materials and Manufactured Goods Division, Office of Price Stabilization, Washington 25, D. C., and must contain the following information: Your name and address; a statement of the reasons why you are unable to determine a ceiling price under the provisions of this regulation; and a proposed ceiling price.

(2) If your application is to have a ceiling price established for an unlisted grade it must contain the following additional information.

(i) A complete description of the material including analysis, shape and size.

(ii) Trade name of the material, if any.

(iii) Name and address of purchaser.

(3) If your application is to have a ceiling price established for the purchase of specially prepared stainless steel scrap, or for specially prepared pure nickel scrap, monel metal scrap, and other scrap materials containing nickel or chrome with or without any other alloy or any combination thereof, such as for use in a small electric furnace of 500 pounds to two tons capacity, it must contain the following additional information:

(i) The nature of your business.

(ii) Your reasons for requiring the material specially prepared.

(iii) Name and address of the person from whom you will buy the specially prepared material.

(iv) A description of the specially prepared material including analysis, shape and size.

(v) If you have previously purchased similar specially prepared material the fee last paid by you prior to the issuance of this regulation.

(4) If your application is to have a ceiling fee established for the special preparation of stainless steel scrap, pure nickel scrap, monel metal scrap, or other scrap materials owned by you containing nickel or chrome with or without any other alloy or any combination thereof, for such use as in a small electric furnace of 500 pounds to two tons capacity, it must contain the additional information requested under paragraph 3 with the exception of item (iii).

(d) Any ceiling price established by OPS pursuant to this section will be in line with the ceiling prices otherwise established in this regulation.

(e) After receipt of an application pursuant to this section OPS may approve or disapprove your proposed ceiling price, establish a different ceiling price or request additional information. Pending any such action, the product or service covered by your application may be sold at your proposed ceiling price provided an agreement is made for refund of the amount, if any, by which such price exceeds the ceiling price established by OPS. If OPS has not acted on your application within 30 days of the receipt thereof, your proposed ceiling price shall be deemed to be established for all deliveries made between the date of receipt of your application by OPS and the date of any order issued by OPS disposing of your application.

(f) If you are required to file an application pursuant to paragraph (a) of this section and do not do so, OPS may issue an order establishing a ceiling price for you. Any ceiling price provided for by such order will be in line with the ceiling prices otherwise established in this regulation and will apply to all deliveries for which a ceiling price was not otherwise established by this regulation, including deliveries completed prior to the date of the order. The issuance of such an order will not relieve you of your obligation to comply with the requirements of this regulation or of the various penalties for your failure to do so.

SEC. 8. *Petitions for amendment.* Any person seeking an amendment of this regulation may file a petition for amendment in accordance with the provisions of Price Procedural Regulation No. 1, Revised.

SEC. 9. *Adjustable pricing.* Nothing in this regulation shall be construed to prohibit any person making a contract or offering to sell a commodity or service covered by this regulation at (a) the ceiling in effect at the time of delivery or (b) the lower of a fixed price or the ceiling price in effect at time of delivery. No person, however, may deliver or agree to deliver such commodity or service at a price to be adjusted upward in accordance with an increase in a ceiling price after delivery.

SEC. 10. *Excise, sales or similar taxes.* Any person may collect, in addition to the ceiling prices established by this regulation, any excise, sales or similar tax imposed upon him by reason of his sale of any commodity or service cov-

ered by this regulation if he is not prohibited by law from making such collection and if he states separately from his selling prices the amount of the tax collected.

SEC. 11. *Transfers of business.* If the business, assets, or stock in trade of any person are sold or otherwise transferred after January 25, 1951, and the transferee carries on the business or continues to manufacture the commodities or perform the services covered by this regulation in an establishment separate from any other establishment previously owned or operated by him, the ceiling prices of the transferee shall be the same as those to which his transferor would have been subject if no such transfer had taken place, and his obligation to keep records sufficient to verify such prices shall be the same. The transferor shall either preserve and make available, or turn over to the transferee, all records of transactions prior to the transfer which are necessary to enable the transferee to comply with the provisions of this regulation.

SEC. 12. *Record-keeping requirements.* You must prepare and keep for inspection by the Director of Price Stabilization for a period of two years records of each sale of the commodities or services covered by this regulation, showing: The date of sale; the name and address of the seller and buyer; a description of the commodity or service sold using the nomenclature employed in this regulation; if steel scrap is prepared in transit the name of the preparer, whether railroad or truck transportation was used, the freight charges made and how computed; the shipping point and destination; the quantity sold; the price charged; the terms of sale; and the amount of any other factor pertinent to a determination of your ceiling price.

SEC. 13. *Interpretations.* If you want an official interpretation of this regulation, you should write to the District Counsel of the proper OPS District Office. Any action taken by you in reliance upon and in conformity with a written official interpretation will constitute action in good faith pursuant to this regulation. Further information on obtaining official interpretations is contained in Price Procedural Regulation 1, Revised.

SEC. 14. *Prohibitions.* You shall not do any act prohibited or omit to do any act required by this regulation, nor shall you offer, solicit, attempt, or agree to do or omit to do any such act. Specifically (but not in limitation of the above), you shall not, regardless of any contract or other obligation, sell or deliver, and no person in the regular course of trade or business shall buy or receive from you any of the commodities or services at a price higher than the ceiling price established by this regulation, and you shall keep, make and preserve true and accurate records and reports, required by this regulation. If you violate any provisions of this regulation, you are subject to criminal penalties, enforcement action, and action for damages.

SEC. 15. *Evasions.* Any means or device which results in obtaining indirectly a higher price than is permitted by this regulation or in concealing or falsely representing information as to which this regulation requires records to be kept is a violation of this regulation. This prohibition includes, but is not limited to means or devices making use of commissions, service, cross sales, transportation arrangements, premiums, discounts, special privileges, upgrading, tie-in agreements and trade understandings, as well as the omission from records of true data, and the inclusion in records of false data.

SEC. 16. *Supplementary regulations.* The Director of Price Stabilization may issue supplementary regulations modifying this regulation as he deems appropriate.

SEC. 17. *Definitions.* When used in this regulation, the term:

(a) "AISI" means American Institute of Iron and Steel.

(b) "Carload" means the shipment by rail of a minimum quantity of 30,000 pounds from the point of shipment to destination, or the minimum quantity required to load a car to visible capacity and so certified on the railroad bill of lading. If delivery is made by truck a carload shall consist of a minimum quantity of 30,000 pounds if complete delivery is made to the buyer within three calendar days exclusive of Saturdays, Sundays and legal holidays.

(c) "Consumer" means any person whose business consists in whole or in part of smelting, refining, melting, or otherwise processing any of the scrap materials covered by this regulation into a form other than scrap or of having such scrap so processed for his account by another person under a toll or conversion agreement.

(d) "Export sale." This term means the sale of a commodity to a person located outside the continental United States or a territory or possession of the United States and which is shipped to the purchaser outside the continental United States or a territory or possession of the United States, regardless of where the invoicing is done.

(e) "Importer" means a person who first sells scrap covered by this regulation which is transported from a point outside of the United States, its territories, or possessions to a point inside thereof.

(f) "Generator" means any manufacturer, fabricator, or other person who as an incident to, or in the course of, a manufacturing process, fabrication, or other industrial operation, produces any of the scrap materials covered by this regulation and any person who, as an incident to, or in the course of, his business demolishes or dismantles structures, machinery, vehicles or equipment, and thereby obtains scrap covered by this regulation.

(g) "Nickel bearing stainless steel" means stainless steel as defined in paragraph (m) of this section, containing 1 percent or more nickel.

(h) "OPS" means the Office of Price Stabilization.

(i) "Person" includes an individual, corporation, partnership, association, or any other organized group of persons or legal successor or representatives of any of the foregoing; the United States or any agency thereof; and any other government or its political subdivision or agencies.

(j) "Point of shipment" means the actual point at which the material is loaded for shipment to the buyer. In the case of scrap sold by an importer and delivered into the Continental United States, its Territories, or Possessions by water, the point of shipment shall be deemed to be the place within the limits of the Continental United States, its Territories and Possessions where the material is loaded on a conveyance for transportation directly to the buyer, and in the case of scrap sold by an importer and transported directly to the buyer overland from Mexico or Canada, it shall be deemed to be the freight station in the United States at or nearest to the point on the boundary between the United States and Mexico or Canada, as the case may be at which the shipment first enters the United States.

(k) "Sale for Export." This term means a sale to a buyer located in the continental United States or a territory or possession of the United States of a commodity destined for export and subsequent shipment, without resale, to any place outside the continental United States or a territory or possession of the United States.

(l) "Scrap" and "scrap materials" mean all materials which are the waste or by-product of any kind of metal working as well as materials which have been discarded on account of obsolescence, failure, or any other reason. It does not include articles which are useful in their existing state when sold and purchased for re-use in such state, and not for the immediate or ultimate use of a consumer as defined in paragraph (c) of this section.

(m) "Stainless steel" means heat and corrosion resistant steel containing 50 percent or more iron and 11 percent or more chromium with or without nickel, molybdenum or other elements.

(n) "You" means any seller or consumer subject to this regulation. "You" shall be construed accordingly.

Effective date. This revision to Ceiling Price Regulation 29, is effective November 8, 1952.

NOTE: The record-keeping requirements of this revision have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

TIGHE E. WOODS,
Director of Price Stabilization.

NOVEMBER 4, 1952.

[F. R. Doc. 52-11950; Filed, Nov. 4, 1952; 4:00 p. m.]

[General Ceiling Price Regulation, Amdt. 37]

GENERAL CEILING PRICE REGULATION

EFFECT OF MANUFACTURER'S EXCISE TAXES ON CEILING PRICES OF WHOLESALERS AND RETAILERS

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Amendment 37 to the General Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

This Amendment 37 to the General Ceiling Price Regulation (GCPR) removes malt beverages and tobacco products from the list of products contained in section 20 (e) of the GCPR. Since the issuance of CPR 117 and Revision 1 thereof, malt beverages have not been covered by the GCPR, and therefore the reference to these products contained in section 20 (e) is inappropriate.

Under the GCPR, prior to this amendment, distributors of tobacco products were allowed to increase their ceiling prices to reflect manufacturer's excise tax increases only by an amount equal to the amount of increase in such manufacturer's excise taxes. This was the situation which existed prior to November 1, 1951, under the provisions of section 11 of the GCPR, and this exact pass-through provision has continued unchanged until this amendment. When changes were made in the tax section of the GCPR (section 20) by Amendment 23, which became effective on November 1, 1951, it was made clear that the other amendments to the tax section of the GCPR which then became effective and permitted a markup on Federal excise tax increases did not apply to tobacco products. Section 402 (k) of the Defense Production Act of 1950, as amended, now requires that this section of the GCPR be amended to permit tobacco distributors to apply their customary percentage markups on any increase in the manufacturer's excise tax and, therefore, this amendment makes the required change.

When, as originally enacted, section 402 (k) (the so-called Herlong Amendment) became law on July 31, 1951, it prohibited OPS after that date from making any change in its then existing regulations and orders which would deny to sellers of materials at wholesale or retail their customary percentage margins over costs of the materials. The original Herlong Amendment did not require OPS to change any regulations issued prior to the passage of that Amendment.

Prior to the issuance of Amendment 23 to the GCPR, the regulation did not permit resellers of products other than processed agricultural commodities to pass on any increase in the excise taxes which they paid and which were not separately stated. On the other hand, section 11 of the GCPR provided for a dollar-and-cent pass-through of any increase in excise tax not separately stated for all distributors of processed agricultural commodities. Thus, when the changes in Federal excise taxes became effective on November 1, 1951, it was necessary for OPS to take new regulatory action to provide adjustments for the distributors of products not processed from agricultural commodities and as to such adjustments it was necessary for OPS to comply with the requirements of the Herlong Amendment. Amendment 23, with reference to distributors of tobacco products, made no change in the pass-through adjustments already permitted these distributors by section 11 of the GCPR, and was therefore not a change in OPS regulations after July 31, 1951. Accordingly, Amendment 23, insofar as tobacco products are concerned, was not subject to the Herlong Amendment. Moreover, the limited data available to OPS on October 31, 1951, indicated that customary percentage markups were not applied by distributors of tobacco products to the manufacturer's excise tax.

The Defense Production Act Amendments of 1952 broadened the Herlong Amendment by deleting the word "hereafter," so that the Amendment became applicable to all regulatory action whenever taken by OPS.

In view of this change in the statute and of protests submitted prior to this change by wholesalers and retailers of cigarettes, OPS made a further study and analysis to determine whether groups of sellers (as distinguished from individual sellers) of tobacco products at wholesale and retail did have customary percentage margins over costs of materials or customary charges. Data submitted in the protest proceeding were inconclusive, but results of a margin study based on data which became available to the OPS after the change in the Herlong Amendment and a further analysis by OPS of a survey made by OPA in 1942 now indicate the existence of customary percentage markups over costs of materials including the manufacturer's excise tax.

Under these circumstances, it is clear that distributors of tobacco products may not be prevented from marking up the manufacturer's excise tax increase. This amendment therefore deletes tobacco products from section 20 (e) and permits distributors of these products to add their customary markups to manufacturer's excise tax increases in accordance with Supplementary Regulation 29. The GCPR base period is used in SR 29 because of the large number of small sellers in both the wholesale and retail trades who do not have pre-Korean records. It is believed that the margins of these sellers in the GCPR base period approximate their pre-Korean markups.

The special circumstances which led to the formulation of this amendment have rendered consultation with industry representatives, including trade association representatives, impracticable. In the judgment of the Director the provisions of this amendment are generally fair and equitable, are necessary to effectuate the provisions of Title IV of the Defense Production Act, as amended, and comply with all the applicable standards of that act.

AMENDATORY PROVISIONS

The General Ceiling Price Regulation is amended in the following respects:

1. Section 20 (d) is amended to read as follows:

(d) *Where net cost includes changed or new excise tax.* If you are a wholesaler or retailer and the net invoice cost of a commodity purchased by you for resale is changed by reason of the imposition or elimination of or increase or decrease in a manufacturer's excise tax, you recalculate your ceiling price under Supplementary Regulation 29, except for photographic apparatus, film, and equipment (excluding private brands) as covered by paragraph (e) of this section.

2. Section 20 (e) is amended to read as follows:

(e) *Commodities for which only exact change in excise tax may be reflected in ceiling price.* If you are a wholesaler or retailer of photographic apparatus, film, and equipment (except private brands), you may increase your ceiling price by the exact amount of any increase in or new manufacturer's excise tax reflected on the invoice to you; and you must decrease your ceiling price by the exact amount of the decrease in or elimination of any such tax reflected on the invoice to you. You must in all such cases, on sales to sellers for resale, state separately the amount of the tax.

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

Effective date. This Amendment 37 to the General Ceiling Price Regulation is effective November 8, 1952.

JOSEPH H. FREEHILL,
Acting Director of Price Stabilization.

NOVEMBER 4, 1952.

[F. R. Doc. 52-11949; Filed, Nov. 4, 1952; 4:00 p. m.]

PROPOSED RULE MAKING

FEDERAL SECURITY AGENCY

Social Security Administration

[20 CFR Part 401]

DISCLOSURE OF OFFICIAL RECORDS AND INFORMATION

DISCLOSURE OF INFORMATION FOR ADMINISTRATION OF STATE PROGRAMS FOR AID TO THE PERMANENTLY AND TOTALLY DISABLED

Notice is hereby given pursuant to the Administrative Procedure Act approved June 11, 1946, that the amendments to regulation set forth in tentative form below are proposed to be prescribed by the Commissioner for Social Security with the approval of the Federal Security Administrator as amendments to present Regulation No. 1 as amended (20 CFR 401.1 et seq.). It is proposed to amend the existing Regulation No. 1 by authorizing disclosure of certain types of information to officers and employees of State agencies lawfully charged with administration of programs receiving aid under title XIV of the Social Security Act where such information is necessary to enable the agency to determine the eligibility of, or the amount of benefits to be paid to, an applicant for benefits under such a program.

Prior to the final adoption of the proposed amendments, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing in duplicate to the Commissioner for Social Security, Federal Security Agency, Federal Security Building, North, Washington 25, D. C., within a period of 30 days from the date of publication of this notice in the FEDERAL REGISTER.

The proposed amendments are to be issued under the authority contained in sections 205 (a), 1102, and 1106 of the Social Security Act (53 Stat. 1368, 49 Stat. 647, 64 Stat. 559) and 45 CFR 1.21.

[SEAL] W. L. MITCHELL,
Acting Commissioner for Social Security.

Approved: October 29, 1952.

JOHN L. THURSTON,
Acting Federal Security Administrator.

Section 401.3 (g) of Regulation No. 1, as amended (20 CFR 401.3 (g)) is further amended to read:

§ 401.3. *Information which may be disclosed and to whom.* Disclosure of any such file, record, report, or other paper, or information, is hereby authorized in the following cases and for the following purposes:

* * * * *

(g) To any officer or employee of an agency of a State Government lawfully charged with the administration of a program receiving aid under the Vocational Rehabilitation Act or Titles I, IV, V, X, or XIV of the Social Security Act, information regarding benefits paid or entitlement to benefits under Title II of the Social Security Act and, if it has been determined, the date of birth of a recipient or applicant, where such information is necessary to enable the agency to determine the eligibility of or the amount of benefits or services due such recipient or applicant.

[F. R. Doc. 52-11846; Filed, Nov. 4, 1952; 8:47 a. m.]

CIVIL AERONAUTICS BOARD

[14 CFR Parts 40, 41, 42]

MINIMUM ECONOMIC STRENGTH REQUIREMENTS FOR AIR CARRIERS

NOTICE OF PROPOSED RULE-MAKING

Notice is hereby given that the Civil Aeronautics Board has under consideration the adoption of proposed amendments to Parts 40, 41 and 42 of the Civil Air Regulations in substance as hereinafter set forth.

Interested persons may participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should be submitted in duplicate to the Civil Aeronautics Board, attention Bureau of Safety Regulation, Washington 25, D. C. In order to insure their consideration by the Board before taking further action on the proposed rule, communications must be received by December 15, 1952. Copies of such communications will be available after December 18, 1952, for examination by interested persons at the Docket Section of the Board, Room 5412, Commerce Building, Washington, D. C.

Ever since the initial promulgation of Part 40 of the Civil Air Regulations, there has been a requirement for minimum economic strength applicable to those seeking air carrier operating certificates for interstate scheduled operations within the continental limits of the United States. No similar showing has been required of air carriers operating under Part 41 in scheduled overseas or foreign air transportation, nor of irregular carriers or air taxi operators operating under the provisions of Part 42. Although § 40.6 has been in the regulations for a number of years, it has not, because of its generality, proved of great value to the Administrator in determining a carrier's fitness to engage in air carrier operations. Moreover, in the case of air carriers operating under Part 40, financial fitness, willingness and ability to operate as an air carrier are demonstrated in detail in the proceedings for a certificate of public convenience and necessity and the fact that they have been issued such a certificate by the Board has been deemed almost conclusive by the Administrator as their ability to meet this provision.

Recent accident investigations conducted by the Board have demonstrated that regardless of the number of specific safety rules in effect, a carrier may not be able to conduct his operations with the high degree of safety expected from air carriers if the finances of the carrier are in such precarious condition that he must rely upon the income of the next few days of operations to meet his current obligations. It has been found that the tendency is to cut corners on maintenance, and otherwise to conduct operations under conditions which prudent judgment would have avoided in order to bring in the revenue needed to keep the operation going.

The Board believes that, when the finances of an air carrier become so imperiled that there is neither cash nor credit available for the next two weeks' operating expenses, the economic compulsion to operate becomes so great that a hazardous situation is created. The Board is therefore of the opinion that as the very minimum, every air carrier should have sufficient cash on hand or readily available credit to meet the expected current operating expenses of the next ensuing two weeks, without regard to the income to be derived from those operations. If this amount is kept on hand, or such credit is readily available, the temptation to cut corners will be curtailed. This requirement is proposed not only as a condition for the original issuance of the air carrier operating certificate, but also as continuing condition on the right of the holder to continue to operate under his certificate. The Board envisions that any air carrier whose financial position becomes such that he cannot meet the standards herein proposed, will become immediately subject to an emergency certificate suspension proceeding by the Administrator under section 609 of the act.

Accordingly, it is proposed to amend Parts 40, 41 and 42 by inserting therein a provision to read substantially as follows:

Minimum economic strength requirements. Applicant shall show sufficient cash on hand or credit available to him to insure that for a period of at least two weeks all current operating expenses will be met as they come due without regard to income received during such period. No air carrier shall carry passengers or property for hire at any time when his economic strength falls below the level herein set forth.

This regulation is proposed under the authority of Title VI of the Civil Aeronautics Act of 1938, as amended. The proposal may be changed in the light of comments received in response to this notice of proposed rule-making.

(Sec. 205 (a), 52 Stat. 984, U. S. C. 425 (a). Interpret or apply secs. 601, 604, 609, 52 Stat. 1007, 1010, 1011; 49 U. S. C. 551, 554, 559)

Dated October 30, 1952, at Washington, D. C.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 52-11874; Filed, Nov. 4, 1952; 8:50 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

United States Coast Guard

[CGFR 52-52]

TERMINATIONS OF APPROVALS OF EQUIPMENT

BUOYANT CUSHIONS FILLED WITH TYPHA (PROCESSED CATTAIL FLOSS)

The buoyant cushions filled with typha (processed cattail floss) were originally approved during World War II due to the fact that under War Production Order No. M-85 kapok was restricted to use in lifesaving devices for vessels engaged in the war effort and there was no kapok available for use in buoyant cushions for pleasure motorboats. Under the provisions of 46 CFR 28.4-1 then in effect and later under the provisions of 46 CFR 160.008-3, the use of buoyant cushions filled with typha (processed cattail floss) was accepted as a substitute for buoyant cushions filled with kapok. The approvals were limited for the duration of the Unlimited National Emergency proclaimed by the President on May 27, 1941, and six months thereafter. This time limitation was one of the conditions on which the approvals were granted and was contained in each approval when published in the FEDERAL REGISTER. The President, by Proclamation 2974 dated April 28, 1952, and published in the FEDERAL REGISTER of April 30, 1952 (17 F. R. 3813), terminated the Unlimited National Emergency proclaimed on May 27, 1941.

All the manufacturers of buoyant cushions filled with typha (processed cattail floss) have been advised of the expiration of their approvals under the terms on which granted and that such approvals will not be extended. Therefore, the approvals for buoyant cushions filled with typha (processed cattail floss) shall be terminated effective upon October 29, 1952. Notwithstanding this termination of approval on any buoyant cushion filled with typha (processed cattail floss), such buoyant cushions manufactured before the effective date of termination of approval may be used on pleasure motorboats so long as they are in good and serviceable condition, but in no case later than October 29, 1953.

By virtue of the authority vested in me as Commandant, United States Coast Guard, by Treasury Department Order No. 120, dated July 31, 1950 (15 F. R. 6521), and in compliance with the authorities cited below, the following approvals for buoyant cushions filled with typha (processed cattail floss) are terminated effective October 29, 1952:

BUOYANT CUSHIONS, NON-STANDARD

Termination of Approval No. 160.008/1/0, 15" x 15" x 2" buoyant cushion filled with 24-ounce Typha (processed cattail floss) Specification dated March 15, 1944, and dwg. dated April 17, 1944, manufactured by Acme Products, Inc., 152 Brewery Street, New Haven, Conn. (Approved FEDERAL REGISTER dated July 31, 1947, extension of approval effective July 31, 1952, published in FEDERAL REGISTER dated October 1, 1952.)

Termination of Approval No. 160.008/9/0, 15" x 15" x 2" buoyant cushion filled with 24 ounces of Typha (processed cattail floss), dwg. dated August 12, 1943, manufactured by The American Pad & Textile Co., Greenfield, Ohio. (Approved FEDERAL REGISTER dated July 31, 1947, extension of approval effective July 31, 1952, published in FEDERAL REGISTER dated Oct. 1, 1952.)

Termination of Approval No. 160.008/108/0, 15" x 15" x 2" buoyant cushion filled with 24-ounce Typha (processed cattail floss), dwg. No. 4644, dated April 6, 1944, manufactured by Atlantic-Pacific Manufacturing Corp., 124 Atlantic Avenue, Brooklyn 2, N. Y. (Approved FEDERAL REGISTER dated July 31, 1947, extension of approval effective July 31, 1952, published in FEDERAL REGISTER dated October 1, 1952.)

Termination of Approval No. 160.008/151/0, 15" x 15" x 2" buoyant cushion filled with 24-ounce Typha (processed cattail floss), manufactured by W. L. Dumas Manufacturing Co., 14 A Street NW., Miami, Okla. (Approved FEDERAL REGISTER dated July 31, 1947, extension of approval effective July 31, 1952, published in FEDERAL REGISTER dated October 1, 1952.)

Termination of Approval No. 160.008/153/0, 15" x 15" x 2" buoyant cushion filled with 24-ounce Typha (processed cattail floss), Specification dated December 19, 1944, manufactured by Flamingo Textiles, Inc., 1700 Northwest, Seventeenth Avenue, Miami 35, Fla. (Approved FEDERAL REGISTER dated July 31, 1947, extension of approval effective July 31, 1952, published in FEDERAL REGISTER dated October 1, 1952.)

Termination of Approval No. 160.008/159/0, 15" x 15" x 2" buoyant cushion filled with 24-ounce Typha (processed cattail floss), Specification dated February 26, 1944, manufactured by Old Town Canoe Co., Old Town, Maine. (Approved FEDERAL REGISTER dated July 31, 1947, extension of approval effective July 31, 1952, published in FEDERAL REGISTER dated October 1, 1952.)

Termination of Approval No. 160.008/164/0, 15" x 15" x 2" buoyant cushion filled with 24-ounce Typha (processed cattail floss), manufactured by Elvin Salow Co., 31-33 South Street, Boston 11, Mass. (Approved FEDERAL REGISTER dated July 31, 1947, extension of approval effective July 31, 1952, published in FEDERAL REGISTER dated October 1, 1952.)

Termination of Approval No. 160.008/166/0, 15" x 15" x 2" buoyant cushion filled with 24-ounce Typha (processed cattail floss), dwg. No. SMBC44, dated April 6, 1944, manufactured by Seaway Manufacturing Co., Inc., 511 North Solomon Street, New Orleans 19, La. (Approved FEDERAL REGISTER dated July 31, 1947, extension of approval effective July 31, 1952, published in FEDERAL REGISTER dated October 1, 1952.)

Termination of Approval No. 160.008/179/0, 15" x 15" x 2" buoyant cushion filled with 24-ounce Typha (processed cattail floss), manufactured by Wilber and Son, 590 Howard Street, San Francisco, Calif. (Approved FEDERAL REGISTER dated July 31, 1947, extension of approval effective July 31, 1952, published in FEDERAL REGISTER dated Oct. 1, 1952.)

Termination of Approval No. 160.008/442/0, 15" x 15" x 2" rectangular buoyant cushion, 32-ounce Typha (processed cattail floss), dwg. No. 105B2, dated July 24, 1951, manufactured by H. S. White Manufacturing Co., Inc., Sixth and Rosabel Streets, St. Paul 1, Minn. (Approved FEDERAL REGISTER dated October 4, 1951.)

Termination of Approval No. 160.008/501/0, 15" x 15" x 2" rectangular buoyant cushion, 24-ounce Typha (processed cattail floss), dwg. dated January 21, 1952, manufactured by The Safegard Corp., Box 66, Station B, Cincinnati 22, Ohio. (Approved FEDERAL REGISTER dated April 3, 1952.)

(R. S. 4405, 4491, 54 Stat. 164, 166, as amended; 46 U. S. C. 375, 489, 526e, 526p; 46 CFR 25.4-1, 160.008)

Dated: October 30, 1952.

[SEAL] A. C. RICHMOND,
Rear Admiral, U. S. Coast Guard,
Acting Commandant.

[F. R. Doc. 52-11872; Filed, Nov. 4, 1952; 8:49 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

ALASKA

SMALL TRACT CLASSIFICATION ORDER NO. 65, CORRECTION

OCTOBER 28, 1952.

Alaska Small Tract Classification Order No. 65 of October 23, 1952, is hereby corrected as follows:

The land description contained in paragraph 1 is corrected by inserting the words "Sec. 34" which were inadvertently omitted, so that the description now reads as follows:

NINILCHIK AREA—NINILCHIK UNIT NO. 1

FOR HOME SITES

Seward Meridian

T. 1 S., R. 14 W.:
Sec. 34: NE¼NW¼NE¼SW¼, SE¼SW¼NE¼SW¼, S½SE¼SW¼, S½N½SE¼SW¼, NE¼NW¼SE¼SW¼.

Containing 23 tracts aggregating 37.5 acres.

FOR HOME OR BUSINESS SITES

Seward Meridian

T. 1 S., R. 14 W.:
Sec. 34: S½NW¼NE¼SW¼, N½SW¼NE¼SW¼, SW¼SW¼NE¼SW¼, NW¼NW¼SE¼SW¼.

Containing 10 tracts aggregating 15 acres.

FRED J. WEILER,
Chief, Division of Land Planning.

[F. R. Doc. 52-11838, Filed Nov. 4, 1952; 8:46 a. m.]

ALASKA

SMALL TRACT CLASSIFICATION ORDER NO. 66, CORRECTION

OCTOBER 28, 1952.

Alaska Small Tract Classification Order No. 66 of October 23, 1952, is hereby corrected as follows:

That portion of the land description which refers to lands in T. 5 S., R. 15 W., Section 23, is corrected by substituting, in the third line, "W½NW¼NW¼NE¼", so that this description now reads as follows:

T. 5 S., R. 15 W.:
Sec. 23: NE¼NW¼, S½NW¼NE¼, W½NW¼NW¼NE¼, E½NE¼NW¼NE¼, SW¼NE¼NW¼NE¼, SE¼NW¼NW¼NE¼.

FRED J. WEILER,
Chief, Division of Land Planning.

[F. R. Doc. 52-11839, Filed, Nov. 4, 1952; 8:46 a. m.]

[Misc. 63722]

ARIZONA

RESERVING CERTAIN PUBLIC LANDS WITHIN KAIBAB NATIONAL FOREST IN CONNECTION WITH PROPOSED AIRPORT

OCTOBER 30, 1952.

Pursuant to the authority contained in section 2 of the act of March 18, 1950 (64 Stat. 28; 16 U. S. C. 7b), and upon the recommendation of the Department of Agriculture, and in accordance with the authority contained in Departmental Order No. 2583 section 2.22 (a) of August 16, 1950 (15 F. R. 5643), it is ordered as follows:

Subject to valid existing rights, the public lands within the following-described areas within the Kaibab National Forest in Arizona are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining laws but not the mineral-leasing laws, and reserved pending survey and definite location of a site for an airport to be constructed under the provisions of said act of March 18, 1950:

GILA AND SALT RIVER MERIDIAN

T. 30 N., R. 2 E.,
Sec. 23, SE¼;
Sec. 24, SW¼;
Sec. 25, W½;
Sec. 26;
Sec. 27, SE¼;
Secs. 34 and 35.

The areas described, including both public and nonpublic lands, aggregate 2,720 acres.

MARION CLAWSON,
Director.

[F. R. Doc. 52-11854; Filed, Nov. 4, 1952; 8:49 a. m.]

Geological Survey

MONTANA, NEW MEXICO AND WYOMING

DEFINITIONS OF KNOWN GEOLOGIC STRUCTURES OF PRODUCING OIL AND GAS FIELDS

Former paragraph (c) of § 227.0, Part 227, Title 30, Chapter II, Code of Federal Regulations (1947 Supp.), codification of which has been discontinued by a document published in Part II of the FEDERAL REGISTER dated December 31, 1948, is hereby supplemented by the addition of the following list of structures defined effective as of the dates shown:

Name of Field, Effective Date, and Acreage

(4) MONTANA

Frannie Field (additional), May 26, 1949, 171.

(5) NEW MEXICO

Teas Field, May 3, 1952, 440.

(9) WYOMING

Bonanza Field, October 11, 1951, 1,160.
Frannie Field (additional), May 26, 1949, 2,609.
Happy Springs Field (additional), August 5, 1952, 2,200.
Little Sand Draw Field, August 29, 1951, 830.
Pine Mountain Field, November 19, 1948, 920.
Shoshone Field, July 2, 1951, 1,119.
Silver Tip Field, January 17, 1952, 1,763.
South Elk Basin Field (additional), April 12, 1951, 1,400.

THOMAS B. NOLAN,
Acting Director.

[F. R. Doc. 52-11837; Filed, Nov. 4, 1952; 8:45 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 5657]

CARIBBEAN AMERICAN LINES, INC., ENFORCEMENT PROCEEDING

NOTICE OF RE-ASSIGNMENT OF DATE OF HEARING

Notice is hereby given that pursuant to the Civil Aeronautics Act of 1938, as amended, that the hearing in the above-entitled proceeding which was previously assigned to be held on November 13, 1952, is now assigned to be held on November 20, 1952, at 10:00 a. m., e. s. t., in Room 5040, Commerce Building, Fourteenth and Constitution Avenues NW., Washington, D. C., before Examiner Joseph L. Fitzmaurice.

Dated at Washington, D. C., October 31, 1952.

By the Civil Aeronautics Board.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 52-11873; Filed, Nov. 4, 1952; 8:50 a. m.]

ECONOMIC STABILIZATION AGENCY

Office of Price Stabilization

[Ceiling Price Regulation 34, as amended, Section 20 (c), Special Order 18]

LELAND ELECTRIC CO.

COMMISSION CEILING PRICES FOR THE SALE OF 20 FRAME MOTORS, ALTERNATORS, GENERATORS AND MOTOR GENERATORS

Statement of considerations. The commission ceiling prices for the sales of 20 frame motors alternators, generators, and motor generators for the Leland Electric Company, Dayton 1, Ohio, by its sales representatives are adjusted by this Special Order pursuant to section 20 (c) of Ceiling Price Regulation 34, as amended.

This section authorizes the Director of Price Stabilization to adjust ceiling prices of sellers of an essential non-retail service as to which there is a limited supply available. In order to obtain an adjustment under this section, the buyer must demonstrate that he is purchasing an essential non-retail service as to which there is a limited supply available from sellers thereof who are too numerous to make recourse by them to section 20 (b) of Ceiling Price Regulation 34, as amended, practicable. The purchaser must further demonstrate that these sellers are threatening to discontinue supplying him with such service, and in addition, the applicant must agree to absorb any price increase over his sellers' existing ceiling prices, and must so state in his application. The buyer may not apply for or obtain an increase in his suppliers 'ceiling prices for the service supplied to him, which would bring the proposed increased ceiling prices in excess of the price he would be required to pay to other suppliers of the same service. The buyer's application must also show the nature and extent of the sellers' direct labor and material cost increases incurred by them since their ceiling prices for that service were established. These cost increases will be considered by the Office of Price Stabilization in determining the amount of price increase which may be granted. Where practicable the purchaser must state the names and addresses of the sellers and the ceiling prices of each seller.

It appears from information submitted in the application that the applicant sells, in addition to other sizes, 20 frame motors, alternators, generators and motor generators throughout the United States through the services of 17 sales representatives. The Director of Price Stabilization has determined that the supply of such service is limited; that the increased ceiling prices for commissions will not exceed the prevailing prices at which the applicant could purchase the same service; that the applicant's suppliers are threatening to discontinue supplying such service because their ceiling prices are below prevailing rates; that the applicant has agreed to absorb any price increases and will not pass on such increases in the form of increased prices to others; and that the sellers of 20 frame unit sales-representative service to the applicant are too numerous to make recourse to paragraph 20 (b) of Ceiling Price Regulation 34, as amended, practicable. The increased ceiling prices reflect the direct labor and material cost increases incurred by these sellers since their ceiling prices for the service were established, and such increases will not be inconsistent with the purposes of the Defense Production Act of 1950, as amended.

Special provisions. For the reasons set forth in the statement of considerations and pursuant to section 20 (c) of Ceiling Price Regulation 34, as amended, this Special Order is hereby issued.

1. The application of the Leland Electric Company, Dayton 1, Ohio, (hereinafter referred to as Leland) for

an adjustment of the ceiling prices which sellers of 20 frame motors, alternators, generators and motor generators (hereinafter referred to as 20 frame units) may charge applicant for commissions for sales representative service is granted as follows:

(a) On and after the effective date of this Special Order, the ceiling price for commission for sales representative services supplied to Leland on sales of 20 frame units by the following firms shall be 3 percent:

Power Transmission Sales, 25 Huntington Avenue, Boston 16, Mass.
Samuel E. Shea, Elliott Square Building, Buffalo 3, New York
Walter A. Juergens, 802 Times Star Tower, Cincinnati 2, Ohio
Koehler-Pasmore Co., 11883 Hamilton Avenue, Detroit 3, Michigan
H. J. Druhot, Inc., 1325 Lincoln Bank Bldg., Fort Wayne, Indiana
R. E. Hatfield Co., Fulton Building, Lancaster, Pennsylvania
Albert N. Dorsch, 739 Broadway, Milwaukee, Wisconsin

(b) On and after the effective date of this Special Order, the ceiling price for commission for sales representative services supplied to Leland on sales of 20 frame units by the following firms shall be 4 percent.

Samuel G. Boyd, Walton Bldg., Room 316, Atlanta 3, Georgia
Butler and Land, 5538 Dyer Street, Dallas 5, Texas
Johnson-Pellmounter, 315 First Federal Building, Davenport, Iowa
H. R. Harris Co., 708 Portland Avenue, South Minneapolis, Minn.
The Hubert Koub & Co., 1025 Santa Fe Drive, Denver, Colorado.
Johnson-Pellmounter, 903 McGee Street, Kansas City, Missouri.
Gates Co., 200 South Main Street, Salt Lake City, Utah
John F. Cady, 955 Market Street, San Francisco, California
John W. Elder Co., 134 South Boston, Tulsa, Oklahoma
Engineering Sales Co., 411 South Wall Street, Los Angeles, California

2. Leland may pay to the sellers listed therein the prices determined under paragraph 1, subparagraphs (a) and (b) respectively of this Special Order provided that it shall absorb the increase over the former ceiling price and shall not pass on such increase in rates in the form of increased prices to others.

3. Copies of this order shall be provided by Leland to the firms listed above. A copy of this order shall be kept at the place of business of each of these firms and another copy shall be filed by each seller of sales representative service with the appropriate District Office of the Office of Price Stabilization with which each of the firms has filed or is required to file a statement of its ceiling prices under section 18 of Ceiling Price Regulation 34.

4. This order does not authorize an increase in commission or other compensation to be paid to any employee of the Leland Electric Company.

5. This order does not authorize an increase in the commission rates to be paid by the sellers to any employees if such an increase is in contravention of the orders or regulations of the Salary Stabilization or Wage Stabilization Board.

6. All provisions of Ceiling Price Regulation 34, as amended, except as changed by the pricing provisions of this Special Order shall remain in effect.

7. This Special Order or any provisions thereof may be revoked, suspended or amended by the Director of Price Stabilization at any time.

Effective date. This order shall become effective October 31, 1952.

TIGHE E. WOODS,
Director of Price Stabilization.

OCTOBER 30, 1952.

[F. R. Doc. 52-11828; Filed, Oct. 30, 1952; 4:48 a. m.]

[Ceiling Price Regulation 34, as amended, Supplementary Regulation 3, as amended, section 5, Special Order 4]

CHRYSLER CORP., DESOTO DIVISION

APPROVAL OF REVISIONS ATTACHED TO LETTER TO DEALERS, DATED OCTOBER 22, 1952

Statement of considerations. This Special Order, pursuant to section 5 of Supplementary Regulation 3 to Ceiling Price Regulation 34, approves certain modifications and supplements to time allowances which appear in the DeSoto Service Operation Time Schedule pertaining to Model S-17 Fire Dome only, to be used in conjunction with Service Operation Time Schedule Book D-13884.

The Director of Price Stabilization has determined from the data submitted by the publisher of the DeSoto Service Operation Time Schedule pertaining to Model S-17 Fire Dome only, to be used in conjunction with Service Operation Time Schedule Book D-13884, that the approval of these modifications and supplements would not be inconsistent with the purposes of the Defense Production Act of 1950, as amended.

Special provisions. 1. On and after the effective date of this order, the modifications and supplements to the DeSoto Service Operation Time Schedule pertaining to Model S-17 Fire Dome only, to be used in conjunction with Service Operation Time Schedule Book D-13884, as covered in DeSoto Application #549 are authorized for use in establishing the time allowances for the operations described therein.

2. The following notice must be printed or stamped in a prominent position in the publication "Approved by OPS October 31, 1952, by Special Order No. 4 issued under section 5 of SR 3 to CPR 34."

3. All provisions of Ceiling Price Regulation 34, as amended, and Supplementary Regulation 3, as amended, except as changed by this Special Order shall remain in full force and effect.

4. This Special Order or any provision thereof may be revoked, suspended or amended at any time by the Director of Price Stabilization.

Effective date. This order shall become effective October 31, 1952.

TIGHE E. WOODS,
Director of Price Stabilization.

OCTOBER 30, 1952.

[F. R. Doc. 52-11827; Filed, Oct. 30, 1952; 4:47 p. m.]

[Ceiling Price Regulation 34, as amended, Supplementary Regulation 3, as amended, section 5, Special Order 5]

KAISER-FRAZER SALES CORP.

APPROVAL OF REVISIONS ATTACHED TO LETTER TO DEALERS, DATED OCTOBER 20, 1952

Statement of considerations. This Special Order, pursuant to section 5 of Supplementary Regulation 3 to Ceiling Price Regulation 34, approves certain modifications and supplements to time allowances which appear in the Kaiser-Frazer Time Schedule No. X-19505 and the Henry J Time Schedule No. X-19513.

The Director of Price Stabilization has determined from the data submitted by the publisher of Kaiser-Frazer Time Schedule No. X-19505 and the Henry J Time Schedule No. X-19513, that the approval of these modifications and supplements would not be inconsistent with the purposes of the Defense Production Act of 1950, as amended.

Special provisions. 1. On and after the effective date of this order, the modifications and supplements to the Kaiser-Frazer Time Schedule No. X-19505 and the Henry J Time Schedule No. X-19513 as covered in Kaiser-Frazer Sales Corporation Application #365 are authorized for use in establishing the time allowances for the operations described therein.

2. The following notice must be printed or stamped in a prominent position in the publication "Approved by OPS October 31, 1952, by Special Order No. 5 issued under section 5 of SR 3 to CPR 34."

3. All provisions of Ceiling Price Regulation 34, as amended, and Supplementary Regulation 3, as amended, except as changed by this Special Order shall remain in full force and effect.

4. This Special Order or any provision thereof may be revoked, suspended or amended at any time by the Director of Price Stabilization.

Effective date. This order shall become effective October 31, 1952.

TIGHE E. WOODS,
Director of Price Stabilization.

OCTOBER 30, 1952.

[F. R. Doc. 52-11826; Filed, Oct. 30, 1952; 4:47 p. m.]

[General Ceiling Price Regulation, Supplementary Regulation 39, Section 5, Special Order 1]

UNITED PARCEL SERVICE OF NEW YORK, INC. ET AL.[1]

ADJUSTMENT OF RATES PURSUANT TO EXISTING PRICING METHOD

Statement of considerations. The various companies covered by this order are affiliated companies, each of which acts as the consolidated delivery department of, and handles all the deliveries for, leading department stores and specialty shops in a single metropolitan area. They provide delivery service throughout their respective retail trading areas pursuant to contract carrier permits granted by the appropriate State regulatory bodies and, where necessary, by the Interstate Commerce Commission. Rates charged for the services afforded by the companies covered by this order are subject to the provisions of the General Ceiling Price Regulation and may be adjusted under the provisions of Supplementary Regulation 39 to the General Ceiling Price Regulation. On March 28, 1952, the subject companies filed with the National Office, among other things, a request for such administrative relief as would enable them to continue the pricing system then in effect.

The affiliated United Parcel Service companies, each of which operates in a substantially similar manner, have long-term contracts with retail department stores and specialty shops. Under the initial contract between a United Parcel Service company and any of the larger stores served, the company customarily purchases all of the trucks, equipment, and other delivery facilities of the store, leases the space formerly used by the store for garage or warehouse purposes, takes over all its delivery employees and consolidates and pools all its deliveries with those of other stores served. By virtue of the integration of department store delivery service with specialty shop service, delivery costs per unit are reduced and the volume necessary to an economical operation is furnished the delivery companies. Each company performs for the stores all of the services previously performed by their own delivery departments. Service is performed under an adjustable rate contract, protecting each company against increases in costs during the term of the contract and providing for an incentive arrangement whereby both the United Parcel Service company and the store benefit by reduced costs and are penalized by increased costs. Under the adjustable rate contract, tentative rates are established for each fiscal quarter of the contract, but these rates are subject to retroactive adjustment at the beginning of each succeeding fiscal quarter.

[1] This order applies to United Parcel Service of New York, Inc., United Parcel Service of Pennsylvania, Inc., United Parcel Service of Illinois, Inc., United Parcel Service of Milwaukee, United Parcel Service of Cincinnati, Inc., United Parcel Service of Detroit, Inc., United Parcel Service of Minnesota, Inc., United Parcel Service of Los Angeles, Inc., United Parcel Service Bay District, United Parcel Service of Portland, and United Parcel Service of Seattle.

In a typical contract, the provisions for readjustment operate as follows:

All costs are converted to a cost per count or unit of service. Such cost per count or unit for the previous quarter becomes the base rate for the current quarter. This base rate plus a stated allowance per count becomes the tentative weekly billing rate for the current contract quarter. At the end of the quarter, a readjustment is made whereby increases or decreases in cost are shared equally by the company and the store. The cost per unit in turn becomes the base rate for the following quarter.

For the various types of service such as package delivery and furniture delivery, the amount of the retroactive rate adjustment is determined at the end of each fiscal quarter by the relation between the particular base rate and the average cost per package unit. If the average cost exceeds the base rate, one-half of the excess is charged to the store. If the average cost is less than the base rate, one-half of the saving is refunded to the store. In either event, the amount of the adjustment is equal to one-half the difference between base rate and average cost, multiplied by the number of units handled for the store.

The contracts with the smaller stores are similar in form and content to those with the larger stores. The volume and type of business of the smaller stores do not require the same detail and the intricate contractual provisions as in the case of the larger stores. Usually, no takeover of equipment or personnel is involved. Inasmuch as it would be impracticable to include an adjusted rate formula in the contracts with smaller stores, such contracts are made for a much shorter term, usually one year, and contain a flat rate. However, the general method by which the flat rate is arrived at, and the considerations determining the amount, are similar to those used in arriving at the formula. Actually, the smaller store's rate is based on unit cost just as is the larger store's. Annual adjustments in flat rate contracts are based upon the same factors as those affecting application of the adjustable rate formula.

In order to be eligible for adjustment under the provisions of Supplementary Regulation 39, a motor carrier must establish that the adjustment is necessary to permit the continuance of an essential service for which there is no adequate substitute available at a rate equivalent to or lower than the ceiling rate requested, and that the carrier will suffer substantial financial hardship in his overall operations unless the adjustment is granted. The nature of the adjustable rate formula under which both company and store gain directly as costs decrease, and lose directly as costs increase, and the entire relationship between each United Parcel Service company and each store served is founded upon the proposition that the same service at equivalent or lower rates is not available elsewhere. The only alternative to the service provided by the various United Parcel Service companies is the operation by a store of its own delivery department. The operating ratios of the various companies covered by this order reveal that the pricing formulas described above substantially achieve the ends contemplated by Supplementary Regulation 39 and that rate adjustments required by the formula are within permissible bounds. Furthermore, the preparation of individual orders adjusting rates charged under the hundreds of contracts executed by the various United Parcel Service companies would be impracticable.

Special provisions. For the reasons set forth in the Statement of Considerations and pursuant to section 5 (b) of Supplementary Regulation 39, *It is ordered:*

(a) That the ceiling rates for the contract carrier delivery services rendered by United Parcel Service of New York, Inc., United Parcel Service of Pennsylvania, Inc., United Parcel Service of Illinois, Inc., United Parcel Service of Milwaukee, United Parcel Service of Cincinnati, Inc., United Parcel Service of Detroit, Inc., United Parcel Service of Minnesota, Inc., United Parcel Service of Los Angeles, Inc., United Parcel Service Bay District, United Parcel Service of Portland, United Parcel Service of Seattle, shall be no higher than those resulting from the application of the appropriate pricing method set forth below:

(1) Where charges are determined by formula and adjusted quarterly.

The ceiling rates and charges for furniture delivery service, package delivery and other contract carrier service rendered by the carriers covered by this order for any department store or specialty shop shall at no time exceed the highest charges which would be produced by application, on a quarterly basis, of any formula in effect during the base period, December 19, 1950 to January 25, 1951, inclusive, for the particular service.

(2) Where charges are determined by fixed price per unit and adjusted annually.

The rate per unit charged to any department store or specialty shop for contract carrier service shall at no time exceed the price per unit for such service for such department store or specialty shop during the base period, December 19, 1950 to January 25, 1951, inclusive, increased by a percentage computed as follows: the price per unit resulting from application of the pricing formula discussed above to the deliveries of such department store or specialty shop during the quarter immediately preceding the beginning of a particular contract year shall be compared with the price per unit resulting from application of the pricing formula to the deliveries of such department store or specialty shop during the quarter immediately preceding the effective date of the contract in effect during the base period, and the percentage of increase, if any, shall be determined.

(b) Beginning with the quarter ending on September 30, 1952, each of the companies covered by this order shall submit individual profit and loss statements quarterly and a statement of all adjustments in ceiling rates made as a result of the application of the appropriate formula, to the Director of the Services, Transportation and Foreign Trade Division, Office of Price Stabili-

zation, Washington, D. C. Adjustments in ceiling rates must be reported within 30 days of the date that they are determined by formula.

(c) All provisions of the General Ceiling Price Regulation and Supplementary Regulation 39, except as inconsistent with the provisions of this order, shall remain in full force and effect as to the services covered by this order.

(d) This order may be amended, modified or revoked by the Director of Price Stabilization at any time.

Effective date. This special order shall become effective as of March 28, 1952.

NOTE: The record-keeping and reporting requirements of this special order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

TIGHE E. WOODS,
Director of Price Stabilization.

OCTOBER 30, 1952.

[F. R. Doc. 52-11829; Filed, Oct. 30, 1952; 4:48 p. m.]

SECURITIES AND EXCHANGE COMMISSION

[File Nos. 54-66, 59-61, 59-35]

FEDERAL WATER AND GAS CORP. ET AL

NOTICE AND ORDER REGARDING APPLICATION FOR AUTHORITY TO ENTER INTO CLOSING AGREEMENT

OCTOBER 30, 1952.

On September 18, 1951, the Commission, pursuant to section 11 (e) of the Public Utility Holding Company Act of 1935 ("act"), issued its findings and opinion and order approving a plan of liquidation of Federal Water and Gas Corporation ("Federal"), a registered holding company. Said order reserved jurisdiction to entertain such further proceedings and to make such supplemental findings and orders and to take such further action as the Commission might deem appropriate in connection with the enforcement of section 11 (b) of the act and in connection with the plan, the transactions incident thereto, and the consummation thereof.

Upon application of the Commission said plan was approved by the United States District Court for the District of Delaware by order entered on October 16, 1951, and ordered enforced. The order of the United States District Court enforcing said plan also reserved to the Court jurisdiction to entertain such further proceedings, to make such further findings, to enter such supplemental orders, and to take such further action as it might deem appropriate in connection with the claims asserted against Federal, or in connection with the plan, the transactions incident thereto and the consummation thereof.

At the time of filing said plan and at the time said orders approving the plan were entered, the principal liability of Federal was with respect to a claim by the United States for unpaid income taxes for the year 1947. In determining the amount of the cash reserve which should be set aside to meet all claims against Federal, it was estimated that there might be due for income taxes for the year 1947, $361,190.75, against which there had been paid at the filing of the return the sum of $93,153.77, leaving $268,036.98 as the maximum claim which, it was estimated, could be asserted against Federal for unpaid income taxes for the year 1947, with interest. At that time however, Federal took the position that its income taxes due the United States for the year 1947, including interest to December 15, 1951, amounted to $122,785.31, which amount has been paid.

Subsequent to Court enforcement of said plan the Commissioner of Internal Revenue has taken the position that the income taxes due the United States by Federal for the year 1947, including interest to September 15, 1952 amounts to $1,319,703.60 in addition to the amount already paid.

Federal has submitted to the Commissioner of Internal Revenue a proposal to settle its income tax liability for the year 1947 by paying an additional amount of $145,251.67 plus interest, which computed to September 15, 1952, will amount to $66,844.65.

Federal has now filed an application with the Commission requesting that the Commission determine pursuant to section 11 (e) of the act that the proposed settlement of Federal's income tax liability for the year 1947, is fair and equitable to the parties affected by the settlement and that the Commission apply to the United States District Court for the District of Delaware pursuant to section 11 (e) of the act for an order approving and enforcing said settlement.

Notice is hereby given that any interested person may, not later than November 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 application 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 November 14, 1952, said application, as filed or as amended, may be granted or the Commission may exempt such transaction as provided in Rules U-20 (a) and U-100 of the rules and regulations promulgated under the act or the Commission may take such other action as may appear appropriate.

It is ordered, That copies of this notice be sent by registered mail to Federal, to the Commissioner of Internal Revenue for the United States and to all parties to this proceeding, that notice shall be given to all other persons by general release of this Commission which shall be distributed to the press and mailed to the persons on the mailing list for releases under the act, and that further notice shall be given to all other persons by publication of this notice in the FEDERAL REGISTER.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 52-11853; Filed, Nov. 4, 1952; 8:49 a. m.]

[File No. 54-173]

PHILADELPHIA CO. AND STANDARD GAS AND ELECTRIC CO.

ORDER APPROVING TERMS AND PROVISIONS OF SALE OF PORTFOLIO SECURITIES

OCTOBER 29, 1952.

Philadelphia Company ("Philadelphia"), a registered holding company and a subsidiary of Standard Gas and Electric Company ("Standard") and Standard Power and Light Corporation ("Power"), both registered holding companies, having filed a certificate of notification pursuant to Rule U-44 (c) under the act with respect to the sale by Philadelphia of $6,354,000 principal amount of Twenty-Year 3⅜ Percent Sinking Fund Debentures due March 1, 1970, of Equitable Gas Company ("Equitable"), a former public utility subsidiary of Philadelphia, and the Commission having thereafter found and determined that it was not necessary for Philadelphia to file a declaration with the Commission regarding the proposed sale of the debentures;

Said notification, among other things, having set forth the form and manner in which Philadelphia would solicit bids for such debentures and stating that before the acceptance of any bid Philadelphia would notify the Commission of the terms and provisions of the proposed sale and seek an order of the Commission approving such terms and provisions;

Philadelphia having informed the Commission that it has offered the debentures of Equitable for sale in the manner outlined in its certificate of notification and that pursuant to this solicitation it received the following bids:

Bidder:	*Price as percent of principal amount*
Blyth & Co., Inc.	94.47
Halsey, Stuart & Co., Inc.	94.31
Kidder, Peabody & Co., Merrill Lynch, Pierce, Fenner & Beane, and White, Weld & Co.	93.571

Philadelphia having indicated that it proposes to accept the bid of Blyth & Co., Inc., and that the debentures will be offered by the purchaser for sale to the public at a price of 94.636 percent of the principal amount thereof resulting in an underwriter's spread of 0.166 percent of the principal amount, aggregating $10,547.64; and

It being represented that the fees and expenses applicable to the proposed sale will not exceed $6,000 of which $2,000 represents the fee of Reed, Smith, Shaw & McClay, Pittsburgh, Pennsylvania, attorneys for Philadelphia, $3,000 represents the fees of Beekman & Bogue, and Sullivan, Donovan, Heenehan & Hanrahan, in the amounts of $2,000 and $1,000 respectively, as counsel to the purchasers, and the balance is for necessary expenses.

The Commission having examined these data and having determined that the proposed sale may appropriately be made and that the fees and expenses applicable thereto do not appear unreasonable:

It is ordered, That Philadelphia be, and hereby is, authorized and directed to effectuate the sale of the Equitable debentures in the manner and form pro-

posed, subject to the requirements contained in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 52-11852; Filed, Nov. 4, 1952; 8:49 a. m.]

[File No. 70-2717]

CONSUMERS GAS CO.

ORDER GRANTING REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO PURCHASE STOCK OF READING GAS COMPANY

OCTOBER 30, 1952.

Consumers Gas Company, a subsidiary of the United Gas Improvement Company, a registered holding company, having requested a one-year extension to November 16, 1953, of the time fixed by our order of November 16, 1951 (Holding Company Act Release No. 10890), within which Consumers Gas Company may purchase a maximum of 1,000 additional shares of capital stock of Reading Gas Company from non-affiliated interests as shares become available for purchase; and

Consumers Gas Company having stated that to date 317 shares of the capital stock of Reading Gas Company have been purchased under the permission granted by the above order, and that an additional one-year extension is desired in order to consummate the remainder of said purchase program; and

It appearing to the Commission that the requested extension of time is not unreasonable or detrimental to the public interest or the interests of investors or consumers:

It is ordered, That Consumers Gas Company be, and hereby is, granted an additional period of one year from November 16, 1952, within which to consummate the proposed purchase program covered by our order of November 16, 1951, subject, however, to the same conditions and reservations of jurisdiction as are imposed by said order.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 52-11951; Filed, Nov. 4, 1952; 8:48 a. m.]

[File No. 70-2944]

NORTH AMERICAN CO.

ORDER GRANTING APPLICATION REGARDING PROPOSED STABILIZATION

OCTOBER 29, 1952.

The North American Company ("North American"), a registered holding company, having filed an application, and an amendment thereto, pursuant to the act and certain rules promulgated thereunder, concerned with the following proposed transactions:

Pursuant to a plan of liquidation and dissolution of North American Utility Securities Corporation ("NAUS"), heretofore approved by order dated July 23, 1952, under section 11 (e) of the act and ordered enforced by the United States District Court for the District of Maryland, North American will receive, inter alia, 78,684 shares of the common stock of Pacific Gas & Electric Company ("PG&E"), a former public utility subsidiary of North American. This Commission by order dated April 14, 1942, directed North American to divest itself of all of its direct and indirect interests in PG&E.

North American notified this Commission, pursuant to Rule U-44 (c), that upon receipt of the same it intends to sell the 78,684 shares of common stock of PG&E to non-affiliated interests pursuant to a public invitation for sealed written competitive bids and the Commission determined that no declaration need be filed in connection with the proposed sale.

North American in the instant application seeks permission to acquire common stock of PG&E by purchases on the New York Stock Exchange, the San Francisco Stock Exchange and the Los Angeles Stock Exchange, if, in the judgment of North American's officers, such purchases are necessary or advisable to facilitate the intended sale by stabilizing the market price thereof. Purchases by North American will be made only during the period beginning on the day of the opening of bids for the purchase of the common stock and ending at the time of the acceptance of a bid. The filing states that all common stock acquired through these stabilization operations will be promptly disposed of by North American after the sale of the 78,684 shares of common stock of PG&E.

It is represented in the application that customary brokerage fees and commissions will be paid by North American in connection with purchases made by it for stabilization purposes. It is stated that other expenses incurred in connection with such stabilization operations are not separable from the fees and expenses to be incurred in connection with all the transactions enumerated above and that the aggregate fees and expenses in connection with such transactions are estimated at $14,500 of which $5,500 represents fees and expenses of counsel. The record is not complete however with respect to the nature and extent of the services of counsel.

North American has requested that with respect to its receipt of the 78,684 shares of PG&E common stock the Commission's order herein contain the finding, recital and order hereinafter set forth.

The Commission having issued a notice of filing pursuant to Rule U-23 and not having received a request for a hearing thereon within the period specified in said notice or otherwise, and not having ordered a hearing thereon;

It appearing to the Commission that the proposed transactions meet all applicable standards of the act and the rules and regulations thereunder and that it is appropriate in the public interest and in the interest of investors and consumers that the application, as amended, be granted forthwith:

It is hereby ordered, Pursuant to said Rule U-23 and the applicable provisions of the act, and subject to the terms and conditions of Rule U-24, that the application, as amended, be, and the same hereby is, granted forthwith, except, however, with respect to the fees to be paid counsel by North American, as to which matter jurisdiction be, and the same hereby is, reserved.

It is further ordered and recited and the Commission finds, That the transfer and delivery by NAUS or its nominee, Noxid & Co., to North American (in its own name or that of its nominee, Burntull & Co.) of 78,684 shares of the common stock of Pacific Gas and Electric Company, $25 par value, (being comprised of certificates for 9,800 shares numbered NC193929 to 194026 inclusive; a certificate for 56,900 shares numbered NF184234; a certificate for 5,690 shares numbered NF317251; a certificate for 6,259 shares numbered NF388155; and a certificate for 35 shares numbered NF461258) in connection with and as a part of the final liquidation and dissolution of NAUS and as authorized and permitted by the order of this Commission dated July 23, 1952, and in obedience thereto, is necessary and appropriate to the integration of the holding company system of which North American and NAUS are members and is necessary or appropriate to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of 1935.

It is further ordered, That jurisdiction be and hereby is, reserved to enter such other or further orders, conforming to the requirements of Supplement R of Chapter 1 and section 1808 (f) of Chapter 11 of the Internal Revenue Code, as amended, as may appear to the Commission to be appropriate.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 52-11850; Filed, Nov. 4, 1952; 8:48 a. m.]

[File No. 70-2948]

MILWAUKEE ELECTRIC RAILWAY AND TRANSPORT CO. AND WISCONSIN ELECTRIC POWER CO.

NOTICE OF FILING REGARDING ACQUISITION OF SECURITIES IN CONNECTION WITH SALE OF TRANSPORTATION PROPERTIES

OCTOBER 29, 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, by Wisconsin Electric Power Company ("WEPCO"), a registered holding company and a public utility company, and its non-utility subsidiary, the Milwaukee Electric Railway and Transport Company ("Transport"). The filing has designated sections 9, 10, and 12 of the act and Rules U-42, 43, 44, and 45 promulgated thereunder as being applicable to the transactions described therein.

All interested persons are referred to said application-declaration, which is on file in the offices of this Commission, for

a statement of the transactions therein proposed which are summarized as follows:

Transport is engaged in the passenger transportation business in and about the City of Milwaukee, Wisconsin, and also operates a terminal rail carrier principally for hauling coal to certain of WEPCO's power plants. It also owns all the outstanding securities of a company rendering automobile parking and garage services.

The application-declaration states that Transport has made repeated efforts in the past to sell its passenger transportation properties, including a public invitation for competitive bids for the sale of such properties during 1947 and, since that time, by negotiations with approximately ten different groups or individuals and the City of Milwaukee. Such efforts were unsuccessful.

Subject to obtaining the approval of the necessary regulatory authorities, including the Public Service Commission of Wisconsin and this Commission, Transport has entered into an agreement with Milwaukee and Suburban Transport Company ("New Transit Company") to sell Transport's passenger transportation properties for a consideration of $10,000,000, which amount is subject to adjustment for changes in property, materials and supplies.

The filing seeks authority for the acquisition by Transport of promissory notes and preferred stock of New Transit Company constituting part of the consideration for the sale of the passenger transportation properties, and as an incident to such sale, the acquisition by Transport of certain of its own outstanding securities all of which are held by WEPCO. The consideration for the sale of the passenger transportation properties will consist of $4,000,000 in cash, $3,000,000 principal amount of 5 percent Secured Promissory Notes, and $3,000,000 par or stated value of 5 percent Cumulative Preferred Stock of New Transit Company. The promissory notes will be secured by a second mortgage which will provide for a fixed sinking fund of $300,000 per year beginning after the retirement of $4,000,000 of first mortgage serial bonds to be issued by New Transit Company. Such serial bonds will mature serially until 1962, but under the provisions of the indenture may be retired earlier. In addition, the notes will have the benefit of a contingent annual sinking fund beginning in 1954, in an amount equal to one-half of New Transit Company's net income, as defined in said mortgage. Under the terms of the preferred stock there will be redeemed in each year after the retirement of the first mortgage bonds and notes, 3,000 shares of such preferred stock plus an additional amount equivalent to one-half of New Transit Company's net income, as defined in the company's charter.

Transport also proposes to acquire from WEPCO and to retire (i) all of Transport's $3,000,000 principal amount of First Mortgage 4 percent Bonds by purchase for cash at the principal amount thereof plus accrued interest, (ii) 55,000 shares of its capital stock of a par value of $100 per share by purchase for cash at par value, and (iii) not in excess of 45,000 additional shares of such capital stock by surrender by WEPCO.

Transport will obtain funds for the purchase of its bonds and capital stock from the proceeds of the proposed sale of its properties and from other treasury funds which will not be needed by it in operating the businesses which it will conduct after consummation of such sale. Such businesses will be that of a terminal rail carrier and the holding of securities.

It is stated that the proposed sale will result in a net book loss to Transport estimated at approximately $7,800,000 as of July 31, 1952, which loss, in turn, will result in a surplus deficit of Transport of between $4,000,000 and $5,000,000. The surplus deficit is proposed to be eliminated by the retirement without consideration of the smallest number of shares of capital stock of Transport, not exceeding 45,000, as will be necessary for such purpose.

WEPCO proposes to make the transfers to Transport described above, to adjust the carrying value of its investment in Transport to the aggregate par value of that company's capital stock which will be outstanding after the above-mentioned transactions, and to make related adjustments in its accounts to reflect the various transactions.

It appearing to the Commission that it is appropriate in the public interest and in the interest of investors that a hearing be held with respect to the proposed transactions and that said application-declaration should not be granted and permitted to become effective except pursuant to the further order of this Commission:

It is ordered, That a hearing on said application-declaration be held on November 10, 1952, at 10:00 a. m., at the office of the Commission, 425 Second Street NW., Washington 25, D. C. On such date, the Hearing Room Clerk in Room 193 will advise as to the room in which such hearing will be held. Any person desiring to be heard or otherwise wishing to participate in the proceedings, is directed to file with the Secretary of the Commission at or before the time of the hearing, a written request relative thereto as provided by Rule XVII of the Commission's rules of practice.

It is further ordered, That Edward C. Johnson or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The officer so designated is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said act and to a hearing officer under the Commission's rules of practice.

The Division of Public Utilities of the Commission having advised the Commission that it has made a preliminary examination of the application-declaration, and that, upon the basis thereof, the following matters and questions are presented for consideration without prejudice to its specifying additional matters and questions upon further examination:

(1) Whether the proposed sale of the passenger transportation properties by Transport is necessary or appropriate to effectuate the provisions of section 11 (b) (1) of the act, and is not otherwise detrimental to the public interest or the interest of investors;

(2) Whether the proposed acquisition by Transport of the securities of New Transit Company meets the applicable requirements of section 10 of the act;

(3) Whether the proposed retirement of its securities by Transport may be permitted under the standards of section 12 (c) of the act;

(4) Whether any affiliation exists between New Transit Company and the WEPCO holding company system;

(5) Whether the accounting entries proposed to be made are in accordance with sound accounting principles;

(6) What terms and conditions, if any, with respect to the proposed transactions should be prescribed in the public interest or for the protection of investors and consumers;

(7) Generally, whether the proposed transactions comply with the applicable provisions of the act and the rules and regulations and orders promulgated or issued thereunder;

It is further ordered, That particular attention be directed at said hearing to the foregoing matters and questions.

It is further ordered, That the Secretary of the Commission shall serve notice of the aforesaid hearing by mailing copies of this notice and order by registered mail to Transport, WEPCO, New Transit Company, the Interstate Commerce Commission, the Wisconsin Public Service Commission and the Mayor of the City of Milwaukee, Wisconsin; that notice shall be given to all other persons by general release of this Commission which shall be distributed to the press and mailed to the persons on the mailing list of this Commission for releases under the act, and that further notice be given to all persons by publication of this notice and order in the FEDERAL REGISTER.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 52-11849; Filed, Nov. 4, 1952; 8:48 a. m.]