



FEDERAL REGISTER

VOLUME 26

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Washington, Thursday, November 9, 1961

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UNITED STATES STATUTES AT LARGE

[86th Cong., 2d Sess.]

Contains laws and concurrent resolutions enacted by the Congress during 1960, proposed amendment to the Constitution, and Presidential proclamations

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Presidential Documents

Title 3—THE PRESIDENT

Memorandum of October 18,
1961

DETERMINATION UNDER SECTION 604(a) OF THE FOREIGN ASSISTANCE ACT OF 1961

Memorandum for the Secretary of State

THE WHITE HOUSE,
Washington, October 18, 1961.

Section 604(a) of the Foreign Assistance Act requires that:

Funds made available under this Act may be used for procurement outside the United States only if the President determines that such procurement will not result in adverse effects upon the economy of the United States or the industrial mobilization base, with special reference to any areas of labor surplus or to the net position of the United States in its balance of payments with the rest of the world, which outweigh the economic or other advantages to the United States of less costly procurement outside the United States, and only if the price of any commodity procured in bulk is lower than the market price prevailing in the United States at the time of procurement, adjusted for differences in the cost of transportation to destination, quality, and terms of payment.

This section requires that procurement outside the United States using funds available under the Foreign Assistance Act of 1961 may be undertaken only if I determine that, on balance, there is no net detriment to the United States. I am in clear and fundamental agreement with this principle, and trade and foreign policy objectives which I have repeatedly endorsed, including my message on the balance of payments of February 6, 1961, already substantially provide this assurance.

As I indicated in that message, "our foreign economic assistance programs are now being administered in such a way as to place primary emphasis on the procurement of American goods . . . This restriction will be maintained until reasonable over-all equilibrium has been achieved." Under this policy, which is continued in force by my deter-

mination below, the preponderant bulk of foreign assistance procurement will be made in the United States. The necessity for this is clear; such procurement will contribute generally towards resolving our balance of payments difficulties, and also helps stimulate industries in labor surplus areas.

On the other hand, cogent trade and foreign policy objectives and assistance program goals require limited amounts of procurement outside the United States. Some commodities needed in our assistance programs are not produced in the United States, or are not available in the quantities required at the time needed. Procurement from less developed countries, as provided below, advances their economic development, thereby contributing to the objectives of the assistance program and shortening their dependency on foreign assistance. Procurement of military materiel outside the United States is necessary, in some instances, to carry out projects important to our national security.

Therefore, I hereby direct that funds made available under the Foreign Assistance Act of 1961 for non-military programs not be used for procurement from the following countries: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Hong Kong, Italy, Japan, Luxembourg, Monaco, Netherlands, New Zealand, Norway, South Africa, Sweden, Switzerland, and United Kingdom. Upon certification by the Secretary of State, however, that exclusion of procurement in these countries would seriously impede attainment of U.S. foreign policy objectives and the objectives of the foreign assistance program, the Secretary of State may authorize specific exceptions which involve procurement in the excluded countries.

I also hereby direct that funds made available under the Foreign Assistance Act of 1961 for military assistance programs not be used for procurement outside the United States except to procure items required for military assistance which are not produced in the United States, to make local purchases for administrative purposes, and to use local currency available for military assistance purposes. Upon certification by the Sec-

retary of Defense, however, that exclusion of procurement outside the United States would seriously impede attainment of military assistance program objectives, the Secretary of Defense may authorize exceptions to these limitations.

In the event that changed domestic or foreign conditions warrant, the Secretary of State in the case of non-military assistance, and the Secretary of Defense in the case of military assistance, shall consult with the Secretary of the Treasury, and other appropriate agencies, and recommend modification as may be appropriate in policies for procurement using funds made available under the Foreign Assistance Act of 1961. In the event that procurement outside the United States under the above conditions seriously threatens to affect adversely the industrial mobilization base or the economy of an area of labor surplus, the Secretary of State in the case of non-military assistance and the Secretary of Defense in the case of military assistance, shall consult with the Secretary of Commerce and other appropriate agencies and recommend such action as may be appropriate.

For the reasons, and under the conditions stated above, and pursuant to the requirements of Section 604(a) of the Foreign Assistance Act of 1961 (PL 87-195), I hereby determine that the use of funds made available under the Act for procurement from sources outside the United States will not result in adverse effects upon the economy of the United States or the industrial mobilization base, with special reference to any areas of labor surplus or to the net position of the United States in its balance of payments with the rest of the world, which outweigh the economic and other advantages of less costly procurement outside the United States. Procurement outside the United States shall be from Free World sources, in any case. The effective date of this determination shall be September 30, 1961.

This determination shall be printed in the FEDERAL REGISTER.

JOHN F. KENNEDY

[F.R. Doc. 61-10765; Filed, Nov. 7, 1961;
4:55 p.m.]

Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

Department of Commerce

Effective January 1, 1962, subparagraphs (6), (7), and (12) of paragraph (h) of § 6.112 are revoked and subparagraphs (13) and (14) are added as set out below.

§ 6.112 Department of Commerce.

* * * * *

(h) *Maritime Administration.* * * *

(13) U.S. Merchant Marine Academy, positions of: Professors, instructors, and teachers; including heads of the Departments of Physical Training and Athletics, Ships Medicine, Ship Management, History and Languages, Mathematics and Science, Nautical Science and Engineering; Academy Training Representatives; the Regimental Officer; the Drill and Activities Officer; the Band and Activities Officer; and the First, Second, and Third Battalion Officers.

(14) U.S. Merchant Marine Academy, positions of: The Superintendent; the Executive Officer and Assistant Superintendent; Dean; Registrar and Educational Services Officer; Educational Specialist (Administration) (Assistant Dean); Alumni Records Officer and Placement Director; and Librarian.

(R.S. 1753, sec. 2, 22 Stat. 403, as amended; 5 U.S.C. 631, 633)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] MARY V. WENZEL,
Executive Assistant to the Commissioners.

[F.R. Doc. 61-10704; Filed, Nov. 8, 1961; 8:48 a.m.]

PART 25—FEDERAL EMPLOYEES' PAY REGULATIONS

Subpart A—General Compensation Rules

Subpart B—Step Increases

REDESIGNATION AND REVISION

Subpart B "General Compensation Rules" is redesignated as Subpart A and the present Subpart A is revised and redesignated as Subpart B, as follows:

Subpart B—Step Increases

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25.150 Scope.

25.151 Definitions.

SCHEDULE STEP INCREASES

25.152 Schedule waiting period.

25.153 Creditable service—schedule waiting period.

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LONGEVITY STEP INCREASES

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25.171 Performance rating—longevity step increase.

25.172 Longevity waiting period.

25.173 Creditable service—longevity waiting period.

25.174 Effective date—longevity step increase.

25.175 Corrective action—longevity step increase.

25.176 Service for aggregate period.

AUTHORITY: §§ 25.150 to 25.176 issued under sec. 1101, 63 Stat. 971; 5 U.S.C. 1072. Interpret or apply secs. 701-705, 63 Stat. 967-969; secs. 102, 103, 68 Stat. 1105; 5 U.S.C. 1121, 1123, 1124, 1125.

§ 25.150 Scope.

(a) *Applicability.* The step increase provisions apply to full-time, regular part-time, when-actually-employed, and intermittent employees, who occupy permanent positions under the Act, and who are compensated on a per annum basis.

(b) *Entitlement.* Any employee covered by paragraph (a) of this section shall have his entitlement to step increases determined in accordance with Title VII of the Act and the regulations in this subpart.

§ 25.151 Definitions.

As used in this subpart, the term:

(a) "Act" or "Classification Act" is the Classification Act of 1949, as amended.

(b) "Current performance rating" is the current official performance rating of an employee under a performance rating plan which has been approved by the Civil Service Commission.

(c) "Longevity rate" is any one of three rates authorized above the maximum schedule rate for the grade of the Classification Act position.

(d) "Maximum scheduled rate" is the top scheduled rate for the grade of the Classification Act position.

(e) "Permanent position" is one filled on a permanent basis, that is, by an appointment not designated as temporary by law and not having a definite time limitation.

(f) "Scheduled rate" is one of the rates established by law for a Classification Act grade, exclusive of any rate established for longevity pay purposes.

(g) "Step increase" is an increase in an employee's rate of basic compensation upon meeting the requirements prescribed in Title VII of the Act, and the Commission's regulations. This increase may be either a schedule step increase or

a longevity step increase, depending upon the employee's eligibility therefor.

(h) "Waiting period" is the minimum time requirement of creditable service to become eligible for consideration for a step increase. The waiting period is not interrupted by nonworkdays intervening between an employee's last regularly scheduled workday in one position and his first regularly scheduled workday in a new position.

SCHEDULE STEP INCREASES

§ 25.152 Schedule waiting period.

(a) For full-time and regular part-time employees, the waiting period for a schedule step increase (hereinafter called "schedule waiting period") is the 52 or 78 calendar weeks of creditable service as prescribed in the Act and the regulations in this subpart. For intermittent employees, the waiting period is 2,080 hours of creditable service over a period of not less than 52 calendar weeks, or 3,120 hours of creditable service over a period of not less than 78 calendar weeks. For purposes of this section, a calendar week is any period of seven consecutive calendar days.

(b) A waiting period begins under each of the following: (1) Upon a new appointment in the Federal service; (2) after a break in service or a nonpay status in excess of 52 weeks; or (3) an increase or a total of increases in base pay within a schedule waiting period equal to a full step for the employee's grade, even though such increase may have been under a different pay system.

§ 25.153 Creditable service—schedule waiting period.

(a) Continuous civilian employment in any branch (executive, legislative, or judicial) of the Federal Government, or in the municipal government of the District of Columbia, is creditable service in the computation of a waiting period for the purpose of determining entitlement to a schedule step increase. Service credit is given during such employment for periods of annual, sick, and other leave with pay; advanced annual and sick leave; prior service under a temporary appointment; and prior service paid for at a per diem or hourly rate.

(b) A nonpay status of not to exceed two workweeks in the aggregate in any one waiting period of 52 or 78 calendar weeks is creditable as service toward a schedule waiting period.

(c) Full service credit shall be allowed toward a schedule waiting period for leaves of absence granted to an employee because of an injury for which compensation is payable under the Federal Employees' Compensation Act of September 7, 1916, as amended.

(d) Service with the armed forces during a period of war or national emergency is creditable toward a schedule waiting period when an employee leaves his civilian position to enter the military

service and (1) he is reemployed in a position under the Act not later than 52 continuous calendar weeks after separation from active military duty; or (2) he is restored to his civilian position after separation from active military duty or hospitalization continuing thereafter as provided by law.

(e) Service is creditable toward a schedule waiting period from the date of an employee's separation from Federal civilian employment with reemployment rights granted by law, Executive order, or regulation to the date of his return to duty in the Federal service through the exercise of those rights.

(f) Service in essential non-Government civilian employment in the public interest during a period of war or national emergency shall be credited toward a schedule waiting period if it interrupts otherwise creditable service.

§ 25.154 Noncreditable service—schedule waiting period.

Credit may not be given toward a schedule waiting period for:

(a) Service at overtime rates;
 (b) Service prior to a single nonpay period or a break in service whenever such period exceeds 52 calendar weeks, and no part of a nonpay period of more than 52 calendar weeks under paragraph (b) of § 25.153.

(c) Any period of separation from a civilian position, except as provided in paragraphs (d) (2) and (f) of § 25.153.

(d) The period of time between the date an employee leaves a Federal civilian position to enter the armed forces and the date of his reemployment in a position subject to the Act when such reemployment is not within 52 continuous calendar weeks from the date of his discharge from the armed forces, except in instances of restoration as provided by law.

§ 25.155 Equivalent increase.

An "equivalent increase" is an increase in basic compensation equal to or greater than the amount of the step increment of the grade in which the employee is serving or has served during the waiting period under consideration. When an employee receives more than one increase in basic compensation within his current schedule waiting period, no one of which is an equivalent increase, first and subsequent increases shall be added until a total is reached which is equal to or greater than the amount of the step increment of the grade in which the employee is serving at the time this total is reached. The employee shall then be deemed to have received an equivalent increase.

§ 25.156 Performance rating—schedule step increase.

The requirement of a performance rating shall be waived for periods of absence which are counted as creditable service toward a schedule waiting period under paragraphs (c), (d), (e), and (f) of § 25.153.

§ 25.157 Effective date—schedule step increase.

(a) A schedule step increase shall be made effective at the beginning of the next pay period following completion of the required waiting period and compliance with the other conditions of eligibility.

(b) When the effective date of a schedule step increase occurs simultaneously with the effective date of a personnel action, the actions shall be processed in the order which gives the employee the maximum benefit.

§ 25.158 Corrective action—schedule step increase.

(a) When a schedule step increase is delayed beyond its proper effective date, solely through administrative error, delay, or oversight, the schedule step increase shall be made effective as of the date it was properly due.

(b) An improper personnel action later corrected in accordance with mandatory statutory or regulatory requirements shall not serve to extend the waiting period for a schedule step increase. In such cases, the schedule waiting period shall begin as of the date it would have begun had the improper action not occurred.

LONGEVITY STEP INCREASES

§ 25.170 Longevity step increase.

An increase in compensation to one of the longevity rates of the employee's grade, even though the increase is not an equivalent increase under § 25.155, is a longevity step increase.

§ 25.171 Performance rating—longevity step increase.

The requirement of a performance rating shall be waived for periods of absence which are counted as creditable service toward a longevity waiting period under paragraphs (c), (d), and (e) of § 25.173.

§ 25.172 Longevity waiting period.

(a) A waiting period for a longevity step increase is three years of continuous service in positions subject to the Classification Act at:

(1) The maximum scheduled rate of the employee's current grade; or

(2) A longevity rate of the employee's current grade; or

(3) A rate in excess of the maximum scheduled rate of the employee's current grade when such rate is authorized by a specific provision of law; or

(4) A rate specified in subparagraph (1), (2), or (3) of this paragraph in a grade higher than the employee's current grade.

(b) A new longevity waiting period begins when an employee has a break in service in excess of four workweeks, when he is promoted to a higher grade or when he receives an increase in his rate of basic compensation other than a general increase in Classification Act rates, provided by law.

§ 25.173 Creditable service—longevity waiting period.

(a) Except as provided in section 704 of the Act, service immediately prior to

the first pay period beginning after October 28, 1949, shall be counted toward one, two, or three longevity waiting periods, as the case may be.

(b) A nonpay status of not to exceed six workweeks in the aggregate is creditable as service toward a longevity waiting period.

(c) Service with the armed forces intervening between periods of creditable civilian service shall be included in computing the longevity waiting period.

(d) Full service credit shall be allowed toward the longevity waiting period for leaves of absence granted to an employee because of an injury for which compensation is payable under the Federal Employee's Compensation Act of September 7, 1916, as amended.

(e) Service is creditable toward a longevity waiting period beginning with the date of an employee's separation from Federal civilian employment with reemployment rights granted by law, Executive order, or regulation, to the date of his return to duty in the Federal service through the exercise of those rights.

§ 25.174 Effective date—longevity step increase.

(a) A longevity step increase shall be made effective at the beginning of the next pay period following completion of the required waiting period and compliance with other conditions of eligibility.

(b) When the effective date of a longevity step increase occurs simultaneously with the effective date of a personnel action, the actions shall be processed in the order which gives the employee the maximum benefit.

§ 25.175 Corrective action—longevity step increase.

(a) When a longevity step increase is delayed beyond its proper effective date, solely through administrative error, delay, or oversight, the longevity step increase shall be made effective as of the date it was properly due.

(b) An improper personnel action later corrected in accordance with mandatory statutory or regulatory requirements shall not serve to extend the waiting period for a longevity step increase. In such cases, the longevity waiting period shall begin as of the date it would have begun had the improper action not occurred.

§ 25.176 Service for aggregate period.

(a) For the purposes of this subpart, the "aggregate period" is the ten years of service required by section 703(b) (6) of the Act.

(b) In computing service under the Act to be counted toward the aggregate period, service in grades under the Crafts, Protective and Custodial Schedule (CPC), Subprofessional and Professional Schedules (SP and P), and the Clerical, Administrative, and Fiscal Schedule (CAF), shall be held to be equivalent to service in the corresponding General Schedule (GS) grades shown in the following "Table of Equivalents":

TABLE OF EQUIVALENTS

CPC-1	} equivalent to GS-1	equivalent to	{SP-1
CPC-2			{SP-2
CPC-3			{CAF-1
CPC-4	equivalent to GS-2	equivalent to	CAF-2, SP-3
CPC-5	equivalent to GS-3	equivalent to	CAF-3, SP-4
CPC-6	equivalent to GS-4	equivalent to	CAF-4, SP-5
CPC-7	equivalent to GS-5	equivalent to	CAF-5, SP-6, P-1
CPC-8	equivalent to GS-6	equivalent to	CAF-6, SP-7
CPC-9	equivalent to GS-7	equivalent to	CAF-7, SP-8, P-2
CPC-10	equivalent to GS-8	equivalent to	CAF-8
			GS-9 equivalent to CAF-9, P-3
			GS-10 equivalent to CAF-10
			GS-11 equivalent to CAF-11, P-4
			GS-12 equivalent to CAF-12, P-5
			GS-13 equivalent to CAF-13, P-6
			GS-14 equivalent to CAF-14, P-7
			GS-15 equivalent to CAF-15, P-8

(c) In computing service not under the Act to be counted toward the aggregate period, service shall be deemed to be equivalent to the highest Classification Act grade in the Table of Equivalents in paragraph (b) of this section which would have included within its step range the basic rate of pay for such service at the time such service was rendered.

(d) In computing service for the aggregate period, all periods of separation from the service shall be excluded and any unpaid absence in excess of 26 workweeks in any calendar year shall not be counted.

(e) When an employee's position is regraded upward, service in the lower grade of the position shall be included in computing the aggregate period for the higher grade of the position. As used in this section, "regraded" is a change in the grade of a position without a significant change in duties or responsibilities.

(f) Service with the armed forces intervening between periods of creditable civilian service shall be included in computing the aggregate period.

(g) Full service credit shall be allowed toward the aggregate period for leaves of absence granted to an employee because of an injury for which compensation is payable under the Federal Employees' Compensation Act of September 7, 1916, as amended.

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] MARY V. WENZEL,
Executive Assistant to the Commissioners.

[F.R. Doc. 61-10672; Filed, Nov. 8, 1961; 8:45 a.m.]

Title 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS [Amdt. 9]

PART 421—GRAINS AND RELATED COMMODITIES

Subpart—Provisions for Participation of Financial Institutions in Pools of CCC Price Support Loans on Certain Commodities

INCREASE IN RATE OF INTEREST

The regulations issued by the Commodity Credit Corporation published in

23 F.R. 3913, as amended, containing the terms and conditions for participation in pools of CCC price support loans on certain commodities are hereby further amended to increase from 2½ to 3 percent per annum, the rate of interest on certificates evidencing participation in financing 1961 and subsequent crop price support loans.

Section 421.3803(a) is amended to read as follows:

§ 421.3803 Rate of interest and basis of computation of interest earned.

(a) 1961 and subsequent crop programs. Certificates evidencing participation in financing 1961 and subsequent crop price support program loans shall earn interest at the rate of 2½ percent per annum through and including the date next preceding the date of publication of this notice in the FEDERAL REGISTER, and 3 percent thereafter.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072; 15 U.S.C. 714c)

Effective on date of publication.

Signed at Washington, D.C., on November 3, 1961.

R. P. BEACH,
*Acting Executive Vice President,
Commodity Credit Corporation.*

NOVEMBER 3, 1961.

[F.R. Doc. 61-10725; Filed, Nov. 8, 1961; 8:51 a.m.]

[Amdt. 1]

PART 427—COTTON

Subpart—Provisions for Participation of Commercial Banks in Pools of CCC Price Support Loans on Cotton

INCREASE IN RATE OF INTEREST

The regulations issued by the Commodity Credit Corporation published in 26 F.R. 6192 containing the terms and conditions under which commercial banks may participate in pools of CCC price support loans on cotton are hereby amended to increase from 2½ to 3 percent per annum, the rate of interest on certificates evidencing participation in financing 1961 and subsequent crop cotton price support loans.

Section 427.1238 is amended to read as follows:

§ 427.1238 Rate of interest and basis of computation of interest earned.

Certificates shall earn interest at the rate of 2½ percent per annum through and including the date next preceding the date of publication of this notice in

the FEDERAL REGISTER, and 3 percent thereafter. This interest rate of three percent may be increased or decreased by CCC upon publication in the FEDERAL REGISTER of an amendment to these regulations providing for such increase or decrease: *Provided*, That with respect to any decrease in the interest rate, the effective date of such decrease shall be at least 15 days subsequent to the date of publication of such amendment in the FEDERAL REGISTER. Interest earned will be paid on a 365-day basis from and including the date shown on the certificate to, but not including, the maturity date of the certificate, the date the certificate is purchased by CCC, or the date the certificate is to be presented to CCC for purchase in accordance with notice given the holder of record pursuant to § 427-1237, whichever date first occurs. If the amount of accrued interest on a certificate presented for purchase is \$3.00 or less, CCC shall not be obligated to pay any interest on the certificate.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072; 15 U.S.C. 714c)

Effective on date of publication.

Signed at Washington, D.C., on November 3, 1961.

R. P. BEACH,
*Acting Executive Vice President,
Commodity Credit Corporation.*

NOVEMBER 3, 1961.

[F.R. Doc. 61-10726; Filed, Nov. 8, 1961; 8:51 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter III—Federal Aviation Agency

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket No. 61-WA-88]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

Alteration of Federal Airway

On June 29, 1961, a notice of proposed rule making was published in the FEDERAL REGISTER (26 F.R. 5834) stating that the Federal Aviation Agency proposed to extend intermediate altitude VOR Federal airway No. 1627 as a 16-mile wide airway from Farmington, N. Mex., VOR via the Winslow, Ariz., VOR; to the intersection of the Phoenix, Ariz., VOR 029° and the Prescott, Ariz., VOR 134° True radials; thence as a 10-mile wide airway via the Phoenix, VOR; to the intersection of the Phoenix VOR 204° and the Gila Bend, Ariz., VOR 096° True radials.

The Department of the Air Force submitted the only objection to this proposal. They objected to the proposed extension of Victor 1627 between the Winslow VOR and the Phoenix VOR. The basis for their objection was that Victor 1627 would pass through a proposed training area for Williams Air Force Base, Chandler, Ariz. In view of the objection by the Department of the Air Force, the Federal Aviation Agency is withholding action on the portion of

the proposed segment of Victor 1627 from the Winslow VOR to the intersection of the Phoenix VOR 204° and the Gila Bend VOR 096° True radials until the airspace requirements for Williams AFB are resolved.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (25 F.R. 12582) and for the reasons stated herein and in the notice, § 600.1627 (26 F.R. 1079) is amended to read:

§ 600.1627 VOR Federal airway No. 1627 (Winslow, Ariz., to Laramie, Wyo.).

From the Winslow, Ariz., VOR via the Farmington, N. Mex., VOR; Gunnison, Colo., VOR; Kremmling, Colo., VOR; to the Laramie, Wyo., VOR.

This amendment shall become effective 0001 e.s.t., January 11, 1962.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on November 3, 1961.

D. D. THOMAS,
Director, Air Traffic Service.

[F.R. Doc. 61-10693; Filed, Nov. 8, 1961; 8:46 a.m.]

[Airspace Docket No. 60-NY-148]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF CONTROLLED AIRSPACE, REPORTING POINTS, POSITIVE CONTROL ROUTE SEGMENTS, AND POSITIVE CONTROL AREAS

Alteration of Federal Airways and Associated Control Areas

On May 10, 1961, a notice of proposed rule making was published in the FEDERAL REGISTER (26 F.R. 4019) stating that the Federal Aviation Agency proposed to designate a segment of low altitude VOR Federal airway No. 31 between Golden Hill, Md., INT and Nottingham, Md., and to extend VOR Federal airway No. 222 from Gordonsville, Va., to Nottingham; to designate the control areas associated with these airway segments to extend upward from at least 1,200 feet above the surface or, if appropriate, 500 feet below the minimum IFR en route altitudes, when established, to the base of the continental control area; and to designate the Benedict, Md., INT as a reporting point.

On August 15, 1961, a supplemental notice of proposed rule making was published in the FEDERAL REGISTER (26 F.R. 7552) amending the original notice in that the control areas associated with these segments of Victor 31 and Victor 222 would extend upward from 700 feet

above the surface to the base of the continental control area until such time as all the control areas associated with other airways in the vicinity of Gordonsville and Nottingham can be altered by applying Amendment 60-21 to Part 60 of the Civil Air Regulations.

The Air Transport Association of America concurred with the proposal as stated in the notice. The Department of the Navy, the Department of the Air Force, and the Air Line Pilots Association offered no objection to the proposal. No other comments were received on either the notice or supplemental notice.

As stated in the notice, the Federal Aviation Agency proposed to exclude the portion of Victor 31 which would coincide with the Chesapeake, Md., Restricted Area (R-4004), to designate the Benedict, Md., Intersection as a reporting point and to designate Victor 222 via the 175° True radial of the Nottingham VOR. Subsequent to publication of the notice, Restricted Area R-4004 has been revoked and revised traffic control procedures have obviated the requirement for the Benedict reporting point. In addition, it has been determined that the 174° in lieu of the 175° True radial of the Nottingham VOR would provide an alignment of Victor 222 more compatible with a planned airway between Nottingham and Harcum, Va. Accordingly, reference to R-4004 and the Benedict reporting point is deleted from the action taken herein and the 174° True radial of the Nottingham VOR is used to describe Victor 222.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (25 F.R. 12582) and for the reasons stated herein and in the notice and supplemental notice, the following actions are taken:

1. Section 600.6031 (14 CFR 600.6031, 26 F.R. 2457) is amended to read:

§ 600.6031 VOR Federal airway No. 31 (Golden Hill, Md., to Nottingham, Md., and Baltimore, Md., to Rochester, N.Y.).

From the INT of the Patuxent River, Md., VORTAC 036° and the Nottingham, Md., VOR 128° radials; to the Nottingham VOR. From the Baltimore, Md., VORTAC, via the Harrisburg, Pa., VORTAC; Selingsgrove, Pa., VORTAC; Williamsport, Pa., VORTAC; Elmira, N.Y., VOR, including a W alternate from the Selingsgrove VORTAC to the Elmira VOR via the INT of the Selingsgrove VORTAC 342° and the Elmira VOR 187° radials; INT of the Elmira VOR 357° and the Rochester, N.Y., VOR 126° radials; to the Rochester VOR, excluding the airspace within R-4006 and R-4007.

2. Section 601.6031 (14 CFR 601.6031, 26 F.R. 2457) is amended to read:

§ 601.6031 VOR Federal airway No. 31 control areas (Golden Hill, Md., to Nottingham, Md., and Baltimore, Md., to Rochester, N.Y.).

All of VOR Federal airway No. 31, including a W alternate.

§ 600.6222 [Amendment]

3. In § 600.6222 (14 CFR 600.6222) the following changes are made:

(a) In the caption "(El Paso, Tex., to Evergreen, Ala., to Norcross, Ga., to Gordonsville, Va.)" is deleted and "(El Paso, Tex., to Evergreen, Ala., and Norcross, Ga., to Nottingham, Md.)" is substituted therefor.

(b) In the text, "Gordonsville, Va., VOR" is deleted and "Gordonsville, Va., VORTAC; INT of the Gordonsville VORTAC 058° and the Brooke, Va., VORTAC 252° radials; Brooke VORTAC; INT of the Brooke VORTAC 072° and the Nottingham, Md., VOR 174° radials; to the Nottingham VOR. The portion of this airway within R-6611 shall be used only after obtaining prior approval from the appropriate authority." is substituted therefor.

§ 601.6222 [Amendment]

4. In § 601.6222 (14 CFR 601.6222) the following change is made: In the caption "(El Paso, Tex., to Evergreen, Ala., and Norcross, Ga., to Gordonsville, Va.)" is deleted and "(El Paso, Tex., to Evergreen, Ala., and Norcross, Ga., to Nottingham, Md.)" is substituted therefor.

These amendments shall become effective 0001 e.s.t. January 11, 1962.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on November 3, 1961.

D. D. THOMAS,
Director, Air Traffic Service.

[F.R. Doc. 61-10694; Filed, Nov. 8, 1961; 8:46 a.m.]

Title 7—AGRICULTURE

Chapter VIII—Agricultural Stabilization and Conservation Service (Sugar), Department of Agriculture

SUBCHAPTER B—SUGAR REQUIREMENTS AND QUOTAS

[Sugar Reg. 813, Amdt. 1]

PART 813—ALLOTMENT OF SUGAR QUOTA

Domestic Beet Sugar Area, 1961

Basis and purpose. This amendment is issued under section 205(a) of the Sugar Act of 1948, as amended (hereinafter called the "act"), for the purpose of amending Sugar Regulation 813 (26 F.R. 9382) which established allotments of the 1961 sugar quota for the Domestic Beet Sugar Area totaling 2,609,170 short tons, raw value.

This amendment is necessary to allot such quota in accordance with findings heretofore made by the Secretary in the course of this proceeding (26 F.R. 9382)

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 8390 c.o.]

PART 13—PROHIBITED TRADE PRACTICES

L. W. Foster Sportswear Co., Inc., et al.

Subpart—Misbranding or mislabeling: § 13.1185 *Composition*: § 13.1185-90 *Wool Products Labeling Act*; § 13.1212 *Formal regulatory and statutory requirements*: § 13.1212-90 *Wool Products Labeling Act*. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition*: § 13.1845-80 *Wool Products Labeling Act*; § 13.1852 *Formal regulatory and statutory requirements*: § 13.1852-80 *Wool Products Labeling Act*.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, secs. 2-5, 54 Stat. 1128-1130; 15 U.S.C. 45, 68) [Cease and desist order, L. W. Foster Sportswear Co., Inc., et al., Philadelphia, Pa., Docket 8390, Sept. 13, 1961]

In the Matter of L. W. Foster Sportswear Co., Inc., a Corporation, and Louis W. Foster and Howard S. Foster, Individually and as Officers of Said Corporation

Consent order requiring Philadelphia manufacturers to cease violating the Wool Products Labeling Act by such practices as labeling men's jackets as "Shell 50% Wool, 40% Rep. Wool, 10% Nylon", when the jackets contained substantially less wool than so indicated; failing to set forth the ratio between the respective percentages of fibers in the face and back of pile fabrics; describing a portion of the fiber content on labels as "orlon" instead of using the common generic name; failing to label specimens or samples of wool products with required information; and failing in other respects to comply with requirements.

The order to cease and desist is as follows:

It is ordered, That respondents L. W. Foster Sportswear Co., Inc., a corporation, and its officers, and Louis W. Foster and Howard S. Foster, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the manufacture for introduction or the introduction into commerce, or the offering for sale, sale, transportation or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, of jackets or other "wool products", as such products are defined in and subject to the Wool Products Labeling 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 included therein;
2. Failing to affix labels to wool products showing each element of informa-

which provide for the revision of the order without further notice or hearing for the purpose among other things of adjusting allotments to reflect the substitution of revised estimates or final data for estimates used in the method of allotment. Allotments set forth herein have been established in accordance with such findings, and this amendment reflects the substitution of final data for estimated data on 1960-crop processings, 1960 marketings and January 1, 1961 effective inventories.

Effective date. Allotments established in this order are different from the allotments initially established in S.R. 813. To afford adequate opportunities to plan and to accomplish marketings of the revised quantities of sugar in an orderly manner in the relatively short time remaining in 1961, it is imperative that this order be effective as soon as possible. Accordingly, it is hereby found that compliance with the 30-day effective date requirement of the Administrative Procedure Act (60 Stat. 237), is impracticable and contrary to the public interest and, consequently, this order shall be effective when published in the FEDERAL REGISTER.

Order. Pursuant to the authority vested in the Secretary of Agriculture by section 205(a) of the act: *It is hereby ordered*, That paragraph (a) of § 813.1 be amended to read as follows:

§ 813.1 Allotment of the 1961 sugar quota for the Domestic Beet Sugar Area.

(a) *Allotments.* The 1961 sugar quota for the Domestic Beet Sugar Area of 2,609,170 short tons, raw value, is hereby allotted to the following processors in the quantities which appear opposite their respective names:

Processor	Allotments	
	Short tons, raw value	Equivalent in hundred weight refined beet sugar
Amalgamated Sugar Co., The	328, 239	6, 135, 309
American Crystal Sugar Co.	338, 735	6, 331, 495
Buckeye Sugars, Inc.	14, 164	264, 561
Great Western Sugar Co., The	703, 743	13, 154, 075
Holly Sugar Corp.	392, 268	7, 332, 112
Layton Sugar Co.	13, 137	245, 551
Menominee Sugar Co.	12, 819	239, 608
Michigan Sugar Co.	87, 107	1, 628, 168
Monitor Sugar Division, Robt. Gage Coal Co.	42, 128	787, 439
National Sugar Manufacturing Co., The	14, 352	268, 262
Northern Ohio Sugar Co.	42, 277	790, 224
Spreckels Sugar Co.	283, 858	5, 305, 757
Union Sugar Division, Cons. Foods Corp.	102, 204	1, 910, 355
Utah-Idaho Sugar Co.	234, 149	4, 376, 617
Total	2, 609, 170	48, 769, 533

(Sec. 403, 61 Stat. 932; 7 U.S.C. 1153. Interprets or applies secs. 205, 209, 61 Stat. 926, as amended, 928; 7 U.S.C. 1115, 1119)

Done at Washington, D.C., this 3d day of November 1961.

W. E. UNDERHILL,
*Acting Deputy Administrator,
Price and Production, Agri-
cultural Stabilization and
Conservation Service.*

[F.R. Doc. 61-10724; Filed, Nov. 8, 1961; 8:51 a.m.]

tion required to be disclosed by section 4(a) (2) of the Wool Products Labeling Act of 1939;

3. Using abbreviated words or terms descriptive of fiber content on stamps, tags, labels or other means of identification attached to said wool products;

4. Failing to set forth on tags, labels or other means of identification attached to pile fabrics or products made thereof the ratio between the respective percentages of fibers in the face and in the back of said fabric;

5. Failing to set forth the common generic name of fibers in the required information on labels, tags, or other means of identification attached to wool products;

6. Failing to label or mark samples of wool products used to promote or effect sales of such wool products in commerce with the information required under the Wool Products Labeling Act and the rules and regulations thereunder.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is further ordered, That 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: September 13, 1961.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 61-10695; Filed, Nov. 8, 1961; 8:47 a.m.]

Title 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

[Release 40 IA-121]

PART 275—RULES AND REGULATIONS, INVESTMENT ADVISERS ACT OF 1940

Advertisements by Investment Advisers

On August 8, 1961, in Investment Advisers Act Release No. 119 and in the FEDERAL REGISTER of August 15, 1961 (26 F.R. 7552), the Commission published its revised proposal to adopt § 275.206(4)-1 defining certain advertisements by investment advisers to be fraudulent, deceptive or manipulative within the meaning of section 206(4) of the Investment Advisers Act of 1940. The Commission has carefully considered the comments and suggestions made on the original and revised proposals and has adopted the rule in the form stated below, effective January 1, 1962.

Background. In September 1960 section 206 of the Act was amended to make the antifraud provisions of section 206 applicable to all investment advisers, whether registered or not, and to add a

new subsection (4). This new subsection prohibits any investment adviser from engaging in any act, practice or course of business which is fraudulent, deceptive or manipulative and gives the Commission the power, by rules and regulations, to define and to prescribe means reasonably designed to prevent such acts and practices.

When considering the provisions of the rule (§ 275.206(4)-1) it should be borne in mind that investment advisers are professionals and should adhere to a stricter standard of conduct than that applicable to merchants, securities are "intricate merchandise", and clients or prospective clients of investment advisers are frequently unskilled and unsophisticated in investment matters.

Subparagraph (1) of paragraph (a) of the rule prohibits advertisements containing testimonials of any kind concerning the investment adviser or any advice, analysis, report or other service rendered by the investment adviser. The Commission finds that such advertisements are misleading; by their very nature they emphasize the comments and activities favorable to the investment adviser and ignore those which are unfavorable. This is true even when the testimonials are unsolicited and are printed in full.

Subparagraph (2) of paragraph (a) prohibits an investment adviser from using an advertisement which refers, directly or indirectly, to specific recommendations which the investment adviser has made in the past, except that it does not prohibit an advertisement which sets out, or offers to furnish a list of all recommendations made by the investment adviser within the immediately preceding period of not less than one year if the advertisement, and the list if it is furnished separately, contain specified information with respect to relevant prices and the nature of the recommendation, and a specified cautionary legend in print or type as large as the largest print or type used in the body or text. The Commission believes that material of this nature, which may refer only to recommendations which were or would have been profitable and ignore those which were or would have been unprofitable, is inherently misleading and deceptive, and consequently the rule prohibits this type of advertising unless all recommendations for a minimum specified period are included.

Subparagraph (3) prohibits an advertisement which represents, directly or indirectly, that any graph, chart, formula, or other device being offered can in and of itself be used to make investment determinations. It also prohibits any advertisements which represent, directly or indirectly, that any graph, chart, formula or other device being offered can or will assist any person in making his own investment decisions unless it also prominently discloses the limitations and difficulties encountered in the use of the particular graph, chart, formula or device being offered.

Subparagraph (4) prohibits an advertisement from representing that any re-

port, analysis or other service will be obtained free or without charge unless it is in fact entirely free and subject to no conditions or obligations.

Subparagraph (5) contains a more general provision which makes it unlawful for an investment adviser to use any advertisement if it contains any untrue statement of material fact or is otherwise false or misleading.

The rule defines the term "advertisement" to include notices, circulars, letters or other written communications addressed to more than one person, and notices or other announcements in any publication, or by radio or television, if they offer (1) any analysis, report or publication concerning securities, or (2) any graph, chart, formula or other device to be used in making any investment determination, or (3) any other investment advisory service with regard to securities.

The Commission believes that this rule, foreclosing the use of advertisements which have a tendency to mislead or deceive clients or prospective clients, is necessary to implement the statutory mandate contained in section 206(4) of the Act, as amended.

The Commission has not made this rule effective until January 1, 1962 so that investment advisers who have made arrangements for the publication of specific advertisements in the immediate future may avoid unnecessary complications. However, investment advisers should carefully scrutinize all advertisements to be used after January 1, 1962 and should instruct their various agents, including particularly their advertising agencies, to note carefully the provisions of the rule so that advertisements used after the effective date of the rule will be in compliance with it.

Statutory basis. The Commission, acting pursuant to the provisions of the Investment Advisers Act of 1940, as amended, and particularly sections 206(4) and 211(a) thereof, and deeming such action necessary and appropriate to the exercise of its functions and powers under the Act and necessary to prevent fraudulent, deceptive and manipulative acts and practices by investment advisers, hereby adopts § 275.206(4)-1 (Rule 206(4)-1) as stated below, effective January 1, 1962.

§ 275.206(4)-1 Advertisements by investment advisers.

(a) It shall constitute a fraudulent, deceptive, or manipulative act, practice or course of business within the meaning of section 206(4) of the Act, for any investment adviser, directly or indirectly, to publish, circulate or distribute any advertisement:

(1) Which refers, directly or indirectly, to any testimonial of any kind concerning the investment adviser or concerning any advice, analysis, report or other service rendered by such investment adviser; or

(2) Which refers, directly or indirectly, to past specific recommendations of such investment adviser which were or would have been profitable to any

person: *Provided, however,* That this shall not prohibit an advertisement which sets out or offers to furnish a list of all recommendations made by such investment adviser within the immediately preceding period of not less than one year if such advertisement, and such list if it is furnished separately: (i) state the name of each such security recommended, the date and nature of each such recommendation (e.g., whether to buy, sell or hold), the market price at that time, the price at which the recommendation was to be acted upon, and the market price of each such security as of the most recent practicable date, and (ii) contain the following cautionary legend on the first page thereof in print or type as large as the largest print or type used in the body or text thereof: "it should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list"; or

(3) Which represents, directly or indirectly, that any graph, chart, formula or other device being offered can in and of itself be used to determine which securities to buy or sell, or when to buy or sell them; or which represents, directly or indirectly, that any graph, chart, formula or other device being offered will assist any person in making his own decisions as to which securities to buy or sell, or when to buy or sell them, without prominently disclosing in such advertisement the limitations thereof and the difficulties with respect to its use; or

(4) Which contains any statement to the effect that any report, analysis, or other service will be furnished free or without charge, unless such report, analysis or other service actually is or will be furnished entirely free and without any condition or obligation, directly or indirectly; or

(5) Which contains any untrue statement of a material fact, or which is otherwise false or misleading.

(b) For the purposes of this section the term "advertisement" shall include any notice, circular, letter or other written communication addressed to more than one person, or any notice or other announcement in any publication or by radio or television, which offers (1) any analysis, report, or publication concerning securities, or which is to be used in making any determination as to when to buy or sell any security, or which security to buy or sell, or (2) any graph, chart, formula or other device to be used in making any determination as to when to buy or sell any security, or which security to buy or sell, or (3) any other investment advisory service with regard to securities.

(Sec. 206, 54 Stat. 852, as amended, 15 U.S.C. 80b-6; sec. 211, 54 Stat. 855, as amended, 15 U.S.C. 80b-11)

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

NOVEMBER 1, 1961.

[F.R. Doc. 61-10703; Filed, Nov. 8, 1961; 8:48 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 17—BAKERY PRODUCTS; DEFINITIONS AND STANDARDS OF IDENTITY

Bread, Enriched Bread, Milk Bread, Raisin Bread, Whole Wheat Bread; Amendment of Standards

In the matter of amending the definitions and standards of identity for bread, enriched bread, milk bread, raisin bread, and whole wheat bread (21 CFR 17.1, 17.2, 17.3, 17.4, and 17.5):

A notice of proposed rule making inviting all interested persons to submit views and comments was published in the FEDERAL REGISTER of June 10, 1961 (26 F.R. 5234), setting forth two proposals for amending paragraph (a) (1) of the definition and standard of identity for bread (21 CFR, 17.1). One of the proposals was made by Central Soya Company, 1825 North Laramie Avenue, Chicago, Illinois. Its purpose was to provide the same status for hydroxylated lecithin in the bread standards which has heretofore been provided for lecithin. The other proposal was made by the Commissioner of Food and Drugs for the purpose of deleting the parenthetical exception from the designation "mono- and diglycerides of fat-forming fatty acids (except lauric acid)" as that designation appears in paragraph (a) (1) of the bread standard. The cross-reference to the standard of identity for bread in the standards for enriched bread, milk bread, raisin bread, and whole wheat bread have the effect of making the modifications of the phraseology in § 17.1(a) (1) applicable to these other kinds of bread.

Upon consideration of the views and comments submitted and other relevant information, it is concluded that it will promote honesty and fair dealing in the interest of consumers to adopt the amendments as proposed. Therefore pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended 70 Stat. 919, 72 Stat. 948; 21 U.S.C. 341, 371) and under the authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (25 F.R. 8625); *It is ordered*, That § 17.1(a) (1) be amended to read as follows:

§ 17.1 Bread, white bread, and rolls, white rolls, or buns, white buns; identity; label statement of optional ingredients.

(a) * * *

(1) Shortening, in which or in conjunction with which may be used lecithin, hydroxylated lecithin complying with the provisions of § 121.1027 of this chapter, mono- and diglycerides of fat-forming fatty acids, diacetyl tartaric acid esters of mono- and diglycerides of fat-forming fatty acids, or a combination of two or more of these. The total

weight of mono- and diglycerides used, including diacetyl tartaric acid esters of mono- and diglycerides of fat-forming fatty acids, does not exceed 20 percent by weight of the combination of such a preparation and the shortening, and the total amount of monoglyceride in such mixture does not exceed 8 percent by weight of the combination; but if purified or concentrated monoglyceride is used, the amount of such preparation does not exceed 10 percent by weight of the combination of such preparation and shortening. For the purposes of this section, the optional ingredients lecithin and hydroxylated lecithin may include related phosphatides derived from the corn oil or soybean oil from which such ingredients were obtained.

Any person who will be adversely affected by the foregoing order may at any time prior to the thirtieth day from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing, and such objections must be supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall become effective 60 days from the date of its publication in the FEDERAL REGISTER, except as to any provisions that may be stayed by the filing of proper objections. Notice of the filing of objections or lack thereof will be announced by publication in the FEDERAL REGISTER.

(Secs. 401, 701, 52 Stat. 1046, 1055; 21 U.S.C. 341, 371)

Dated: November 2, 1961.

JOHN L. HARVEY,
Deputy Commissioner
of Food and Drugs.

[F.R. Doc. 61-10706; Filed, Nov. 8, 1961;
8:48 a.m.]

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Tolerances for Residues of 1-Naphthyl N-Methylcarbamate

A petition was filed with the Food and Drug Administration by Union Carbide Corporation, 270 Park Avenue, New York 17, New York, requesting the establishment of a tolerance for residues of 1-naphthyl N-methylcarbamate in or on poultry at 5 parts per million. Data in the petition show that when the pesticide is used as proposed no residues will result in eggs. There is no basis for fixing a

tolerance for the pesticide chemical in eggs at a level higher than zero.

The Secretary of Agriculture has certified that this pesticide chemical is useful for the purposes for which tolerances are being established.

The introduction to § 120.3(e)(5) has been amended to change the class designation "organic phosphates" to read "cholinesterase-inhibiting compounds" (21 CFR 120.3(e)(5)). A corresponding change in § 120.3(a) is being made in this order.

After consideration of the data submitted in the petition and other relevant material which show that the tolerances established in this order will protect the public health, and by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408 (d) (2), 68 Stat. 512; 21 U.S.C. 346a(d) (2)) and delegated to the Commission of Food and Drugs by the Secretary (25 F.R. 8625), the regulations for tolerances for pesticide chemicals in or on raw agricultural commodities (21 CFR 120.3, 120.169) are amended as indicated below:

§ 120.3 [Amendment]

1. In § 120.3 *Tolerances for related pesticide chemicals*, paragraph (a) is amended to read as follows:

(a) Pesticide chemicals that cause related pharmacological effects will be regarded, in the absence of evidence to the contrary, as having an additive deleterious action. (For example, many pesticide chemicals within each of the following groups have related pharmacological effects: Chlorinated organic compounds, arsenic-containing chemicals, metallic dithiocarbamates, cholinesterase-inhibiting compounds.)

2. Section 120.169 is amended by changing the item "5 parts per million in or on corn" so as to include a tolerance for residues of this pesticide chemical in or on poultry and by adding thereto a tolerance of zero in eggs. After amendment, the affected items in this section read as follows:

§ 120.169 Tolerances for residues of 1-naphthyl N-methylcarbamate.

* * * * *

Five parts per million in or on corn (kernels and kernels plus cob, determined after removing husks present when marketed), cottonseed, cowpeas, peanuts, meat and fat of poultry, rice, soybeans.

* * * * *

Zero in eggs.

Any person who will be adversely affected by the foregoing order may at any time prior to the thirtieth day from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must

state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall be effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 408(d), 68 Stat. 512; 21 U.S.C. 346a(d))

Dated: November 3, 1961.

JOHN L. HARVEY,
Deputy Commissioner
of Food and Drugs.

[F.R. Doc. 61-10707; Filed, Nov. 8, 1961;
8:49 a.m.]

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Tolerances for Residues of 1-Naphthyl N-Methylcarbamate

A petition was filed with the Food and Drug Administration by Union Carbide Corporation, 270 Park Avenue, New York 17, New York, requesting the establishment of tolerances for residues of 1-naphthyl N-methylcarbamate in or on broccoli, brussels sprouts, cabbage, carrots, cauliflower, kohlrabi, melons, pumpkins, and winter squash at 10 parts per million.

The Secretary of Agriculture has certified that this pesticide chemical is useful for the purposes for which tolerances are being established.

After consideration of the data submitted in the petition and other relevant material which show that the tolerances established in this order will protect the public health, and by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408(d)(2), 68 Stat. 512; 21 U.S.C. 346a(d)(2)) and delegated to the Commissioner of Food and Drugs by the Secretary (25 F.R. 8625), the regulations for tolerances for pesticide chemicals in or on raw agricultural commodities are amended by adding to § 120.169 tolerances for residues of this pesticide chemical in or on the aforementioned raw agricultural commodities. As amended the item containing the 10 parts per million tolerance limitation is changed to read as follows:

§ 120.169 Tolerances for residues of 1-naphthyl N-methylcarbamate.

Ten parts per million in or on apples, apricots, bananas, beans, blueberries, broccoli, brussels sprouts, cabbage, carrots, cauliflower, cherries, citrus fruits, cranberries, cucumbers, eggplants, grapes, kohlrabi, lettuce, melons, nectarines, okra, peaches, pears, peppers, plums (fresh prunes), pumpkins, sorghum grain, strawberries, summer squash, tomatoes, winter squash.

Any person who will be adversely affected by the foregoing order may at

any time prior to the thirtieth day from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall be effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 408(d)(2), 68 Stat. 512; 21 U.S.C. 346a(d)(2))

Dated: November 3, 1961.

JOHN L. HARVEY,
Deputy Commissioner
of Food and Drugs.

[F.R. Doc. 61-10709; Filed, Nov. 8, 1961;
8:49 a.m.]

Product	Specified uses or restrictions	Effective date of statute extended to—
***	***	***
α-Naphthalene acetic acid or its ammonium salt.	On olives to reduce fruit set.....	Jan. 1, 1963

Notice and public procedure are not necessary prerequisites to the promulgation of this order, and I so find, since extensions of time, under certain conditions, for the effective date of the Nematocide, Plant Regulator, Defoliant, and Desiccant Amendment of 1959 were contemplated by the statute as amended, as a relief of restrictions on the agricultural industry.

Effective date. This order shall become effective on the date of signature. (Pub. Law 85-19, 75 Stat. 42; 7 U.S.C. 135)

Dated: November 3, 1961.

JOHN L. HARVEY,
Deputy Commissioner
of Food and Drugs.

[F.R. Doc. 61-10708; Filed, Nov. 8, 1961;
8:49 a.m.]

Title 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans Administration

PART 3—ADJUDICATION

Subpart A—Pension, Compensation, and Dependency and Indemnity Compensation

IMPLEMENTATION OF PROVISIONS OF "VETERANS' PENSION ACT OF 1959"

In § 3.1553, paragraph (h) is amended to read as follows:

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Further Extensions of Effective Date of Public Law 86-139 as it Affects Section 408 of Federal Food, Drug, and Cosmetic Act

Under the provisions of Public Law 86-139 (73 Stat. 388, as amended 75 Stat. 42; 7 U.S.C. 135 et seq.), and under the authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (25 F.R. 8625), the Commissioner has further extended the effective date of this statute as it affects section 408 of the Federal Food, Drug, and Cosmetic Act for certain specified uses of nematocides, plant regulators, defoliants, or desiccants. The list previously published in § 120.37 (21 CFR 120.37) is amended by adding thereto the following new item:

§ 120.37 Further extensions of effective date of Public Law 86-139 as it affects section 408 of the Federal Food, Drug, and Cosmetic Act.

* * * * *

§ 3.1553 Implementation of the provisions of the "Veterans' Pension Act of 1959".

* * * * *

(h) *Savings provisions; general.* (1) Any person receiving or entitled to receive pension on June 30, 1960, may receive these benefits for such periods thereafter for which he qualifies under Title 38, United States Code, in effect on that date. This protective clause is to be interpreted so as to preclude denial, reduction or discontinuance of payments because of Public Law 86-211 to any veteran, widow or child receiving or entitled to receive benefits on June 30, 1960, by virtue of laws and Veterans Administration regulations then in effect. Such protection is afforded despite the fact that receipt of pension on June 30, 1960, resulted from mistake of fact or law on the part of the Veterans Administration. However, such protection will not be afforded if receipt of pension on June 30, 1960, resulted from a deliberate act of commission or omission of the claimant.

(i) *Change in income or dependency status promptly reported.* (a) Where the receipt of additional income, change in rate of income, or a change in dependency status before July 1, 1960, was promptly reported thereby causing pension to be discontinued prior to June 30, 1960, there is no protection to pension under laws in effect on June 30, 1960. Protection does not exist in such cases because the claimant was not receiving pension on June 30, 1960.

(b) Where the receipt of additional income, change in rate of income, or a change in dependency status, whether before, on, or after June 30, 1960, was promptly reported thereby causing pension to be discontinued after June 30, 1960, there is protection to pension under laws in effect on June 30, 1960. Protection is afforded in such cases because the claimant was receiving pension on June 30, 1960.

(ii) *Change in income or dependency status not promptly reported.* Under § 3.253(d) all claimants are required to promptly report changes in income or dependency status. Failure to promptly report requires discontinuance or reduction of pension retroactive to the first of the year. The determination of whether or not a change was promptly reported is one of fact, and in the application of § 3.253(d) a showing that claimant was "without fault" will not serve to prevent creation of the overpayment. Alleviating circumstances are, however, properly for consideration by the Committee on Waivers in determining whether claimant was "without fault" in connection with the resultant overpayment.

(a) Where the receipt of additional income, change in rate of income, or a change in dependency status prior to July 1, 1960, was not reported promptly resulting in receipt of pension on June 30, 1960, and thereby causing pension to be discontinued retroactively to a date prior to June 30, 1960, there is no protection to pension under laws in effect June 30, 1960. However, it is not improper in determining lack of protection to consider whether claimant was "without fault" since the basic rule that protection will be afforded if claimant was receiving pension June 30, 1960, can be negated only where there was a deliberate act of omission or commission on his part. In these cases the determination of fault will be based on the same criteria used under 38 U.S.C. 3102. It follows that if the Committee on Waivers has determined the question of fault in connection with waiver, this determination will also be followed in determining protection. Otherwise the determination will be made by adjudication personnel when affirmative evidence is received to rebut the prima facie showing inherent in the failure to promptly report a change in income or dependency status.

(b) Where the receipt of additional income, change in rate of income, or a change in dependency status after June 30, 1960, was not reported promptly thereby causing pension to be discontinued retroactively to a date prior to June 30, 1960, there is protection to pension under laws in effect on June 30, 1960, because the claimant was receiving pension on June 30, 1960. The retroactive discontinuance of pension in such cases affects only the monetary payment and does not preclude protection.

(2) Protection is accorded in those cases in which a veteran in receipt of pension on June 30, 1960, is found to be not permanently and totally disabled after that date, but who is subsequently again rated as permanently and totally

disabled. The protective provision is for application only in those cases in which no election under Public Law 86-211 is made. However, a claimant whose pension was discontinued for any reason prior to July 1, 1960, and who was not entitled on June 30, 1960, but who becomes entitled after that date may be awarded pension only under the provisions of Public Law 86-211. Claimants who elect benefits under Public Law 86-211 and are paid under it are subject to all of its provisions.

(3) Waivers of all or part of certain benefits by some claimants had been accepted for pension purposes prior to the calendar year 1960. The annual income questionnaire instructions released in January 1961, required reporting of the claimant's total income, including any such amounts which had been waived but excepting those specifically exempted by law. The date such instructions were received will constitute the beginning of a prompt notice period. Therefore, in such cases the following rules will apply:

(i) If notice of the waived income was received before negotiation of the February 1961 check, it will be considered prompt notice under § 3.253(d). Discontinuance of pension will be effective date of last payment and there is protection to pension under laws in effect on June 30, 1960, since the claimant was receiving pension on that date.

(ii) If notice of the waived income is not received before negotiation of the February 1961 check, it will not be considered prompt notice under § 3.253(d). The amount of pension paid from January 1, 1961, to which the payee was not entitled will be considered an overpayment, subject to the waiver provisions. However, there is protection to pension under laws in effect on June 30, 1960, in these cases since the claimant was receiving pension on that date. (Instruction 1-A, Public Law 86-211)

(72 Stat. 1114; 38 U.S.C. 210)

This regulation is effective November 9, 1961.

[SEAL]

W. J. DRIVER,
Deputy Administrator.

[F.R. Doc. 61-10715; Filed, Nov. 8, 1961;
8:50 a.m.]

PART 3—ADJUDICATION

Increased Dependency and Indemnity Compensation in Certain Wartime Cases

In Part 3, a new § 3.1568 is added to read as follows:

§ 3.1568 Increased dependency and indemnity compensation in certain wartime cases.

(a) *Effect of the act.* The effect of Public Law 87-268 is to authorize payment of increased dependency and indemnity compensation to certain wartime beneficiaries. Only cases in which a widow and five or more children are entitled to dependency and indemnity compensation and cases in which one child of a Spanish-American War veteran or of a veteran of prior wars is entitled to benefits will be affected by this law. The

monthly rate of dependency and indemnity compensation payable to a claimant will be not less than the rate of death pension the claimant would be entitled to if the veteran's death had occurred under circumstances which would permit payment of death pension. However, the benefit payable in applicable cases will be dependency and indemnity compensation and not death pension. The law applies to any case in which the claimant is receiving or is entitled to receive dependency and indemnity compensation irrespective of whether the veteran's death occurred before, on, or after December 31, 1956.

(b) *Claims*—(1) *Previously adjudicated cases.* A claim (formal or informal) for increased benefits under this law (38 U.S.C. 412(b)) will be required when the claimant is in receipt of dependency and indemnity compensation.

(2) *Original claims.* An original application (VA Form 21-534) will be accepted as including a claim under this law and a specific or separate claim is not required. Claims pending on October 1, 1961, will be considered original claims and no further application will be required.

(c) *Apportioned cases*—(1) *Claims.* Where a widow's award of dependency and indemnity compensation is apportioned for one or more children who are not in her custody a claim for increase filed by the fiduciary of a child will be considered a claim under this law on behalf of the widow and the other children. If such a claim is filed necessary request for evidence of the widow's annual income and net worth will be addressed to the widow and not to the fiduciary of the child.

(2) *Awards.* Should an increased rate be payable under this law in an apportionment case the award will be apportioned under § 3.461, pertaining to dependency and indemnity compensation and not under § 3.460, which relates to death pension.

(d) *Effective dates.* The date of enactment of this act was September 21, 1961. The law is effective from October 1, 1961. No increase in monthly rates of dependency and indemnity compensation based solely on its provisions may be made effective prior to October 1, 1961.

(1) In the case of any person receiving dependency and indemnity compensation on October 1, 1961, increased benefits provided by this law shall be payable from October 1, 1961, if claim is filed within 1 year from that date and evidence of entitlement is of record or received within 1 year from the date of request.

(2) Any claim pending on October 1, 1961, will be considered an original claim and no further application will be required. The effective date of dependency and indemnity compensation under this law will be October 1, 1961, if evidence of entitlement is of record or received within 1 year from date of request.

(3) As to all other claims, formal or informal, the effective date of dependency and indemnity compensation under this law will be determined under applicable laws and regulations relating to original claims and claims for increase but not earlier than October 1, 1961.

(Instruction 1, 38 U.S.C. 412, Public Law 87-268)

(72 Stat. 1114; 38 U.S.C. 210)

This regulation is effective November 9, 1961.

[SEAL]

W. J. DRIVER,
Deputy Administrator.

[F.R. Doc. 61-10716; Filed, Nov. 8, 1961;
8:50 a.m.]

Title 32—NATIONAL DEFENSE

Chapter V—Department of the Army

SUBCHAPTER G—PROCUREMENT

PART 590—GENERAL PROVISIONS

PART 591—PROCUREMENT BY FORMAL ADVERTISING

PART 592—PROCUREMENT BY NEGOTIATION

PART 595—FOREIGN PURCHASES

PART 596—CONTRACT CLAUSES

PART 597—TERMINATION OF CONTRACTS

PART 598—PATENTS, COPYRIGHTS AND TECHNICAL DATA

PART 599—BONDS AND INSURANCE

PART 600—FEDERAL, STATE AND LOCAL TAXES

PART 601—LABOR

PART 602—GOVERNMENT PROPERTY

PART 605—PROCUREMENT FORMS

PART 606—SUPPLEMENTAL PROVISIONS

Miscellaneous Amendments

1. Revise paragraph (b), § 590.102; revise the last sentence of § 590.109-3; revise § 590.109-50; add new § 590.300; revise § 590.301; and add new § 590.302-5, to read as follows:

§ 590.102 Applicability of procedure.

(b) *Oversea commands, attachés, and foreign missions.* Procurement outside the United States, its possessions and Puerto Rico, and construction work outside the United States, including procurement effected under the jurisdiction of major oversea commanders, military attachés, and foreign missions, will be made in accordance with Subchapter A, Chapter I of this title and this subchapter.

§ 590.109-3 Deviations affecting more than one contract or contractor.

*** Such deviations from Subchapter A, Chapter I of this title or Department of Defense Directives will be authorized only after approval of the Assistant Secretary of Defense (Installations and Logistics).

§ 590.109-50 Submission of requests for deviations.

Requests for authority to deviate from the provisions of Subchapter A,

Chapter I of this title, Department of Defense Directives, or this subchapter shall be submitted (in original and five copies) to the Deputy Chief of Staff for Logistics, Department of the Army, Washington 25, D.C. Attn: Chief, Contracts Division. Such requests shall be supported by complete statements of the circumstances justifying the need for the deviation, including sufficient background or historical information to support the requested deviations.

§ 590.300 Methods of procurement.

(a) Department of the Army policies with respect to procurement by formal advertising or by negotiation are set forth in §§ 1.300 and 2.102 of this title, this section, and § 591.102 of this chapter, respectively. In the placement of contracts during a period of national emergency, it is essential that contracts be awarded among as many sources of supply as possible in order to broaden the industrial production base of the procurement program. All procuring activities and agencies will give particular attention to the following factors in effecting procurement:

(1) Placement of contracts with a view to economies in the use of transportation facilities;

(2) Greatest possible integration of current procurement contracts with the industrial mobilization program and the accepted schedules of production;

(3) Utilization of manpower in areas of substantial labor surplus and distressed industries;

(4) Utilization of existing open industrial capacity to the maximum. Expansion of facilities should not be authorized when open capacity can be found. Whenever time permits, and in order to broaden the production base, additional contractors should be utilized in lieu of multishift or overtime operation;

(5) Equitable distribution of procurement contracts among the maximum number of competent suppliers;

(6) Utilization in negotiation of competition and multiple awards, whenever possible;

(7) Aggressive encouragement or requirement of subcontracting by prime contractors;

(8) Provision of maximum incentive to the producer for the reduction of his costs;

(9) Fullest possible use of small business concerns; and

(10) Reservation of special skills and abilities for the more difficult production tasks.

(b) Procurements effected under the authority of the act of 28 August 1958, authorizing extraordinary contractual actions to facilitate the National Defense (P.L. 85-804; 72 Stat. 972; 50 U.S.C. 1431-1435) and Executive Order 10789, will be governed by the policies and procedures set forth in Part 17 of this title.

§ 590.301 Interdepartmental and coordinated procurement.

See § 1.301 of this title.

§ 590.302-5 Planned emergency producer.

(a) Defense Mobilization Order DMO VII-7, as amended, contains the follow-

ing statement of policy with respect to current procurement in maintaining the mobilization base:

a. Procurement agencies shall integrate current procurement with their industrial mobilization plans to the greatest possible extent with the objective of supporting the mobilization base within authorities and funds available.

b. Data assembled on essential mobilization suppliers by the industrial mobilization planning of these agencies shall be used in planning current procurement. The policy of using contractors and facilities essential to the mobilization base is considered to be in the best interest of the Government. Suppliers that are deemed to be part of the mobilization base normally will be invited to participate in appropriate current procurement.

(b) DOD Directive 3005.3 requires that a review be made of proposed procurement of items contained in the Preferential Planning List and that responsibility for such review be maintained at the level of the Procurement Secretaries or their authorized designees. Each head of a technical service is appointed an authorized designee of the Assistant Secretary of the Army (Installations and Logistics) for the purpose of reviewing those items on the Preferential Planning List for which his technical service has been assigned procurement responsibility. Heads of technical services may designate senior officers of their headquarters staff responsible for procurement or chiefs of purchasing offices to perform the review required by DOD Directive 3005.3. The authority of the chief of a purchasing office to make the required review shall be consistent with his authority to approve awards of contracts as prescribed by § 606.204 of this chapter. The review in furtherance of the policy quoted in paragraph (a) of this section and to integrate current procurement with military mobilization plans, will take into consideration the following factors:

(1) Maintaining multiple sources of supply;

(2) Geographic dispersal;

(3) Avoidance of undue concentration of contracts in a few leading suppliers;

(4) Multiple awards;

(5) Preservation of essential skilled labor forces;

(6) Utilization of existing open industrial capacity;

(7) Preservation of essential management organization and "know-how";

(8) Maximum subcontracting; and

(9) Any other factors relevant to maintaining a sound mobilization base, including the utilization of small business concerns to the maximum extent practicable.

(c) In carrying out negotiations under this program, the authority contained in 10 U.S.C. 2304(a)(16) shall be used. In this connection comparative price experience shall be used to negotiate the best possible price for the Government.

2. Revoke §§ 590.306 to 590.306-54, as follows:

§ 590.306 Transportation costs. [Revoked]

§ 590.306-1 General. [Revoked]

- § 590.306-2 Place of delivery. [Revoked]
- § 590.306-3 Quantity analysis. [Revoked]
- § 590.306-4 Commodity description. [Revoked]
- § 590.306-5 Delivery terms. [Revoked]
- § 590.306-6 Consignment and marking instructions. [Revoked]
- § 590.306-7 Scheduling of deliveries to permit consolidation of shipments. [Revoked]
- § 590.306-8 Transit arrangements. [Revoked]
- § 590.306-9 Rates. [Revoked]
- § 590.306-10 Volume shipments. [Revoked]
- § 590.306-11 Unusually large or heavy shipments. [Revoked]
- § 590.306-12 Mode of transportation. [Revoked]
- § 590.306-50 General responsibilities. [Revoked]
- § 590.306-51 Sources of transportation assistance. [Revoked]
- § 590.306-52 Transportation considerations in the procurement cycle. [Revoked]
- § 590.306-53 Mail shipments (f.o.b. origin). [Revoked]
- § 590.306-54 Freight and express shipments on commercial bills of lading to domestic destination (f.o.b. origin). [Revoked]

3. Add new §§ 590.308 and 590.310; revoke § 590.311; revise § 590.313; and revoke § 590.350, as follows:

§ 590.308 Record of contract actions.

This section establishes a system for the organization of the contract file data, listed in § 1.308 of this title, which will facilitate locating any particular document with the least practicable delay and specifically incorporates into the contract file certain additional data not listed in § 1.308 of this title.

(a) *Preaward section.* The preaward section of the contract file (Section A) will consist of the items listed in § 1.308 (b) (1) through (14) and (16) of this title.

(b) *Contract administration file—(1) Section B—Contract Section.* (i) Contract (signed number) including any letter contract;

(ii) Contract modifications in numerical sequence, a single numerical series will be used for change orders and supplemental agreements;

(iii) Bonds, except Bid Bond;

(iv) Insurance policies or certificates of insurance which apply to operations under several contracts, shall be filed with one contract and a cross reference placed in all other applicable contract files;

(v) Copy of Individual Procurement Action Report (DD Form 350);

(vi) Information regarding royalties;

(viii) Contractor's Statement of Contingent Fees;

(viii) Neutrality Act certification of registration;

(ix) Priority data and Controlled Materials Plan data;

(x) Price adjustment data, including contractor's proposals, price analyst recommendations, audit reports and negotiation reports;

(xi) Waiver; and

(xii) Any other documents and correspondence not covered by above items which properly belong in this section.

(2) *Section C—Property Section.* (Separate files sections may be maintained for Government-furnished property and for contract items.)

(i) End item delivery date, i.e., Material Inspection and Receiving Report—or other shipping documents with recap and storage data as appropriate (item 303.3, § 30.2 of this title and § 602.1711-1 (b) (4) of this chapter).

(ii) Subsidiary inspection documents such as Lot No. reports, technical data, report of subplot inspection, etc.;

(iii) Inspection requisitions and correspondence from other purchasing offices relating to inspection;

(iv) Other inspection correspondence;

(v) Statement as to quality of contractor's product;

(vi) Bills of lading;

(vii) Report of Survey (incident to shipment) and other instruments affecting relief of responsibility for Government property except "Written Advices," i.e., special reports from the contractor on which the property administrator determines a "Written Advice" is not required or other instances where, under the provisions of item 402, § 30.2 of this title, a contractor is relieved of responsibility for property other than consumption. (§ 602.1715 of this chapter);

(viii) Copy of contracting officer's written determination and findings concerning loss, damage, shortage or destruction of contract items or of Government property used, including excess consumption. Items 402.1 and 402.2(a), § 30.2 of this title and § 602.1715 of this chapter);

(ix) Disposal data—at contract completion. (Subpart E, Part 8, of this title);

(x) Property correspondence in chronological order or sufficiently indexed for ready reference;

(xi) Where the Government maintains the official property control records under the deviation authority contained in item 301(a), § 30.2 of this title or item 207.1, § 30.3 of this title, the property file will contain those records set forth in § 30.2 or 30.3 of this title necessary for effective property control. (§ 602.1711 of this chapter);

(xii) Contractor's written receipt for Government-furnished property. (Item 303.1(c), § 30.2 of this title);

(xiii) Data, where appropriate, in connection with contractor acquired facilities. (§ 602.1711-1(b) (3) of this chapter); and

(xiv) All other records required to be maintained by §§ 30.2 and 30.3 of this title.

(3) *Section D—Fiscal Section.* (i) Invoices and vouchers;

(ii) Other documents relating to payments; and

(iii) Documents and correspondence relating to financial assistance to contractor.

(4) *Section E—Termination Section.*

(i) Notice of termination;

(ii) Contractor's settlement proposal;

(iii) Auditor's report;

(iv) Price analyst's report;

(v) Inventory schedule;

(vi) Storage or layaway agreement;

(vii) All termination correspondence;

(viii) Negotiator's report;

(ix) Property disposal; and

(x) If termination for default, (a) copy of contracting officer's findings, (b) summary of initial action taken to buy against, and all subsequent actions on appeals taken, if any.

(5) *Section F—Renegotiation data.*

(i) Efficiency of contractor;

(ii) Reasonableness of costs and profits;

(iii) Capital employed;

(iv) Extent of risk assumed;

(v) Contribution to the National Security; and

(vi) Character of business.

(c) *Review of contract files.* The contracting officer is responsible for making a complete review of the contract files prior to retirement or disposal. The purpose of the review shall be to insure that all contractual actions have been completed prior to retirement or disposal of the contract files pursuant to applicable paragraphs of AR 345-280 (Administrative Army Regulations). In addition, the review shall insure that such file is documented in accordance with this section and AR 345-280.

§ 590.310 Liquidated damages.

Where a contractor's application for remission of liquidated damages is to be processed to the Comptroller General, pursuant to § 1.310(d) of this title, appropriate action will be taken in accordance with the procedures prescribed in § 591.451 of this chapter, except that:

(a) In the event that all alternative remedial actions available to the contractor under the contract have not been exhausted, e.g. unresolved claims for extensions of delivery schedules, the administrative report and the contracting officer's statement required by § 591.451 (a) of this chapter will identify the alternatives and state the actions being taken.

(b) In the event that all alternative remedial actions available to the contractor under the contract have been exhausted, the administrative report and the contracting officer's statement will include information as to the reasonableness of the rate of assessment of liquidated damages, in relation to the total contract price, and a summary of the actions taken to mitigate the assessment of the damages.

(c) The proposed letter to the Comptroller General prepared by the technical service for the signature of the Assistant Secretary of the Army (Installations and Logistics), as prescribed in § 591.451(b) (1) of this chapter, will include a brief summary of the information required by paragraph (a) or (b) of this section, as the case may be, together with a recommendation as to whether the contractor's application should be granted or denied.

§ 590.311 Records of contract actions.
[Revoked]

§ 590.313 Procurement of parts.

The policies and procedures governing the procurement of repair parts are set forth in AR 700-70 (Administrative Army Regulations).

§ 590.350 Procurement of spare parts.
[Revoked]

4. Add new § 590.403-50 and revise §§ 590.600-50, 590.601-1, 590.603-50(d), 590.604(b), and 590.604-3, as follows:

§ 590.403-50 Legal review.

Legal advice and assistance of a staff judge advocate or other legal counsel will be obtained in the preparation of clauses other than standard clauses which are to be contained in invitations for bids and request for proposals. In each solicitation for bids and proposals which will result in a contract exceeding \$25,000, each invitation for bids and requests for proposals shall be reviewed for legal sufficiency by a staff judge advocate or other legal counsel prior to issuance by the contracting officer. In addition, each solicitation for bids and proposals, which will result in a contract over \$10,000 but not over \$25,000 also shall be subject to legal review to the maximum extent possible, consistent with the availability of legal services. Contracting officers must insure that the contracts they place are legally, technically and administratively sufficient. Legal advice and assistance will be obtained from the command judge advocate or other legal counsel as to the legal aspects of all contracts. Heads of procuring activities will insure that such advice and assistance are available to their procurement personnel at their headquarters when unavailable at field levels.

§ 590.600-50 Authority.

An assistant Judge Advocate General has been designated as the authorized representative of the Assistant Secretary of the Army (Installations and Logistics) for purpose of administering the provisions of Subpart F, Part 1 of this title and this subpart, and to coordinate actions thereunder with The Inspector General, Department of Justice, and other agencies, when appropriate.

§ 590.601-1 General.

The Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General) will publish a list together with periodic changes thereto. The list will be marked with the protective term "For Official Use Only". Procurement personnel will comply with the prohibitions contained in this list, together with the additions, modifications, and releases reflected thereon.

§ 590.603-50 Total restrictions.

(d) Administration of current contracts is as follows:

(1) In the event there are any current contracts with a firm or individual recommended for debarment, administration of such contracts will be the responsibility of the Head of the Procuring Activity. Administration of contracts

with a firm or individual recommended for debarment may continue unless otherwise directed by the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General).

(2) Upon debarment of a firm or individual, administration of current contracts with such debarred firms or individuals may be continued unless otherwise directed by the Office of the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General).

(3) Where current contracts are being administered at the time a report is submitted under § 590.604(b), or at the time of debarment, payments under such contracts may be continued at the discretion of the Head of the Procuring Activity involved, unless otherwise directed by the Office of the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General).

§ 590.604 Causes and conditions under which departments may debar contractors.

(b) *Reporting procedure.* Reports recommending debarment will be submitted in triplicate to the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General), with an information copy to the Deputy Chief of Staff for Logistics, Department of the Army, Washington 25, D.C., Attn: Chief, Contracts Division. Such reports will contain a complete certified statement of the facts concerning the contractor's dereliction, including affidavits, depositions, records of action, if applicable, and any other relevant data. Names and addresses of all persons having knowledge of the circumstances will be included. Such reports will include the names and addresses of all known affiliates of reported contractors, together with the nature of such affiliation. Recommendations of the reporting agency and intermediate echelons will be furnished with any request for debarment. The head of a procuring activity will be responsible for the adequacy and propriety of all reports initiated under his command.

§ 590.604-3 Notice of debarment.

Upon the debarment of a contractor by the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General), that office shall furnish advice of such action to the contractor, and to the General Services Administration, in accordance with § 1.604-3(b) of this title. Notice of any removal from such debarment shall be furnished by that office to the General Services Administration.

5. Revise §§ 590.605, 590.650 (a) and (b), and 590.1005-5(a) (1), (3), and (4), as follows:

§ 590.605 Suspension of bidders.

(a) *Reports.* The prompt reporting of all matters relating to fraud or criminal conduct in connection with procurement activities is of extreme importance. All persons concerned with Department of the Army procurement will be alert

for and report the possibility or evidence of fraud or criminal conduct at all times. Notification to the Federal Bureau of Investigation, pursuant to paragraph 3, AR 22-160, does not in any way remove the requirement for prompt reporting in accordance with the procedure established in this section.

(b) *Reporting procedure.* All reports submitted under this section will be classified "For Official Use Only" unless the information contained therein warrants a higher classification. All reports and exhibits, and all supplements thereto, including letters of transmittal and interim correspondence, will be expeditiously transmitted, through channels, in sextuplicate, to the Head of the Procuring Activity, who will make the following distribution: 3 copies to the Office of the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General), 1 copy to the Office of the Deputy Chief of Staff for Logistics, Department of the Army, Attn: Chief, Contracts Division, and 1 copy to the Office of The Inspector General, Department of the Army. In cases where all the information is not readily available to the reporting agency, preliminary reports will be so forwarded and will be followed as soon as practicable by complete documented reports as herein indicated. All reports should contain a full statement of the pertinent facts indicating alleged criminal conduct, fraudulent activity, or suspicion thereof, and will be supported by appropriate exhibits, including copies of any contracts involved and any assignments of claims thereunder. Names and addresses of all known affiliates of reported contractors, together with the nature of such affiliation, will be included. All such reports initiated by disposal, inspection, audit, engineering, and other advisory or technical personnel will be addressed to the contracting officer concerned and will be adequately documented by initiating personnel. The contracting officer will take whatever action he deems necessary and appropriate, consistent with the protection of the best interest of the Government. Such reports, accompanied by the comments and recommendations of the contracting officer, will be forwarded through channels for the addition of the comments and recommendations of each successive office. The reporting agency and all intermediate echelons will include their recommendations as to suspension in such reports.

(c) *Suspensions.* The determination to suspend a suspected firm or individual shall be the responsibility of the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General). Formal suspension directives will be issued by that office. In addition, a determination will be made whether to refer the matter to the Department of Justice.

(d) *Procurement—(1) Current contracts.* It will be the responsibility of the head of a procuring activity reporting a suspicion of fraud or criminal conduct, and administering a current contract, to determine whether it will be in the best interests of the Government, (i) to continue contract administration in

any of its phases (such as acceptance of deliveries, inspection, issuance of certain instructions), but not including payment except as authorized in subparagraph (2) of this paragraph; or (ii) to exercise any contract right (such as termination for default or convenience, rejection, or recovery due to latent defects). In making such determination, full consideration will be given to the nature of and the circumstances surrounding the suspicion or evidence of fraud or criminal conduct being reported. The basis for each determination will be included in the report required under paragraph (b) of this section. Where doubt exists as to the effect of continuation of any phase of administration on the investigation and possible prosecution or civil action against the suspected contractor, it will be appropriate to refer the matter, together with the recommendations of the Head of the Procuring Activity, to the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General) for determinations.

(2) *Payments.* When a report under paragraph (b) of this section is made by the Head of a Procuring Activity, and such report does not recommend suspension of the contractor, payments under current contracts may continue at the discretion of the Head of the Procuring Activity unless otherwise directed by the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General). Where such report recommends suspension, payments will be withheld. No payments of any type will be made to any suspended contractor either under procurement or termination unless the suspension is modified or removed by the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General). Upon receipt of a notice of suspension, disbursing officers will promptly forward all administratively approved vouchers in favor of the suspended contractor to the Office, Chief of Finance, ATTN: Advisory Services Division. Purchasing Offices, holding or in receipt of properly certified invoices covering amounts due the suspended contractor, will prepare and process (administratively approve) the necessary vouchers and will forward the certified vouchers to the aforesaid office, through their assigned disbursing officers, inviting attention to the fact that the contractor concerned is suspended. This procedure will be followed whenever any additional or new amounts become due during the period of suspension. In cases where, in the opinion of the contracting officer, the circumstances surrounding either the procurement or the suspicion of fraud or criminal conduct are of such a nature as to permit or require complete or partial release of withheld funds due the suspended contractor, a recommendation for such release, including a full statement of the particulars supporting such recommendation, will be made by the contracting officer, through channels, in accordance with paragraph (b) of this section, for determination by the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General).

(3) *Terminations.* Negotiation toward settlement of terminated contracts will cease with the suspension of a contractor. Negotiations must likewise cease with respect to terminated subcontracts either awarded or held by the suspended contractor. All authorizations granted to such a contractor under Part 8 of this title and Part 597 of this chapter, will be revoked immediately without explanation. Where, in the opinion of the contracting officer, negotiation toward settlement of a terminated contract would be in the best interest of the Government, a report recommending such action will be made, through channels, in accordance with paragraph (b) of this section, for determination by the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General).

(4) *New awards.* Contracts shall not be awarded to, nor shall bids or proposals be solicited from, firms or individuals which have been placed in suspension, unless approval for each individual procurement has been obtained. Bids submitted by suspended contractors will not be rejected by contracting officers solely because of the suspension, but will be received, recorded, and retained in accordance with established procedures. In cases where a suspended contractor is the low bidder or offeror (or, in the case of surplus and salvage sales, the high bidder), information relating to (i) the low (or high) bid or offer and the next lowest (or highest) bid or offer; (ii) expirations or options and whether such options may be extended, (iii) the desirability or necessity of acceptance of the suspended contractor's bid or offer, will be reported, together with recommended action, in the same manner as set forth in paragraph (b) of this section, for determination as to placement of any awards with the suspended contractor.

(e) *Release from suspension.* After a firm or individual has been placed in suspension, such suspension will not be lifted until so directed by the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General). Firms and individuals released from suspension and not debarred will be replaced on appropriate bidder's lists.

(f) *Departmental inquiries.* Inquires by procuring activities concerning the status of reported cases will be transmitted, in triplicate, through channels, to the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General). Procuring activities will not communicate with the local offices of the Department of Justice, the United States Attorney, or the Federal Bureau of Investigation in such connection.

§ 590.650 *Inquiries from debarred, ineligible, or suspended firms and individuals.*

(a) *Suspended firms or individuals.* Reports submitted in accordance with § 590.605 and all actions accomplished relating thereto are "For Official Use Only." In the event a suspended contractor or his representative makes inquiry as to the reason or cause of any

of the prohibitions indicated in § 590.605(d), or for any other reason, no information relating to the suspension or the fact that the contractor has been suspended will be given to the inquirer. Instead, the contractor will be informed that consideration is being given his contractual relationship by the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General), and that all inquiries regarding such matters should be addressed in writing direct to that office.

(b) *Debarred firms and individuals.* All inquiries relating to debarred bidders, including those from a debarred bidder, will be forwarded to the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General).

§ 590.1005-5 *Authority and delegation.*

(a) * * *

(1) The Assistant Secretary of the Army (Installations and Logistics).

(3) The Director and Assistant Director of Procurement, Office of the Deputy Chief of Staff for Logistics, Headquarters, Department of the Army.

(4) Chief, Contracts Division, Office of the Deputy Chief of Staff for Logistics, Headquarters, Department of the Army.

6. Add new Subpart M to Part 590, as follows:

Subpart M—Transportation

Sec.	
590.1302	Place of delivery.
590.1302-1	Shipments within the United States.
590.1302-2	Shipments from the United States for oversea delivery.
590.1302-3	Shipments originating outside the United States.
590.1308	Transit arrangements.
590.1312	Mode of transportation.
590.1313	Transportation rates and related costs.
590.1313-2	Sources of transportation rates and related costs.
590.1350	Sources of transportation assistance.

AUTHORITY: §§ 590.1302 to 590.1350 issued under sec. 3012, 70A Stat. 157; 10 U.S.C. 3012. Interpret or apply secs. 2301-2314, 70A Stat. 127-133; 10 U.S.C. 2301-2314.

§ 590.1302 *Place of delivery.*

§ 590.1302-1 *Shipments within the United States.*

From the destination data provided in the procurement directive, the contracting officer with the advice and assistance of the transportation officer should determine whether the procurement should be solicited on an f.o.b. origin or f.o.b. destination basis or both. Where it is necessary for contracting officers to control method or mode of transportation, the procurement generally will be made on the basis of f.o.b. origin (§ 590.1312).

§ 590.1302-2 *Shipments from the United States for oversea delivery.*

(a) When items to be procured are for destinations outside the United States, ocean and port handling costs (inland transportation costs included) will be included in the invitation for bids or request for proposals, and the specific

ports or points of exit that are to be used as a basis for the evaluation of the transportation cost to destinations will be named for consideration by bidders or offerors in their submission of bids and proposals. Ports or points of exit specified for evaluation purposes will be determined by appropriate coordination between the contracting officer and the Department of the Army transportation contacts listed in § 590.1350.

(b) When a destination outside the United States is known and more than one United States port or point of exit is appropriate for use in the evaluation, the differences in transportation costs (ocean, port handling, and inland transportation costs) will be considered, so that the award will reflect the most advantageous basis of cost of the supplies landed at the oversea port. Information pertaining to ocean transportation costs, port handling costs, and inland transportation costs can be obtained from the Department of the Army transportation contacts listed in § 590.1350.

§ 590.1302-3 Shipments originating outside the United States.

When more than one United States port of entry may be appropriate for shipments of items originating from outside the United States destined for delivery within the United States, the selection of the place of delivery shall be based upon consideration of differences in transportation costs (ocean, port handling, and inland transportation costs) which will reflect the lowest cost in accordance with § 1.1313 of this title and § 590.1313.

§ 590.1308 Transit arrangements.

When it is considered that application of transit privileges will be advantageous to the Government, the procedures in chapter 210, AR 55-355 (Administrative Army Regulations) will be followed.

§ 590.1312 Mode of transportation.

(a) *General.* Contracts and purchase orders normally shall not specify a particular method or mode of transportation or a particular carrier for delivery of contract items. When special types of transportation equipment or limited facilities for delivery and receipt of material at destination permit the use of only one mode of transportation, such special delivery requirements may, after referral to appropriate military traffic management offices, be (1) the basis for establishing the requirement for controlling the method or mode of transportation by specifying f.o.b. origin, or (2) included in f.o.b. destination purchase documents.

(b) *Parcel post.* Parcel post in many instances will provide a reliable, economical, and expeditious means of movement of supplies. Use of this service permits direct movement from the source of supply to the user, without the intermediate documentation that is required when supplies are transported through depots, air or water terminals. However, in using this service the provisions of Parts 124 and 125, Postal Manual, Post Office Department, must be strictly ad-

hered to in regard to nonmailable matter and matter mailable under special rules. When items to be procured fall within the category of mailable material, reference will be made to AR 55-173 (Administrative Regulations) and to the Postal Manual, Post Office Department, to assure compliance with policy, procedure, and attendant postal limitations, both domestic and international.

(c) *Mail service.* When contractors use their own labels for making shipments to APO's or post offices serving military consignees outside CONUS, parcels will be stamped or printed "Army Official Mail—Contents for Official Use—Exempt from Customs Requirements" in one-fourth-inch block letters immediately above the label to permit identification and expedite handling within the postal system. Use of this marking does not obviate the requirements for payment of postage by the contractor or vendor when so required by the terms of the purchase document, or when the contractor is to be reimbursed for the cost of postage.

(d) *Mailing indicia.* (1) When parcels are entered into the postal service under "Postage and Fees Paid" indicia, the contracting officer normally will provide the contractor with official mailing labels printed "Postage and Fees Paid, Department of the Army," and pre-addressed to the consignee. Labels furnished to contractors must, in every case, bear the typed, printed or hand stamped return address of an activity of the Department of the Army below the printed words "Department of the Army" and over the printed words "Official Business." Name and address of a private person or firm may not be shown.

(2) When contractors are not furnished official mailing labels, they must use their own labels and postage. When reimbursement for postage is to be made, the contractors must agree to show the postage charge as a separate item on the invoice for the supplies shipped. Except when the charge is less than \$25 under the principle established by paragraph 3-11, AR 37-107 (Administrative Army Regulations), the postage charge must be supported by a statement of mailing, prepared by the contractor and signed by a postal employee, for each individual shipment (Part 141, Postal Manual, Post Office Department).

(e) *Freight and express shipments on commercial bills of lading to domestic destinations where contract provides f.o.b. origin.* Freight or express shipments may be made on commercial bills of lading to domestic destinations, including United States military air terminals and water terminals, where the contract provides for f.o.b. origin shipment as authorized and under the conditions prescribed below:

(1) *Authority for shipment.* Where the contract provides for delivery f.o.b. origin with shipment to be made on a Government bill of lading, the contracting officer or his designated representative may authorize the supplier, when justified or economical, to make the following shipments under prepaid commercial bill of lading, subject to reimbursement:

(i) Unclassified shipments not exceeding 150 pounds by any form of commercial air transportation. In view of the weight and size restrictions imposed by air carriers, a package weighing more than 100 pounds or measuring more than 44 x 24 x 20 inches should not be tendered to a commercial air carrier until it is known that the package will be accepted by the carrier;

(ii) Unclassified shipments not exceeding 250 pounds by railway express or bus express. In view of the weight and size restriction imposed by bus express carriers, a package weighing more than 100 pounds or measuring more than 45 x 24 x 24 inches should not be tendered to the bus express carrier until it is known that the package will be accepted by the carrier; and

(iii) Unclassified shipments not exceeding 1,000 pounds by other common carriers.

(2) *Contract provisions.* When shipment is made under prepaid commercial bill of lading, as stated in subparagraph (1) of this paragraph, no contract amendment is required. The supplies will move for the account of and at the risk of the Government, and will become Government property when loaded on the carrier's equipment, unless otherwise provided in the contract. Loss or damage claims will be processed in accordance with section IX, AR 735-11 (Administrative Army Regulations). The contractor prepays the transportation charges as an accommodation to the Government. When the contractor will not agree to ship at his expense, subject to reimbursement, a Government bill of lading will be prepared.

(3) *Invoice requirement.* When the contractor is authorized to ship under prepaid commercial bill of lading in lieu of a Government bill of lading, the contractor must agree to show the transportation charges as a separate item on the invoice for each individual shipment of supplies, unless otherwise permitted by the contract. The applicable inspection and receiving report (DD Form 250, DD Form 1155, SF 44, or contractor's packing list) must include a notation that prepaid freight, express, or commercial air, as applicable, was authorized. The amount shown on the contractor's invoice for the transportation costs must be supported with either the original or a copy of the carrier's receipt, except when the amount of the transportation charge is less than \$25. Receipts, when required, shall be in the form of a carrier's bill which shall be:

- (i) Marked "Prepaid"; or
- (ii) Stamped "Paid"; or
- (iii) Signed by the carrier's agent in the space for acknowledgment of payment; or
- (iv) Bear a notation by the contractor of the check number and date paid.

§ 590.1313 Transportation rates and related costs.

§ 590.1313-2 Sources of transportation rates and related costs.

(a) Ocean rates and port handling costs will be determined in accordance with Transportation Corps publication (TCFMD-SP) subject: Transportation

Costs Factors for Use in the Procurement Cycle and Routing of Export Traffic, dated September 15, 1958, as amended.

(b) Rates between points outside the United States will be obtained from the Office of the Chief of Transportation.

§ 590.1350 Sources of transportation assistance.

Transportation advice and assistance will be obtained from the transportation officer of the local or supporting military activity, the Regional Director, Military Traffic Management Agency (MTMA), for domestic shipments, and from the Army Transportation Officer or Chief of Transportation as appropriate for other shipments. Requests for such advice or assistance addressed to the Chief of Transportation will be submitted through channels.

7. Revise §§ 591.204(c) and 591.250(a) to read as follows:

§ 591.204 Office of permanent record.

(c) *Record of contract actions.* The policy and procedure for the organization and maintenance of contract files are set forth in § 1.308 of this title and § 590.308 of this chapter.

§ 591.250 Distribution of invitations for bids and requests for proposals.

(a) *Industrial assistance and procurement information office.* One copy of every unclassified request for proposals issued in the United States, which is subject to being published in the Department of Commerce publication "Synopsis of U.S. Government Proposed Procurement, Sales, and Contract Awards" (§ 1.1003 of this title, § 590-1003-9 of this chapter and § 591.450); one copy of every unclassified invitation for bids issued in the United States, and one copy of every amendment to each such request for proposals or invitation for bids, shall be sent directly, on the date issued, to the Industrial Assistance and Procurement Information Office, Office of the Deputy Chief of Staff for Logistics, Department of the Army, Old Post Office Building, 12th Street and Pennsylvania Avenue NW., Washington 25, D.C. Letters of transmittal are not necessary.

8. Revoke §§ 592.106 to 592.106-3, as follows:

§ 592.106 Dissemination of procurement information. [Revoked]

§ 592.106-1 Synopsis of proposed procurements. [Revoked]

§ 592.106-2 Synopsis of contract awards. [Revoked]

§ 592.106-3 Award information to unsuccessful offerors. [Revoked]

9. Revise §§ 592.108, 592.151, 592.152, 592.154, 592.156, and 592.157, as follows:

§ 592.108 Negotiation of initial production contracts for technical or specialized military supplies.

(See § 3.108 of this title and § 590.355 of this chapter.)

§ 592.151 F.o.b. purchasing policy.

The policy with respect to purchasing f.o.b. origin or destination is set forth in Subpart M, Part 1 of this title and Subpart M, Part 590 of this chapter.

§ 592.152 Qualified products.

Qualified Products Lists may be used in procurement by negotiation in accordance with the policy and procedures set forth in Subpart J, Part 1 of this title and Subpart J, Part 590 of this chapter.

§ 592.154 Submission of information on equal or identical proposals.

The provisions of § 591.407-6 of this chapter, relating to procurement by formal advertising, are similarly applicable to procurement by negotiation.

§ 592.156 Disclosure of mistakes after award.

It is the policy of the Department of the Army to conduct negotiations with a view toward complete and final understanding between the contracting parties prior to the execution of a formal contract. The consideration to be given a mistake alleged by a contractor after completion of negotiations and award of the contract will depend on whether the evidence establishes that the claim of mistake is bona fide. Except where the matter is resolved under Part 17 of this title, mistakes alleged by contractors after award will be processed in the same manner as prescribed in § 591.406-4 of this chapter for advertised procurements.

§ 592.157 Protests involving negotiated procurements.

Protests or objections to actions taken or to be taken by a contracting officer in connection with a negotiated procurement shall be handled in accordance with the requirements and procedure set forth in § 591.407-9 of this chapter, except that:

(a) Copies of proposals and requests for proposals, if any, and an abstract of proposals shall be submitted to higher authority in lieu of the requirement for copies of bids, the invitation for bids and abstract of bids under § 591.407-9(c) of this chapter.

(b) The documented case required by § 591.407-9(c) of this chapter shall include a copy of the contract, or reference to the number and date thereof.

10. Revise §§ 592.216-2(c) (2) (ii), 592-306(d), and 592.605-51(i), as follows:

§ 592.216-2 Application.

(c) *Industrial mobilization projects.*

(2) (ii) requests for approval of projects which have program approval and which require project approval by the Assistant Secretary of the Army (Installations and Logistics) or the Deputy Chief of Staff for Logistics.

§ 592.306 Procedure with respect to determinations and findings.

(d) The primary test in determining the quantity and dollar amount covered

by a determination and findings is the actual demonstrated requirement that exists at the time the determination and findings is submitted to the Assistant Secretary of the Army (Installations and Logistics) for signature. The recitation of the estimated amount of a proposed procurement in a determination and findings, issued under § 592.305(a), is not in itself to be regarded as a monetary limitation upon the authority of the contracting officer to negotiate the contract. However, such determination and findings may not be relied upon by a contracting officer as authority to negotiate a contract which includes work or services outside the scope of such determinations and findings.

§ 592.605-51 Preparation.

(i) The signature of the seller must be obtained in the block headed "Sellers Name" or in lieu thereof the seller's invoice attached to the original Standard Form 44 (Copy No. 1).

11. Revise Subpart G of Part 592 to read as follows:

Subpart G—Negotiated Overhead Rates

Sec.	
592.700	Scope of subpart.
592.701	Definitions.
592.702	Purpose.
592.703	Applicability.
592.704	Contract clauses.
592.705	Procedure.
592.706	Coordination.
592.707	Cost-sharing rates.

AUTHORITY: §§ 592.700 to 592.707 issued under sec. 3012, 70A Stat. 157; 10 U.S.C. 3012. Interpret or apply secs. 2301-2314, 70A Stat. 127-133; 10 U.S.C. 2301-2314.

§ 592.700 Scope of subpart.

This subpart sets forth the policies and implementing procedures for the use of contract clauses entitled Negotiated Overhead Rates (§ 3.704 of this title) and for the negotiation of overhead rates for use in cost-reimbursement type contracts.

§ 592.701 Definitions.

See § 3.701 of this title.

§ 592.702 Purpose.

See § 3.702 of this title.

§ 592.703 Applicability.

(a) The appropriate Negotiated Overhead Rate clause (§ 3.704 of this title) is authorized for use in all cost-reimbursement type contracts (except facilities contracts) with the contractors listed in § 592.706 (b) and (c).

(b) Negotiated Overhead Rates clauses (§ 3.704 of this title) are authorized for use in cost-reimbursement type contracts (except facilities contracts) with any contractor not listed in § 592-706 (b) and (c), when:

(1) Such use will accomplish any or all of the purposes stated in § 3.702 of this title, or will otherwise be advantageous to the Government;

(2) The initial use of the Overhead Rate clause has been coordinated with other Department of the Army procuring activities having a contractual interest with the particular contractor. Where

procuring activities of the Department of the Navy or the Department of the Air Force have a contractual interest with the particular contractor, coordination with these activities will be effected through the Chief, Contracts Division, Office of the Deputy Chief of Staff for Logistics; and

(3) Clearance by the Head of Procuring Activity has been obtained.

(c) To assure uniformity in the manner of overhead settlement with each contractor to whom paragraph (a) or (b) of this section are applicable:

(1) Notification of the clearance by the Head of Procuring Activity will be furnished immediately upon issuance to the Deputy Chief of Staff for Logistics, Attn: Chief, Contracts Division, for appropriate amendment of § 592.706;

(2) In implementing these instructions, contracting officers will include suitable safeguards to insure that no other provision is used in any subsequent cost-reimbursement type contract (except facilities contracts) with the contractor while the authorization in paragraph (b) (2) of this section is in force or while the contractor is listed in § 592.706 (b) or (c).

(d) Prior to discontinuing use of the Negotiated Overhead Rate clauses with any contractor, clearance will be obtained from the Chief, Contracts Division, Office of the Deputy Chief of Staff for Logistics. The request for clearance will:

(1) Set forth all the circumstances bearing on the proposed discontinuance,

(2) Include the recommendation of the Head of Procuring Activity, and

(3) Be coordinated in advance with any other interested procuring activity and the cognizant audit service.

§ 592.704 Contract clauses.

See § 3.704 of this title.

§ 592.705 Procedure.

(a) Where the Department of the Army is the sponsor of coordinated negotiations pursuant to § 3.706 of this title or where the negotiations affect more than one procuring activity of the Department of the Army, negotiation cognizance will be assigned to the procuring activity having the preponderance of contract interest (§ 592.706). The conduct of negotiations may be assigned by the Head of the designated Procuring Activity to a field command or purchasing office, except where such reassignment is restricted by § 592.706 or by specific instructions from Headquarters, Department of the Army.

(b) Upon notification by the Department of the Navy or the Department of the Air Force that coordinated overhead rate negotiations have been scheduled with a contractor, Headquarters, Department of the Army, will designate a procuring activity to represent the Department of the Army in the negotiations.

(c) The procuring activity assigned negotiation cognizance under paragraph (a) or (b) of this section will furnish a principal representative of the Department of the Army for the purpose of (1) conducting negotiations where the De-

partment of the Army is the sponsor, or (2) representing the Department of the Army in negotiations sponsored by the Department of the Navy or the Department of the Air Force if the extent of Department of the Army interest warrants participation. Extreme care must be exercised in the selection of the principal representative since his skill, tact, perseverance, experience, knowledge of procurement regulations, and familiarity with business practices will materially affect the result of the negotiations.

(d) The designated principal Department of the Army representative is authorized to act for and on behalf of all Department of the Army procuring activities affected by the negotiation. Procuring activities which do not have negotiation cognizance may designate personnel to attend the negotiation conference as observers, technical advisors, or for training purposes.

(e) The designated principal Department of the Army representative will:

(1) Solicit the comments and recommendations of other procuring activities as to the proposals made by the contractor and the related advisory audit report;

(2) Obtain the advisory comment and analyses of legal, pricing, audit and technical personnel as to the rate or rates of overhead, application of cost principles, treatment of particular items of cost, and other pertinent issues;

(3) Develop the Department of the Army position in coordination with other interested Department of the Army procuring activities, with consideration given to the limitations, special provisions, and cost sharing arrangements of the affected contracts. Any case in which agreement as to the Department of the Army position cannot be reached will be referred to the Chief, Contracts Division, Office of the Deputy Chief of Staff for Logistics, Headquarters, Department of the Army;

(4) Represent the Department of the Army in negotiations sponsored by the Department of the Navy or Department of the Air Force, or conduct the negotiations on behalf of the Government if the Department of the Army is the sponsor;

(5) At least 21 days prior to the negotiation conference, notify all interested procuring activities, the Department of the Navy and Department of the Air Force, and the cognizant military audit agency of the date established for the negotiation conference; and

(6) Prepare and distribute the negotiation report in accordance with paragraph (h) of this section where the Department of the Army is the sponsor.

(f) The procuring activity having negotiation cognizance will provide legal, pricing, and technical assistance to the designated principal representative in the preparation for and conduct of negotiation conference and any preliminary meetings.

(g) The negotiation report will provide the following minimum information:

(1) Name, position, and organization of conferees representing the contractor and the Government;

(2) The purpose of the negotiation and period covered;

(3) Summary of the contractor's proposal, the pertinent advisory audit report comments and recommendations of legal, pricing, and technical advisors;

(4) The various rates of overhead resulting from the negotiation, with a discussion of the treatment given to cost factors requiring specific attention;

(5) A list of the contracts affected by the negotiation, showing identification number, total dollar value, and uninvoiced dollar amount, or a statement that such information is provided in the advisory audit report;

(6) Any special treatment agreed upon for contracts containing limitations, special provisions, or cost sharing arrangements, and

(7) Specific comment as to the amounts allowed for costs of the contractor's independent research and development programs and the effect of such allowance and total amounts of overhead and general and administrative expense.

(h) The negotiation report will be signed by the designated principal representative and approved by an official responsible for procurement in the procuring activity having negotiation cognizance. Copies of negotiation reports will be distributed as follows:

(1) For contractors listed in § 592.706 (b):

Office of the Deputy Chief of Staff for Logistics (Attn: Chief, Contracts Division)	50
Office of Naval Material (M-37)	60
Headquarters, Air Materiel Command (MCPFA)	60

(2) For contractors listed in § 592.706 (c):

Each purchasing office concerned	3
Cognizant Audit Agency	3
Office of the Deputy Chief of Staff for Logistics Attn: Chief, Contracts Division	30

(3) Where the advisory audit report indicates that purchasing offices of Government agencies outside the Department of Defense have a contractual interest, one copy of the negotiation report will be forwarded to the purchasing office concerned.

§ 592.706 Coordination.

(a) *Representative.* The designation of a principal representative of the Department of the Army is required when an overhead rate is to be negotiated by a Department of the Army procuring activity or jointly by or in behalf of the Department of the Army, Navy, or Air Force procuring activities with the same contractor. Contractors with whom the Negotiated Overhead Rate clause is authorized for use are listed below. Revisions to the lists will be made upon a showing that a significant shift of a long term nature has affected the preponderance of contract interests, and after agreement has been reached between the Military Departments or the Department of the Army procuring activities, as the case may be.

(b) List of contractors under interdepartmental negotiation coordination.

Contractors and address	Negotiating agency
Air Reduction Co., New York, N.Y.	Air Force.
Alfred University, Alfred, N.Y.	Air Force.
All American Engineering Co., Wilmington, Del.	Navy.
Alpha Corporation, Dallas, Tex.	Navy-ONR.
American Foundation for Biological Research, Chicago, Ill.	Air Force.
American Geographical Society, New York, N.Y.	Navy.
American Institute for Research, Inc., Pittsburgh, Pa.	Navy.
American Machine & Foundry, Brooklyn, N.Y.	Air Force.
Anderson-Greenwood and Co., Bellaire, Tex.	Army (Signal Corps).
Anderson Nichols Co., Boston, Mass.	Navy.
Andrew Alford, Boston, Mass.	Air Force.
Antioch College, Yellow Springs, Ohio	Army (Ordnance Corps).
Applied Research Inc., Fort Washington, N.Y.	Navy-ONR.
Arctic Institute of North America, Washington, D.C.	Army (Ordnance Corps).
Arizona State University, Tempe, Ariz.	Army (Ordnance Corps).
Associated Engineers, Agawam, Mass.	Navy.
Austin Company, New York, N.Y.	Army (Ordnance Corps).
Auburn University, Auburn, Ala.	Air Force.
Baird Atomic, Inc., Cambridge, Mass.	Army (Chemical Corps).
Baker Chemical Co., J. T., Phillipsburg, N.J.	Army (Ordnance Corps).
Barnes Engineering, Stamford, Conn.	Army (Corps of Engineers).
Barnes and Reinecke, Chicago, Ill.	Navy.
Bartel Research Foundation (Franklin Inst.) Philadelphia, Pa.	Navy.
Bausch & Lomb Optical Co., Rochester, N.Y.	Navy.
Baylor University (College of Medicine), Houston, Tex.	Air Force.
Bendix Aviation Corp.:	
(Central Office Expense), Detroit, Mich.	Navy.
(System Division), Ann Arbor, Mich.	Navy.
(Pacific Division), North Hollywood, Calif.	Navy.
(Bendix Radio), Towson, Md.	Navy.
(Friez Instrument Division), Baltimore, Md.	Navy.
(Eclipse-Pioneer Division), Teterboro, N.J.	Navy.
(York Division), York, Pa.	Navy.
Bergen Research Engineering Corp., Teterboro, N.J.	Army (Transportation Corps).
Bloomquist, Albert E. & Associates, Ringoes, N.J.	Army (Quartermaster Corps).
Boston College, Chestnut Hill, Mass.	Air Force.
Boston University, Boston, Mass.	Air Force.
Brandeis University, Waltham, Mass.	Navy.
Brown University, Providence, R.I.	Army (Chemical Corps).
Brooklyn College, Brooklyn, N.Y.	Air Force.
Bryn Mawr College, Bryn Mawr, Pa.	Navy.
California Institute of Technology, Pasadena, Calif.	Navy.
Carnegie Institute of Technology, Pittsburgh, Pa.	Navy.
Case Institute of Technology, Cleveland, Ohio	Navy.
Catalyst Research Corp., Baltimore, Md.	Army (Ordnance Corps).
Catholic University of America, Washington, D.C.	Navy.
Children's Cancer Research Foundation, Boston, Mass.	Army (Medical Corps).
Children's Hospital of Philadelphia, Philadelphia, Pa.	Army (Medical Corps).
Children's Medical Center, Boston, Mass.	Army (Medical Corps).
Chrysler Corp. (G&A only):	
(Defense Operations Division)	Army (Ordnance Corps).
(Defense Engineering Division)	Army (Ordnance Corps).
Clark University, Worcester, Mass.	Army (Quartermaster Corps).
Climax Molybdenum, Detroit, Mich.	Navy.
Colby College, Waterville, Maine	Army (Medical Corps).
Collins Radio Co., Cedar Rapids, Iowa, and Dallas, Tex.	Navy.
Colorado State University (formerly Colorado A&M College), Fort Collins, Colo.	Navy.
Colorado School of Mines Research Foundation, Inc., Golden, Colo.	Navy-ONR.
Columbia University, New York, N.Y.	Navy-ONR.

Contractors and address	Negotiating agency
Columbia University (Teachers College), New York, N.Y.	Air Force.
Consultants, Inc., Washington, D.C.	Army (Quartermaster Corps).
Container Laboratories, Inc., Washington, D.C.	Army (Chemical Corps).
Continental Aviation & Engineering Corp., Detroit, Mich.	Army (Ordnance Corps).
Continental Electronics Mfg. Co., Dallas, Tex.	Air Force.
Continental Motors Corp. (Lyndon Division), Detroit, Mich.	Army (Corps of Engineers).
Controls for Radiation, Inc., Cambridge, Mass.	Army (Chemical Corps).
Cornell University, Ithaca, N.Y.	Navy.
Curtiss-Wright Corp., Caldwell, N.J. (Propeller Division)	Air Force.
Dartmouth College, Hanover, N.H.	Air Force.
DeBell and Richardson, Inc., Hazardville, Conn.	Army (Quartermaster Corps).
Designers for Industry, Inc., Cleveland, Ohio	Navy.
Drexel Institute of Technology, Philadelphia, Pa.	Navy-ONR.
Duke University, Durham, N.C.	Army (Ordnance Corps).
Dumont (Allen B.) Labs., Inc., Clifton, N.J.	Navy.
Dunlap & Associates, Inc., Stamford, Conn.	Navy.
Eastman Kodak, Rochester, N.Y.	Navy.
Eastman Dental Dispensary, Rochester, N.Y.	Army (Medical Corps).
Eastman Germeshausen & Griet, Inc., Boston, Mass.	Army (Signal Corps).
Edgerton, Germeshausen & Griet, Inc., Boston, Mass.	Navy-ONR.
Educational Testing Service, Princeton, N.J.	Army (Ordnance Corps).
Electric Storage Battery Co., Raleigh, N.C. (Missile Battery Division).	Army (Ordnance Corps).
Emerson Electric Co., St. Louis, Mo.	Air Force.
Emory University, Atlanta, Ga.	Army (Medical Corps).
Esso Research & Engineering Corp., Elizabeth, N.J.	Navy.
Eureka Williams Corp., Bloomington, Ill.	Army (Ordnance Corps).
Fairchild Engine & Airplane Corp., Hagerstown, Md.	Army (Signal Corps).
Farrand Optical Co., Inc., New York, N.Y.	Air Force.
Firestone Tire & Rubber Co., Akron, Ohio (Home Office Division).	Army (Ordnance Corps).
General and Administrative Expense only.	
Flexonics Corp., Maywood, Ill.	Army (Ordnance Corps).
Flintbaugh Products, York, Pa.	Army (Ordnance Corps).
Florida State University, Tallahassee, Fla.	Air Force.
Food Machinery & Chemical Corp.:	
(Special Projects Laboratory), Buffalo, N.Y.	Navy.
(Chemical and Plastics Division), Baltimore, Md.	Army (Chemical Corps).
Fordham University, New York, N.Y.	Air Force.
Ford Motor Company (Aerotronic Division), Newport Beach, Calif.	Army (Ordnance Corps).
Fram Corp., Providence, R.I.	Army (Transportation Corps).
Franklin Institute of State of Pennsylvania, Philadelphia, Pa.	Navy.
Frederick Research Corp., Bethesda, Md.	Army (Ordnance Corps).
Fruheauf Trailer Co., Detroit, Mich.	Army (Ordnance Corps).
General Dynamics Corp. (Convair Division), San Diego, Calif. (General Office and Adm. Exp. Rate).	Air Force.
General Electric Co., Schenectady, N.Y.	Navy.
General Electric Laboratories, Inc., Cambridge, Mass.	Army (Signal Corps).
General Mills, Inc., Mechanical Division, Minneapolis, Minn. (Home Office)	Navy.
General Motors Corp.:	
(Aeroprocess-Allison Div.), Vandalla, Ohio	Air Force.
(Transmission Operations—Plants 3 and 4)	Air Force.
(Aircraft Operations—Plants 2, 5, 8, and 10)	Air Force.
(Allison Division), Indianapolis, Ind.	Army (Ordnance Corps).
General Precision Lab., Inc., Pleasantville, N.Y.	Army (Ordnance Corps).
General Time Corp., Westclox Division, La Salle, Ill.	Army (Ordnance Corps).
George Washington University, Washington, D.C.	Army (Transportation Corps).
Georgetown University, Washington, D.C.	Navy.
Georgia Institute of Technology, Atlanta, Ga.	Army (Ordnance Corps).
Gibbs and Cox, Inc., New York, N.Y.	Army (Medical Corps).
Hamilton Watch Co., Lancaster, Pa.	Army (Medical Corps).
Hahnemann Medical College, Philadelphia, Pa.	Army (Medical Corps).
HRB—Singer, Inc., State College, Pa.	Army (Signal Corps).

Contractors and address	Negotiating agency
Mount Sinai Hospital, New York, N.Y.	Army (Medical Corps).
National Co., Malden, Mass.	Army (Signal Corps).
Nassau Hospital, Mineola, N.Y.	Army (Medical Corps).
National Research Corp., Cambridge, Mass.	Army (Ordnance Corps).
New England Institute for Medical Research, Ridgefield, Conn.	Navy-ONR.
New Mexico State University, Las Cruces, N. Mex.	Navy-ONR.
New Mexico Institute of Mining and Technology, Socorro, N. Mex.	Navy-ONR.
New York University, New York.	Navy.
Norberg Manufacturing Co., Milwaukee, Wis.	Navy-SHIPS.
North American Aviation, Inc.	
(Missile Division) Downey, Calif.	Air Force.
(Los Angeles Division), Los Angeles, Calif.	Air Force.
(Columbus Division), Columbus, Ohio.	Air Force.
(Autonetics Division), Downey, Calif.	Air Force.
(Rocketdyne Division), Canoga Park, Calif.; Neosho, Mo.; McGregor, Tex.	Air Force.
North Carolina State College of Agriculture and Engineering, Raleigh, N.C.	Army (Ordnance Corps).
Northeastern University, Boston, Mass.	Air Force.
Northwestern University, Evanston, Ill.	Navy.
Ohio State University Research Foundation, Columbus, Ohio.	Air Force.
Ohio University, Athens, Ohio.	Air Force.
Oklahoma State University, Stillwater, Okla.	Air Force.
Olin Mathieson Chemical Corp.	
(Explosives Division), East Alton, Ill.	Army (Ordnance Corps).
(Winchester-Western Division), New Haven, Conn.	Army (Ordnance Corps).
(Energy Division-Formerly Aviation Division), New Haven, Conn.	Army (Ordnance Corps).
(Corporate Office Expense)	Army (Ordnance Corps).
Oregon State College, Corvallis, Oreg.	Navy.
Page Communications Engineers, Inc., Washington, D.C.	Air Force.
Pennsalt Chemicals Corp., Philadelphia, Pa.	Navy.
Pennsylvania State University, University Park, Pa.	Navy.
Philoc Corp., Philadelphia, Pa.	
(Techrep Division)	Navy.
(Government and Industrial Division)	Navy.
(Lansdale Tube Division), Lansdale, Pa.	Army.
Phillips Petroleum Co., Bartlesville, Okla.	Army (Medical).
Polaroid Corp., Cambridge, Mass.	Air Force.
Polarad Electronics Corp., Long Island, N.Y.	Army (Signal Corps).
Polytechnic Institute of Brooklyn, Brooklyn, N.Y.	Navy.
P. R. D. Electronics, Inc., Brooklyn, N.Y.	Navy.
Precision Products Co., Division of KDI Corp., Norwood, Ohio.	Army (Ordnance Corps).
Princeton University, Princeton, N.J.	Navy.
Professional Design Co., Agawam, Mass.	Army (Ordnance Corps).
Protein Foundation, Boston, Mass.	Navy.
Purdue University, Lafayette, Ind.	Navy.
Radio Corp. of America:	
(Defense Electronic Products), Camden, N.J.	Navy.
(Industrial Electronic Product), Camden, N.J.	Navy.
(Laboratories Division), Princeton, N.J.	Navy.
(Electron Tube Division), Harrison, N.J. and Lancaster, Pa.	Navy.
(Semi Conductor and Material Division), Amerville, N.J.	Navy.
RCA Service Co., Camden, N.J.	Navy.
Radio Receptor Co., Inc., Brooklyn, N.Y.	Army (Signal Corps).
Raymond Engineering Laboratories, Inc., Middletown, Conn.	Army (Ordnance Corps).
Raytheon Co., Waltham, Mass.	Army.
Reflectone Corp., Stamford, Conn.	Navy.

Contractors and address	Negotiating agency
Harris Research Laboratory, Inc., Washington, D.C.	Army (Chemical Corps).
Harvard University, Cambridge, Mass.	Navy.
Harvey Aluminum, Torrence, Calif.	Army (Ordnance Corps).
Hazeltine Electronics Corp., New York, N.Y.	Navy.
Hazeltine Research Corp., Little Neck, Long Island, N.Y.	Air Force.
Hercules Powder Co., Wilmington, Del.	Navy.
High Altitude Observatory of the University of Colorado, Boulder, Colo.	Navy.
Hughes Aircraft Co., Culver City, Calif.	Air Force.
Hughes Tool Co., Culver City, Calif. (Aircraft Division)	Air Force.
Illinois Institute of Technology, Chicago, Ill.	Navy.
Indiana University, Bloomington, Ind.	Navy.
International Harvester Co., Chicago, Ill.	Army (Ordnance Corps).
International Latex Corp., Dover, Del.	Navy.
International Telephone & Telegraph Corp., New York, N.Y.:	
(Corporate G&A only)	Air Force.
(ITT Labs) Nutley, N.J. (All Divisions)	Air Force.
(ITT Federal Division), Fort Wayne, Ind. (Formerly Farnsworth)	Air Force.
(ITT Federal Division), Clifton, N.J.	Air Force.
(Kellogg Division), Chicago, Ill.	Air Force.
Iowa State University of Science and Technology, Ames, Iowa.	Navy.
Jefferson Medical College, Philadelphia, Pa.	Army Medical Corps.
John Carroll University, Cleveland, Ohio.	Navy-ONR.
Johns Hopkins University, Baltimore, Md.	Navy.
Kansas State University of Agriculture and Applied Science, Manhattan, Kans.	Army (Medical Corps).
Kellogg Co., M. W., Jersey City, N.J.	Army.
Kermit Rolland Associates, Princeton, N.J.	Army (Ordnance Corps).
Kollsman Instrument Corp., Elmhurst, Long Island, N.Y.	Navy.
Lankenau Hospital, Philadelphia, Pa.	Army (Medical Corps).
Ligh University, Bethlehem, Pa.	Navy.
Leland Stanford, Jr., University, Stanford, Calif.	Navy.
Lionel Corp., Irvington, N.J.	Army (Ordnance Corps).
Little, Arthur D., Inc., Boston, Mass.	Army (Ordnance Corps).
Lockheed Aircraft Corp.:	
(Corporate Office Expense)	Air Force.
(California Div), Burbank, Calif.	Air Force.
(Georgia Div), Marietta, Ga.	Air Force.
(Missiles Systems Div), Van Nuys and Sunnyvale, Calif.	Air Force.
Lockheed Aircraft International, Inc., Los Angeles, Calif.	Air Force.
Lockheed Aircraft Service, Inc., Ontario, Calif.	Air Force.
Louisiana State University & A&M College, Baton Rouge, La.	Navy-ONR.
Lovelace Foundation, Albuquerque, N. Mex.	Air Force.
Lowell Technological Institute, Lowell, Mass.	Air Force.
Massachusetts College of Pharmacy, Boston, Mass.	Army (Medical Corps).
Massachusetts Eye & Ear Infirmary, Boston, Mass.	Navy.
Massachusetts General Hospital, Boston, Mass.	Army (Medical Corps).
Massachusetts Institute of Technology, Cambridge, Mass.	Navy.
Maat Development Co., Davenport, Iowa.	Army (Ordnance Corps).
Mathewson Tool Co., Orange, Conn.	Army (Ordnance Corps).
Medical College of Virginia, Richmond, Va.	Air Force.
Mellon Institute of Industrial Research, Pittsburgh, Pa.	Air Force.
Melpar, Inc., Falls Church, Va.	Air Force.
McKierman & Terry Corp., Dover and Harrison, N.J.	Navy-ONR.
Michael Reese Hospital, Chicago, Ill.	Army (Medical Corps).
Michigan State University, Ann Arbor, Mich.	Army (Ordnance Corps).
Midwest Research Institute, Kansas City, Mo.	Air Force.
Mine Safety Appliance Co., Pittsburgh, Pa.	Navy.
Minneapolis-Honeywell Co., Minneapolis, Minn.:	
(Aeronautical Division)	Air Force.
(Ordnance Division)	Air Force.
Mount Holyoke College, South Hadley, Mass.	Navy-ONR.

Contractor and address	Negotiating agency
Letourneau-Westinghouse, Feorib, Ill.	Army (Medical Corps)
Litter, D. H., Inc., New York, N.Y.	Navy
M & T Co., Philadelphia, Pa.	Navy (Medical Corps)
Magnesium Products of Milwaukee, Wis.	Air Force
Marquette University, Milwaukee, Wis.	Air Force
Metropolitan Denver Research Foundation, Denver, Colo.	Navy
McGraw-Hill Book Co., Inc., New York, N.Y.	Navy
Michigan Chemical Corp., St. Louis, Mich.	Army (Ordnance Corps)
Michigan College of Mining & Technology, Houghton, Mich.	Army
Monsanto Chemical Co., Boston, Mass.	Army (Medical Corps)
MTD Research & Development, Timonium, Md.	Army (Medical Corps)
Nassau Hospital, Mineola, N.Y.	Army
NRC Equipment Corp., Newton, Mass.	Army (Medical Corps)
Oliver Corp., York, Pa.	Army
Operations Research, Inc., Silver Spring, Md.	Navy
Ordance Engineering Associates, Chicago, Ill.	Army (Ordnance Corps)
Perkin-Elmer Corp., Norwalk, Conn.	Army
Piedmont Hospital, Atlanta, Ga.	Army
Pitman Manufacturing Co., Grandview, Mo.	Army
Radiation Research, Westbury Long Island, N.Y.	Army
Reigel Paper Co., New York, N.Y.	Army
Robert Brigham Hospital, Boston, Mass.	Army
Royer and Roger, New York, N.Y.	Army
Sanderson and Porter, New York, N.Y.	Army
Schwarz Bioresearch, Inc., Mount Vernon, N.Y.	Army
Sciaky Brothers, Inc., Chicago, Ill.	Army
Seton Hall College of Dentistry and Medicine, Jersey City, N.J.	Army
South Elver Metal Products Co., South River, N.J.	Army
Space Corp., Dallas, Tex.	Army
Sportcaster Co., Seattle, Wash.	Army
Springfield College, Springfield, Mass.	Army
St. Vincent's Charity Hospital, Cleveland, Ohio	Army
Sun Electric Co., Chicago, Ill.	Army
Swift Ohio Corp., Kenton, Ohio	Army
Underwood Corp., New York, N.Y.	Army
Union Thermoelectric Corp., Evanston, Ill.	Army
University of Louisville, Louisville, Ky.	Army
University of Montreal, Montreal, Canada	Army
Texas Women's University, Denton, Tex.	Army
Van Brode Milling Co., Inc., Hoboken, N.J.	Army
B. E. Wallace Products Corp., Exton, Pa.	Army
Ward Industries Corp., Prosperity Co. Division, Syracuse, N.Y.	Army
Warner, Lewis Co., Tulsa, Okla.	Army
Waste King Corp., Los Angeles, Calif.	Army
Wistar Institute of Anatomy and Biology, Philadelphia, Pa.	Army
Woodward Research Corp., Herndon, Va.	Army
World Life Research Institute, Colton, Calif.	Army
Yale and Towne, Philadelphia, Pa.	Army
York Shipley, Inc., York, Pa.	Army

Contractor and address	Negotiating agency
Albion Malleable Iron Co., Albion, Mich.	Ordnance Corps
Aluminum Co. of America, Pittsburgh, Pa.	Chemical Corps
American Meat Institute, Chicago, Ill.	Quartermaster Corps
Arctic Research, Inc., Clare, Mich.	Quartermaster Corps
Archer Rubber Co., Milford, Mass.	Quartermaster Corps
Baker, Perkins Co., Cincinnati, Ohio	Quartermaster Corps
Beckman & Whitley, Inc., San Carlos, Calif.	Quartermaster Corps
Benson-Lehner Corp., Los Angeles, Calif.	Quartermaster Corps
Booz-Allen Applied Research, Inc., Glenview, Ill.	Quartermaster Corps
Bowen Engineering, Inc., North Branch, N.J.	Quartermaster Corps
Beese Industries, Inc.	Chemical Corps
Briggs Filtration Co., Washington, D.C.	Quartermaster Corps
Bryn Mawr Hospital, Bryn Mawr, Pa.	Medical Corps
Clark Equipment Co., Battle Creek, Mich.	Quartermaster Corps
Clarkson College of Technology, Potsdam, N.Y.	Chemical Corps
Cincinnati Designing, Inc., Cincinnati, Ohio	Ordnance Corps
College of Medical Evangelists, Loma Linda, Calif.	Medical Corps
College of Physicians and Surgeons, San Francisco, Calif.	Quartermaster Corps
Continental Can Co., New York, N.Y.	Chemical Corps
Continental Copper and Steel Industries, New York, N.Y.	Quartermaster Corps
Controls Co. of America, Milwaukee, Wis.	Chemical Corps
Converfawings, Inc., Amityville, Long Island, N.Y.	Transportation Corps
Doak Aircraft Co., Inc., Torrance, Calif.	Transportation Corps
Englehard Industries, NA Wilson Division, Union, N.J.	Quartermaster Corps
Florida State Board of Health, Jacksonville, Fla.	Medical Corps
Flow Corp., Arlington, Mass.	Quartermaster Corps
L. W. Foster Sportswear Co., Inc., Philadelphia, Pa.	Quartermaster Corps
General Analysis Corp., Los Angeles, Calif.	Signal Corps
General Communications, Boston, Mass.	Signal Corps
General Tire and Rubber Co., Wabash, Ind.	Quartermaster Corps
W. R. Grace & Co., Clarksville, Md.	Chemical Corps
Gulton Industries, Inc., Metuchen, N.J.	Chemical Corps
Hodgman Rubber Co., Framingham, Mass.	Quartermaster Corps
Hogan Laboratories, New York, N.Y.	Quartermaster Corps
Hunter Manufacturing Co., Solon, Ohio	Quartermaster Corps
Ingraham Co., Bristol, Conn.	Ordnance Corps
Isotopes, Inc., Westwood, N.J.	Defense Atomic Support Agency
Kellett Aircraft Corp., Willow Grove, Pa.	Transportation Corps
Kansas City University, Kansas City, Mo.	Medical Corps
Joseph Kaye & Co., Cambridge, Mass.	Quartermaster Corps
Kuss Industries, Inc., Philadelphia, Pa.	Quartermaster Corps
Le Tourneau, L. G., Inc., Longview, Tex.	Transportation Corps

Conduct of negotiations will not be assigned to a field procurement office.

(c) List of contractors under coordination within the Department of the Army.

Contractor and address	Negotiating agency
Wake Forest College (Bowman Gray School of Medicine), Winston-Salem, N.C.	Army (Medical Corps)
Washington State University, St. Louis, Mo.	Navy
Wayne State University, Detroit, Mich.	Navy (Medical Corps)
Wentworth Institute, Boston, Mass.	Air Force
West Virginia University, Morgantown, W. Va.	Air Force
Western Gear Corp., Lynnwood, Calif.	Navy
Western Electric Co., New York, N.Y.	Navy
Western Reserve University, Cleveland, Ohio	Army (Ordnance Corps)
Westinghouse Electric Corp., Pittsburgh, Pa.	Army
Wisconsin Alumni Research Foundation, Madison, Wis.	Army (Medical Corps)
Worcester Foundation for Experimental Biology, Shrewsbury, Mass.	Army (Medical Corps)
Yale University, New Haven, Conn.	Army
Zenith Radio Corp., Chicago, Ill.	Army (Ordnance Corps)

Contractor and address	Negotiating agency
Letourneau-Westinghouse, Feorib, Ill.	Army (Medical Corps)
Litter, D. H., Inc., New York, N.Y.	Navy
M & T Co., Philadelphia, Pa.	Navy (Medical Corps)
Magnesium Products of Milwaukee, Wis.	Air Force
Marquette University, Milwaukee, Wis.	Air Force
Metropolitan Denver Research Foundation, Denver, Colo.	Navy
McGraw-Hill Book Co., Inc., New York, N.Y.	Navy
Michigan Chemical Corp., St. Louis, Mich.	Army (Ordnance Corps)
Michigan College of Mining & Technology, Houghton, Mich.	Army
Monsanto Chemical Co., Boston, Mass.	Army (Medical Corps)
MTD Research & Development, Timonium, Md.	Army (Medical Corps)
Nassau Hospital, Mineola, N.Y.	Army
NRC Equipment Corp., Newton, Mass.	Army (Medical Corps)
Oliver Corp., York, Pa.	Army
Operations Research, Inc., Silver Spring, Md.	Navy
Ordance Engineering Associates, Chicago, Ill.	Army (Ordnance Corps)
Perkin-Elmer Corp., Norwalk, Conn.	Army
Piedmont Hospital, Atlanta, Ga.	Army
Pitman Manufacturing Co., Grandview, Mo.	Army
Radiation Research, Westbury Long Island, N.Y.	Army
Reigel Paper Co., New York, N.Y.	Army
Robert Brigham Hospital, Boston, Mass.	Army
Royer and Roger, New York, N.Y.	Army
Sanderson and Porter, New York, N.Y.	Army
Schwarz Bioresearch, Inc., Mount Vernon, N.Y.	Army
Sciaky Brothers, Inc., Chicago, Ill.	Army
Seton Hall College of Dentistry and Medicine, Jersey City, N.J.	Army
South Elver Metal Products Co., South River, N.J.	Army
Space Corp., Dallas, Tex.	Army
Sportcaster Co., Seattle, Wash.	Army
Springfield College, Springfield, Mass.	Army
St. Vincent's Charity Hospital, Cleveland, Ohio	Army
Sun Electric Co., Chicago, Ill.	Army
Swift Ohio Corp., Kenton, Ohio	Army
Underwood Corp., New York, N.Y.	Army
Union Thermoelectric Corp., Evanston, Ill.	Army
University of Louisville, Louisville, Ky.	Army
University of Montreal, Montreal, Canada	Army
Texas Women's University, Denton, Tex.	Army
Van Brode Milling Co., Inc., Hoboken, N.J.	Army
B. E. Wallace Products Corp., Exton, Pa.	Army
Ward Industries Corp., Prosperity Co. Division, Syracuse, N.Y.	Army
Warner, Lewis Co., Tulsa, Okla.	Army
Waste King Corp., Los Angeles, Calif.	Army
Wistar Institute of Anatomy and Biology, Philadelphia, Pa.	Army
Woodward Research Corp., Herndon, Va.	Army
World Life Research Institute, Colton, Calif.	Army
Yale and Towne, Philadelphia, Pa.	Army
York Shipley, Inc., York, Pa.	Army

which reasonable and allocable costs of contractors' independent research and development programs (\$15,205-35 of this title) will be allowed under contracts to which Subpart B or Subpart F, Part 15 of this title, is applicable.

(b) Policy. The recognition and acceptance of the costs of contractors independent research and development programs by contracting officers of the Department of the Army are governed by the following policies:

- \$ 592.707 Cost-sharing rates.
- See § 3.707 of this title.
- 12. Add new §§ 592.850, 592.850-1, 592.850-2, 592.850-3, 592.850-4, 592.850-5 and 592.850-6, as follows:
- \$ 592.850 Uniform negotiations for reimbursement of independent research and development costs.
- (a) General. Sections 592.850 to 592.850-6 set forth policies and procedures for establishing the extent to

RULES AND REGULATIONS

(1) Any costs will be treated uniformly among all Army contractors, subject to any specific limitations necessary to express the intent of the parties in a particular contract;

(2) The agreements of the procuring activity having negotiation cognizance of a contractor will be binding upon all Department of the Army contracting officers in administering contracts with such contractor for the period covered, subject to any pertinent special contract provisions, and

(3) The advisory services of the cognizant audit agency will be used to establish negotiation cognizance when necessary, and to establish the acceptability of contractors' accounting procedures and costs.

(c) *Purpose.* The policies and procedures in this section and §§ 592.850-1 through 592.850-6 are published to:

(1) Effect uniformity in establishing the extent of allowability of costs of contractors' independent research and development programs;

(2) Effect economy in administrative effort; and

(3) To promote timely establishment of reasonable and allocable amounts for independent research and independent development cost, thereby expediting settlement of contractors' cost reimbursement invoices and the redetermination of contract prices.

(d) *Applicability.* The policies and procedures in this section and §§ 592.850-1 through 592.850-6 apply to all proposals, claims, invoices, and related cost breakdown or cost analysis submitted for consideration in connection with any contract, or modification thereof, to which Subpart B or Subpart F, Part 15 of this title is applicable, and in which the contractors seek recognition of, or reimbursement for, all or part of the costs of their independent research and development programs. The extent of allowability of such costs will be established by the contracting officer within the conditions and criteria of § 15.205-35 of this title and § 592.850-2, subject to the provisions of § 592.850-1 relating to negotiation cognizance. Negotiations, supported when necessary by scientific and technical review and evaluation, will be conducted whenever (1) advance understandings (§ 15.107 of this title) are to be used or (2) the reasonableness of the forecast or experienced costs of independent research and development programs cannot be established by other methods.

(e) *Procedure.* Whenever negotiation of independent research and development program costs is required pursuant to paragraph (d) of this section, the procedure set forth below will be followed:

(1) Negotiation cognizance will be established in accordance with § 592.850-1.

(2) Information pertaining to the independent research and development programs (§ 592.850-2) will be obtained from the contractor by the procuring activity having negotiation cognizance.

(3) Technical and scientific review and evaluation will be accomplished from

the information submitted by the contractor, if necessary (§ 592.850-3).

(4) An advisory report in accordance with § 592.850-4 will be requested from the cognizant audit agency.

(5) Negotiations will be conducted by the procuring activity having negotiation cognizance and a summary of the negotiation will be prepared and distributed in accordance with § 592.850-5.

(6) The results of negotiation will be recognized in all affected contracts pursuant to § 592.850-6.

§ 592.850-1 Negotiation cognizance.

Negotiation cognizance will be established in accordance with the following procedures:

(a) Where a contractor is doing business with more than one Military Department, the Military Departments have agreed to designate a single department as the cognizant negotiating activity.

Contractor	Negotiating agency
*Aerojet-General	Navy.
Aircraft Armaments, Inc.	Army (Ordnance).
*Arma Division, American Bosch Arma Corp.	Air Force.
*American Machine and Foundry	Navy.
*AVCO Manufacturing Corp.	Air Force.
*Bell Aerosystems Co.	Air Force.
*Bendix Corporation (all divisions)	Navy.
*Boeing Airplane Co.	Air Force.
Bulova Research & Development Laboratories, Inc.	Army (Ordnance).
Catalyst Research Co.	Army (Ordnance).
*Chance-Vought	Navy.
*Collins Radio Co.	Navy.
*Curtiss-Wright Corp.	Navy.
Electronics Division	Air Force.
Propeller Division	Air Force.
*Douglas Aircraft Co. (all divisions)	Air Force.
*Eastman Kodak Co., Apparatus and Optical Division	Navy.
*Emerson Electric Mfg. Company	Air Force.
*Ford Motor Company (Aeronutronic Division)	Army (Ordnance).
*General Dynamics Corp.:	
Convair Division	Air Force.
Stromberg-Carlson Division	Air Force.
*General Electric Co.:	
Aircraft Accessories Turban Dept.	Air Force.
Defense Systems Dept.	Air Force.
Heavy and Light Military Depts.	Air Force.
Missile and Space Division	Air Force.
Ordnance Division	Air Force.
*General Mills, Inc., Mechanical Division	Navy.
*General Motors Corp.:	
AC Sparkplug Division (ACSP)	Air Force.
Allison Division	Air Force.
*General Precision Equipment Co. (all affiliates and subsidiaries)	Air Force.
*Goodyear Aircraft Co.	Air Force.
HRB-Singer, Inc.	Army (Signal Corps).
*Hercules Powder Co.	Navy.
*Hughes Aircraft Co.	Air Force.
*IBM Corp., Federal Division (MARP)	Air Force.
*ITT&T Corp.	Air Force.
*Kollsman Instrument Corp.	Navy.
*Lockheed Aircraft Corp. (all divisions)	Air Force.
*Magnavox Co.	Navy.
*Marquardt Corp.	Air Force.
*Martin, Co., The	Navy.
*McDonnell Aircraft Corp.	Navy.
Melpar, Inc.	Air Force.
*Minneapolis-Honeywell Regulator Co.:	
Aero Division	Air Force.
Ordnance Division	Air Force.
Motorola, Inc.	Army (Signal Corps).
*North American Aviation, Inc.	Air Force.
National Co.	Army (Signal Corps).
*Northrop Corp.	Air Force.
*Olin Mathieson Chemical Corp.	Army (Ordnance).

*Indicates contractors whose programs will have technical and scientific evaluation by Armed Services Research Specialists Committee.

Contractor and address	Negotiating agency
*Page Communications	Air Force.
*Philio Corp	Navy.
*RCA (Radio Corp. of America) (all divisions)	Navy.
*Raytheon Co	Army (Ordnance).
*Republic Aviation Corp	Air Force.
*Solar Aircraft	Navy.
*Space Technology Laboratories, Inc	Air Force.
*Sperry Rand Corp.:	
Sperry Electronic Tube Division	Air Force.
Sperry Gyroscope Division	Air Force.
Remington Rand-Univac Division	Air Force.
*Sundstrand Corp	Air Force.
*Sylvania Electric Products, Inc	Navy.
*Thiokol Corp	Air Force.
*Thompson-Ramo-Wooldrige, Inc.	
Ramo Wooldrige Division	Air Force.
TAPOO Division	Air Force.
*United Aircraft Corp.:	
Hamilton Standard Division	Navy.
Research Division	Navy.
Sikorsky Division	Navy.
*Western Electric Co	Army (Ordnance).
*Westinghouse Electric Co	Navy.

*Indicates contractors whose programs will have technical and scientific evaluation by Armed Services Research Specialists Committee.

§ 592.850-2 Prenegotiation review and evaluation.

(a) Where negotiation is required (§ 592.850(d)) the Department of the Army procuring activity which has negotiation cognizance (§ 592.850-1(b) and (c)) will inform the contractor of the provisions of § 15.205-35 of this title and will request the contractor to submit his proposal of the amounts to be considered allowable, supported by information sufficient to permit the evaluation and negotiation of the proposal. The following are guidelines as to such supporting information considered pertinent to the claimed or forecast costs of independent research and development programs consistent with § 15.205-35(h) of this title:

(1) A summary of the cost elements and amounts (experienced or forecast, as appropriate) which comprise the total independent research program expense and the total independent development program expense, separately, for the contractor's fiscal year for which allowance is sought;

(2) An analysis of net sales for at least three immediately preceding years, showing the sales attributable to Department of Defense contracts and to other customers, and the amounts allocated to each sales category for cost of independent research and development programs separately for each year;

(3) A statement of the extent and scope of the contractor's research and development activity for at least the three previous years, and a comparison with the programs for the year under negotiation, including a summary of any significant changes in science and technology affecting these programs;

(4) A list of contracts currently in force with agencies of the Department of Defense, showing agency contract number, total dollar value, uninvoiced dollar value, type of contract, and indicating the cost sharing provisions, if any;

(5) A statement of the broad plan of each program as distinguished from individual projects, indicating its scope, relationship to the income producing activities of the contractor, the methods

by which the programs are managed, and the accounting procedures employed for equitably distributing the total costs, and

(6) A list of product lines to which the costs of independent development projects are to be distributed and the extent of contract interest by Department of Defense agencies.

(b) In any case where the reasonableness of the proposed or claimed costs of independent research and development programs cannot be established by review, analysis, and discussion of financial and historical information, the contractor will be requested to submit a brochure prepared in accordance with the following format and guidelines, which will set forth the scope and costs of such programs. It is the purpose of this brochure to permit determining the allowability of costs of the individual program phases under the various stipulations of § 15.205-35 of this title, and appraising the reasonableness of these costs in accordance with § 15.205-35(h) of this title.

(1) *Format.* The brochure is to be divided into two sections. One section shall describe the contractor's independent research program, as defined in § 15.205-35(a) of this title for which allowance is requested under the terms of § 15.205-35(d) of this title. The other section shall describe the contractor's independent development program for which allowance is requested under the terms of § 15.205-35(e) of this title. In each instance, the brochure will report individually on each project, i.e. the smallest administratively recognizable unit of task assignment in the reporting laboratory. Each project description will include the following minimum information:

- (i) Title of the project;
- (ii) Budgeted or actual annual expenditure;
- (iii) The length of time the project has been running, and total expenditures to date;
- (iv) Estimated date of completion of project;
- (v) Estimated effort in terms of professional man/years (Research) of hours

of engineering effort (Development) and the professional grade or classification of personnel to be utilized;

(vi) Summary of past technical achievements under this and related projects in the same field, and

(vii) A concise statement of the project objective and a narrative description of the technical approach.

(2) *Guidelines.* The technical portions of the individual project descriptions shall be stated in appropriate and concise scientific language customarily used in reporting the subject in scientific journals. The projects are to be described and should not include obvious justifications of the work required by internal management. Reports or reprints resulting from past activity under the reported projects may accompany the submission. In the case of independent development projects, the contractor shall indicate the product lines for which he has contracts with the Government and under which the indirect costs of the project are to be allowed. In addition to the written descriptions of each project, the procuring activity having negotiation cognizance may wish to elicit further information about these projects in direct discussions. Accordingly, in addition to the brochures, the contractors will furnish the name, title, and address of two or three officials with overall responsibility and supervision of the corporations independent research or development programs, and with knowledge of other individuals with specialized engineering and financial background information about these projects.

(c) Heads of Procuring Activities having negotiation cognizance will establish the number of copies of proposals, supporting information, and brochures to be submitted by contractors. At least one copy will be obtained for and distributed to the chief of other interested procuring activities, and in any case where the technical and scientific review will be performed by the Armed Services Research Specialists Committee, 15 additional copies will be obtained and forwarded to the Deputy Chief of Staff for Logistics, Department of the Army, Washington 25, D.C., Attn: Chief Contracts Division, for appropriate distribution. The public reporting requirement required by this section has been approved by the Bureau of the Budget and approval number 49-R-377 has been assigned, effective through June 30, 1963.

§ 592.850-3 Technical and scientific review and evaluation.

(a) A technical and scientific review and evaluation will be accomplished in accordance with paragraph (b) or (c) of this section, as appropriate, on the program information submitted by contractors when in the opinion of the procurement official responsible for the conduct of negotiation the reasonableness and allocability of the estimated or claimed costs cannot be clearly and convincingly established by other methods. This review and evaluation will (1) establish that the projects comprising each program are properly classified as either research or as development; (2) as to re-

search, provide recommendations concerning scientific factors considered to affect the basis or extent to which the contractor's program is appropriate for support; and (3) as to development, provide recommendation as to the portion of the independent development program which is appropriate for support within the contractor's product lines. Where a contractor's normal course of business does not involve production work, the recommendation shall relate to the procurement or work falling within the contractor's field of effort on Government research and development contracts.

(b) Where a contractor is doing business with more than one military department and negotiation cognizance has been established in accordance with § 592.850-1, the military department which has negotiation cognizance will be responsible for the technical and scientific review and evaluation. As agreed upon by the military departments, the program information of certain representative contractors, identified in § 592.850-1(d), will be reviewed and evaluated by the Armed Services Research Specialists Committee. Referrals for that purpose and recommendations for additions to the selected list will be forwarded to the Armed Services Research Specialists Committee through the Chief, Contracts Division, Office of the Deputy Chief of Staff for Logistics, Headquarters, Department of the Army, Washington 25, D.C.

(c) Where a contractor is doing business only with the Department of the Army, the procuring activity having negotiation cognizance is responsible for establishing procedures for the performance of any necessary reviews and evaluations by qualified scientific and technical personnel. Such procedures, and subsequent revisions thereof, will be submitted to the Chief, Contracts Division, Office of the Deputy Chief of Staff for Logistics, Headquarters, Department of the Army, for approval prior to publication. Technical and scientific reviews and evaluations will be made by procuring activities in accordance with the separate guidance issued by the Chief of Research and Development, Headquarters, Department of the Army, which established uniform criteria and methods for evaluation.

(d) The results of the technical and scientific reviews and evaluations will be provided by written advice to a requesting agency in the minimum number of copies necessary. Four copies will be furnished to the Chief, Contracts Division, Office of the Deputy Chief of Staff for Logistics, Headquarters, Department of the Army.

§ 592.850-4 Use of audit services.

(a) Advisory reports of the cognizant audit agency will be obtained for use in establishing negotiation cognizance, where necessary.

(b) Information obtained from contractors pursuant to § 592.850-2 will be referred to the cognizant audit agency

for advisory report as to (1) reliability of contractor's estimating and costing procedures, (2) methods used in identifying, segregating, and allocating costs of independent research and of development programs; (3) acceptability of costs within the criteria of § 15.205-35 of this title, and (4) other observations intended to provide the procuring activity having negotiation cognizance with complete factual guidance in the area of costs.

§ 592.850-5 Conduct of negotiations.

(a) The negotiation of independent research and development costs will be conducted pursuant to the pertinent policies and procedures in Subpart H, Part 3 of this title and this subpart. The Department of the Army procuring activity having negotiation cognizance, as sponsor, will insure that such negotiations are fully coordinated and that timely notification of the time and place for the negotiation conference is furnished to other interested procuring activities.

(b) It is the responsibility of each Head of Procuring Activity to advise the procuring activity having negotiation cognizance as to any limitations, special provisions, or cost-sharing arrangements, contained in any contract which will be effected by the negotiations and which is being administered by that procuring activity. In addition, representatives of procuring activities designated to participate in a negotiation conference, will be prepared for such participation by a thorough knowledge of the contract provisions, the information submitted by the contractor, and of any scientific and technical review and evaluation or audit report thereon.

(c) Upon completion of negotiations, the procuring activity having negotiation cognizance will prepare a negotiation summary which will include: (1) The purpose of the negotiation; (2) names and position title of both the Government and the contractor's representatives; (3) a summary of the contractor's proposal and submitted information, the scientific and technical review and evaluation, if any, pertinent audit comments and the advisory comments of technical, pricing, and legal personnel of the procuring activity having negotiation cognizance; (4) a list of affected contracts, showing contract numbers, total dollar value and uninvoiced dollar amount by contract, and type of contract (unless such list is provided in the advisory audit report); (5) any special treatment agreed upon for contracts containing limitations, special provisions or cost sharing arrangements; (6) special details of the negotiated cost allowance, including ceiling value, if any, and the effect on rates for overhead, and general and administrative expense with an estimate of the total resulting cost to the Department of the Army. The negotiation summaries will be signed by the principal negotiator and approved by an official responsible for procurement in

the procuring activity having negotiation cognizance. Copies of the negotiation summary will be distributed for action and information, as appropriate, to the following in the quantities indicated:

(i) Chief, Contracts Division, Office of the Deputy Chief of Staff for Logistics, 50 copies;

(ii) Headquarters, Air Force Logistics Command (MCPFA), 177 copies;

(iii) Office of Naval Material (37), 60 copies, and

(iv) Armed Services Research Specialists Committee, 5 copies.

§ 592.850-6 Recognition in contracts.

Agreements reached as a result of negotiations determine the extent and manner of allowance of contractor's costs of independent research and development programs. Such agreements will be fully expressed in contracts affected thereby, either by special provisions in the basic contract or by supplemental action, as appropriate, and will clearly define any limitations, ceilings, or cost-sharing arrangements.

13. Revise §§ 595.504(a) and 596.105-5 and revoke §§ 596.203-50 and 597.300, as follows:

§ 595.504 Mutual Canadian-American interests.

(a) *General.* In implementing the Department of Defense policy of seeking the best possible coordination of the materiel programs of Canada and the United States, the Assistant Secretary of the Army (Installations and Logistics) has made determinations concerning listed supplies and instructions with respect to bids and proposals offering Canadian end products, as set forth in Subpart A of this part and in this subpart.

§ 596.105-5 Liquidated damages.

See § 1.310 of this title and § 590.310 of this chapter.

§ 596.203-50 Allowable cost; incentive fee and payment. [Revoked]

§ 597.300 Scope of subpart. [Revoked]

14. Revise § 598.105-51(a)(2) and in § 598.105-64(e), revise article 12 and the ending portion of the contract form, as follows:

§ 598.105-51 Authority.

(a) *Acquisition of releases of past infringement and licenses.*

* * * * *

(2) The Director and Assistant Director of Procurement, Office of the Deputy Chief of Staff for Logistics.

§ 598.105-64 Contract clauses and forms.

* * * * *

(e) *Suggested contract forms.*

* * * * *

ARTICLE 12. Approval of contract.⁴

This contract shall be subject to approval for the Secretary of the Army by or in behalf of the Assistant Judge Advocate General for Civil Law, Department of the Army, and shall not be binding until so approved.

In witness whereof, the parties hereto have executed this contract as the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
(Signature and title of designee)

By _____
(Signature and title of contractor)

[CORPORATE SEAL]

Two witnesses:

(Address)

(Address)

Pursuant to Army Procurement Procedure 9-105.61, the foregoing contract is hereby approved.⁴

Assistant Judge Advocate
General for Civil Law,
Department of the Army.

Dated: _____

⁴ To be used only where required by APP 9-105.61.

15. Sections 598.1501 through 598.1509 are redesignated as §§ 598.1500 through 598.1508, as follows:

§ 598.1500 Scope of subpart. [Redesignation]

§ 598.1501 General policy. [Redesignation]

§ 598.1502 Action by representation. [Redesignation]

§ 598.1503 Reporting of proposed licenses and assignments. [Redesignation]

§ 598.1504 Correspondence with invention owner or his representative. [Redesignation]

§ 598.1505 Clearance to consider and procure licenses and assignments. [Redesignation]

§ 598.1506 Final report by designee where no license or assignment is procured. [Redesignation]

§ 598.1507 Procedure applicable to procurement of invention and patent rights. [Redesignation]

§ 598.1508 Gratuitous grants. [Redesignation]

16. Revise § 599.501-4(c)(1), revise the first sentence of paragraph (a) in § 600.051, and revise §§ 601.102-4 and 601.450, as follows:

§ 599.501-4 Aircraft public and passenger liability insurance.

* * * * *

(c) Aircraft products liability insurance. * * *

(1) Unless approved by the Assistant Secretary of the Army (Installations and Logistics), no provision shall be included in any contract for the manufacture, repair, or modification of aircraft which provides for reimbursement to, or indemnification of, a contractor on ac-

count of liability to third persons for loss or damage to property, death, or bodily injury where the liability arises out of a "products hazard" (as that term is defined in the usual type of aircraft products liability insurance policy). Requests for the approval of the Assistant Secretary of the Army (Installations and Logistics), including full justification, shall be forwarded, through channels, to the Deputy Chief of Staff for Logistics, Department of the Army, Washington 25, D.C., Attn: Chief, Contracts Division.

§ 600.051 Procurement outside the United States.

(a) The policies and procedures set forth in Part 11 of this title and this part, are applicable to procurements effected outside the United States to the extent that the cost of the supplies or services procured includes Federal, State, or local taxes, including taxes of possessions. * * *

§ 601.102-4 Approvals.

The following individuals have been appointed designees by the Assistant Secretary of the Army (Installations and Logistics) for the purpose of making determinations and approving use of overtime premiums and shift-premiums by contractors at Government expense:

(a) The Deputy Chief of Staff for Logistics; the Director of Procurement, the Assistant Director of Procurement, and the Chief, Contracts Division, Office of the Deputy Chief of Staff for Logistics;

(b) Each Chief of Technical Service, his deputy, and the principal assistant in his headquarters office responsible for procurement;

(c) The Commanding General and his deputy of: the U.S. Army Alaska; the U.S. Army, Europe (Rear)/Communications Zone; the U.S. Army, Japan; and the U.S. Army, Hawaii;

(d) The Commanding General and his deputy of the U.S. Army Ordnance Missile Command; and

(e) The Chief of Research and Development; the Director of Army Research; and the Chief of Research Support Division, Office of the Director of Army Research.

§ 601.450 List of debarred, ineligible, and suspended bidders.

The list of persons and firms found by the Comptroller General to have violated the requirements of the statutes relating to labor standards is incorporated by the Office of the Assistant Secretary of the Army (Installations and Logistics) (Assistant Judge Advocate General) in the consolidated list issued in accordance with § 590.601-1 of this chapter. The list is for the use and guidance of all interested agencies of the Department of the Army. Contracting officers shall comply with the prohibitions contained in the list of such persons and firms published by the Comptroller General, prior to incorporation of such information in the Department of the Army consolidated list.

17. Revise the introductory portion of § 602.406-50, and revise §§ 602.406-51(d), 605.203, and 605.505-50, as follows:

§ 602.406-50 Cost-type contracts.

Prior to the execution of cost-type contracts, all items of facilities whether set forth separately in the schedules or included in plant rearrangement, rehabilitation and incidental construction contemplated in the contract and related schedules shall be carefully reviewed to identify any capital improvements therein which constitute nonseverable industrial facilities. One of the following actions shall be taken with respect to each nonseverable facility, and the contract involved shall be submitted through the Office of the Deputy Chief of Staff for Logistics to the Assistant Secretary of the Army (Installations and Logistics) for approval.

§ 602.406-51 Negotiated fixed-price contracts.

* * * * *

(d) If satisfactory negotiations cannot be concluded under paragraph (a) or (b) of this section, and if paragraph (c) of this section is not applicable, a separate contract for facilities at cost, or such other contractual arrangements as are feasible and appropriate in the circumstances, will be negotiated and submitted to the Deputy Chief of Staff for Logistics, Department of the Army, Washington 25, D.C., ATTN: Chief Contracts Division for appropriate action and approval by the Assistant Secretary of the Army (Installations and Logistics), when required.

§ 605.203 Request for proposals, amendment to request for proposals, proposal and acceptance (DD Forms 746, 746s, 746-1, and 746-2).

§ 605.505-50 Procedure.

When the Department of the Army considers it in the interest of the Government to execute an agreement recognizing a successor in interest to the contractor or a change in the contractor's name, the following procedure shall be followed:

(a) Contractors should be advised that they are responsible for preparing and submitting three executed copies of such agreements together with one copy each of the documents required by § 16.505-2(c) or § 16.505-3(b) of this title, whichever is appropriate, to the Head of the procuring activity having the preponderant interest from the standpoint of contract dollar value. The dollar value of the contracts will be based on the total contract price and not on the residual dollar value of the work to be accomplished.

(b) The novation forms in § 16.505 of this title will be followed as closely as possible and the blank spaces will be filled in as follows: (1) in the space provided for dating the agreement, enter the date upon which the transfer of assets or change of name, whichever is applicable, became effective pursuant to the applicable state law, and (2) insert the word "Army" after the words "Department of the" wherever they appear.

(c) Contractors should be advised that, at least thirty days prior to the completion of legal action resulting in any novation or change of contractor's name, all contracting officers administering the contracts involved should be

notified of the proposed novation or change of name.

(d) Such agreements shall be executed for the Department of the Army by the head of a procuring activity or his duly authorized representative. An agreement so executed shall be binding upon all affected activities of the Department of the Army. The head of a procuring activity may designate a contracting officer to execute the agreement if all of the contracts involved are solely the responsibility of that contracting officer. If the contracts involved affect more than one contracting officer, the agreement shall be executed by the head of the procuring activity or his duly authorized representative, who shall be a member of his headquarters staff.

(e) The head of a procuring activity, or his duly authorized representative, upon receiving a proposed novation or change of name agreement, will, prior to execution, review and take such action as appropriate to assure compliance with the provisions of Subchapter A, Chapter I of this title and this subchapter. Should an agreement be submitted which includes substantive deviations from the provisions of Subchapter A, Chapter I of this title or proposes guarantees considered insufficient, the contractor will be requested to make such revisions in the agreement considered necessary. In the event that accord on such revisions cannot be reached, the agreement, with recommendations, will be submitted to the Deputy Chief of Staff for Logistics, Department of the Army, Washington 25, D.C., Attn: Chief, Contracts Division. Further, the head of the procuring activity receiving the agreement for execution will, if deemed necessary, coordinate directly with the heads of other procuring activities affected by the agreement.

(f) After the execution of a novation or change of name agreement, copies of the agreement or an administrative notice shall be distributed as outlined in paragraph (g) of this section. Maximum use will be made of an administrative notice in lieu of a copy of the agreement to inform those activities which must have knowledge of such an agreement but have no requirement for the full agreement. Such notice shall reflect the effective date of the agreement; a brief statement of the change effected; the name, title, and office of the individual executing the agreement, and a designation of the guarantor or guarantors of performance under the agreement, as appropriate.

(g) The following distribution will be made by the official executing the agreement:

(1) *Novation or change of name agreements.* (i) The original signed number of the agreement will be sent to the United States General Accounting Office, Attn: Audit Branch, Indianapolis 49, Ind.

(ii) The duplicate signed number will be sent to the office of the Head of the Procuring Activity executing the agreement. Attached to this duplicate signed number will be the supporting documents required by § 16.505-2(c) or § 16.505-3(b) of this title, whichever is appropriate.

(iii) The triplicate signed number will be furnished to the contractor.

(iv) Authenticated copies will be furnished to each of the following: (a) The U.S. Army Audit Agency, (b) each contracting officer of the executing procuring activity who is administering a contract affected by the agreement, and (c) to heads of other procuring activities, one copy for each contracting officer administering a contract which is affected by the agreement.

(2) *Administrative notice.* (i) Cognizant disbursing offices.

(ii) Contract file.

(iii) Deputy Chief of Staff for Logistics, Department of the Army, Washington 25, D.C., Attn: Chief, Contracts Division.

(iv) Other affected offices or agencies of a procuring activity: Such distribution will be on a minimum basis consistent with internal management requirements.

(h) Distribution by the heads of other procuring activities receiving authenticated copies of the executed agreement pursuant to paragraph (g) (1) (iv) of this section will be as outlined below:

(1) *Novation Agreement*—one authenticated copy to each contracting officer administering contracts affected by the agreement.

(2) *Administrative notice:*

(i) Cognizant disbursing offices.

(ii) Contract file.

(iii) Other affected offices and agencies within a procuring activity. Such distribution will be on a minimum basis consistent with internal management requirements. Distribution made by the office of the official executing one of the subject agreements as outlined in paragraph (g) of this section will not be duplicated by the contracting officer.

18. Revise § 605.601 and in the list of activities contained in § 606.203-4(a) (3) (iii) add the Military Construction Supply Agency, as follows:

§ 605.601 *Military Interdepartmental Purchase Request (DD Form 448, 448c).*

(See Part 5 of this title and Part 594 of this subchapter).

§ 606.203-4 *System of numbering.*

* * * * *

(a) *Contracts.* * * * *

(3) * * *

(iii) The following letter symbols have been approved for the activities indicated below:

	<i>Activity</i>
*	*
*	*
*	*
*	*
Corps of Engineers.....	ENG
Military Construction Supply Agency	ENG (MCS)

19. In paragraph 8 of F.R. Document No. 61-9330, appearing at 26 F.R. 9212, the change applying to paragraph (b) (1) (ii) of § 592.405-3 is corrected to apply to paragraph (b) (2) (ii).

[C 33, APP, Aug. 23, 1961] (Sec. 3012, 70A Stat. 157; 10 U.S.C. 3012. Interpret or apply secs. 2301-2314, 70A Stat. 127-133; 10 U.S.C. 2301-2314)

J. C. LAMBERT,
Major General, U.S. Army,
The Adjutant General.

[F.R. Doc. 61-10690; Filed, Nov. 8, 1961; 8:46 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 2460]

[Sacramento 052890]

CALIFORNIA

Establishing Certain National Cooperative Land and Wildlife Management Areas

Correction

In F.R. Doc. 61-7876 appearing at page 7701 of the issue for Thursday, August 17, 1961, the land description for "Mount Diablo Meridian [Sacramento 052890]" is corrected by inserting between secs. 27 and 29 of "T. 36 N., R. 5 E.," the following: "sec. 28, SW $\frac{1}{4}$ SW $\frac{1}{4}$,".

[Public Land Order 2534]

[Montana 027019]

MONTANA

Vacating Air Navigation Site Withdrawals 94 and 110

By virtue of the authority contained in section 4 of the act of May 24, 1928 (45 Stat. 728; 49 U.S.C. 214), it is ordered as follows:

1. The departmental orders of September 12, 1934, and July 6, 1937, establishing Air Navigation Site Withdrawals Nos. 94 and 110 respectively on the following described lands, are hereby revoked:

ORDER OF SEPTEMBER 12, 1934

MONTANA PRINCIPAL MERIDIAN

T. 9 N., R. 48 E.,
Sec. 24, SW $\frac{1}{4}$ NW $\frac{1}{4}$.

ORDER OF JULY 6, 1937

T. 12 N., R. 3 W.,
Sec. 23, SE $\frac{1}{4}$ SW $\frac{1}{4}$;
Sec. 26, SW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, and
NE $\frac{1}{4}$ NW $\frac{1}{4}$.

The areas described aggregate 170 acres.

2. Portions of the lands contain improvements erected by the Federal Aviation Agency and which are being operated and maintained by that agency as beacons, cabins and power lines. Any sale, location, selection, or use or disposal of the lands shall be subject to the right of the United States, its officers, agents or employees, to maintain, operate, improve, or remove such improvements and to enter upon the lands at any time or times for such purposes, and the United States shall retain all right, title, and interest in and to such improvements until they have been removed or abandoned in place.

3. The lands are hereby restored to the operation of the public land laws, subject to any valid existing rights, the requirements of applicable law, rules and regulations, the provisions of any existing withdrawals, and the provisions of paragraph 2 of this order, provided,

that until 10:00 a.m. on May 3, 1962, the State of Montana shall have a preferred right of application to select the lands in accordance with subsection (c) of section 2 of the act of August 27, 1958 (72 Stat. 928; 43 U.S.C. 851, 852).

The lands will be open to mining location at 10:00 a.m. on May 3, 1962. Inquiries concerning the lands should be addressed to the Manager, Land Office, Bureau of Land Management, Billings, Montana.

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

NOVEMBER 1, 1961.

[F.R. Doc. 61-10700; Filed, Nov. 8, 1961; 8:47 a.m.]

[Public Land Order 2535]

[Montana 037733]

MONTANA

Reservoir Site Restoration No. 26; Revoking Certain Reservoir Site Reserves

By virtue of the authority contained in the act of October 2, 1888 (25 Stat. 526; 43 U.S.C. 662), as amended, it is ordered as follows:

1. The departmental orders of March 13, 1890; October 12, 1892; July 19, 1889, and February 27, 1891, which withdrew lands in Montana for reservoir site purposes under the provisions of the act of October 2, 1888, supra, are hereby revoked so far as they affect the following described lands:

PRINCIPAL MERIDIAN

Departmental orders of March 13, 1890, and October 12, 1892:

RESERVOIR SITE RESERVE NO. 12

T. 9 N., R. 11 E.,
Sec. 29, NE $\frac{1}{4}$ SE $\frac{1}{4}$ and S $\frac{1}{2}$ SE $\frac{1}{4}$.

RESERVOIR SITE RESERVE NO. 13

T. 9 N., R. 12 E.,
Sec. 32, SE $\frac{1}{4}$ NE $\frac{1}{4}$ and NE $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 33, SW $\frac{1}{4}$ NW $\frac{1}{4}$ and NW $\frac{1}{4}$ SW $\frac{1}{4}$.

RESERVOIR SITE RESERVE NO. 5

T. 21 N., R. 6 W.,
Sec. 19, lots 1, 2, 3, 4, E $\frac{1}{2}$ SW $\frac{1}{4}$, and SW $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 30, lots 1, 2, and E $\frac{1}{2}$ NW $\frac{1}{4}$.

RESERVOIR SITE RESERVE NO. 7

T. 21 N., R. 7 W.,
Sec. 16, S $\frac{1}{2}$ SW $\frac{1}{4}$;
Sec. 20, E $\frac{1}{2}$ NE $\frac{1}{4}$ and NE $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 21, NW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$;
Sec. 28, N $\frac{1}{2}$ NE $\frac{1}{4}$ and NE $\frac{1}{4}$ NW $\frac{1}{4}$.

RESERVOIR SITE RESERVE NO. 8

T. 21 N., R. 7 W.,
Sec. 8, S $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$;
Sec. 17, N $\frac{1}{2}$ NE $\frac{1}{4}$.

RESERVOIR SITE RESERVE NO. 4

T. 21 N., R. 10 W.,
Sec. 8, SE $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 9, SW $\frac{1}{4}$ SW $\frac{1}{4}$;
Sec. 16, NW $\frac{1}{4}$ NW $\frac{1}{4}$;
Sec. 17, E $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, and S $\frac{1}{2}$ SW $\frac{1}{4}$;
Sec. 19, SE $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 20, W $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$, and NW $\frac{1}{4}$ SE $\frac{1}{4}$.

RESERVOIR SITE RESERVE NO. 3

T. 22 N., R. 10 W.,
Sec. 8, SE $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 9, S $\frac{1}{2}$ SW $\frac{1}{4}$;
Sec. 16, W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, and S $\frac{1}{2}$;
Sec. 17, NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, and SE $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 21, E $\frac{1}{2}$ and E $\frac{1}{2}$ NW $\frac{1}{4}$;
Sec. 22, W $\frac{1}{2}$ NW $\frac{1}{4}$ and SW $\frac{1}{4}$;
Sec. 27, NW $\frac{1}{4}$ NE $\frac{1}{4}$ and N $\frac{1}{2}$ NW $\frac{1}{4}$;
Sec. 28, NE $\frac{1}{4}$ NE $\frac{1}{4}$.

Departmental orders of July 19, 1889, and February 27, 1891:

RESERVOIR SITE RESERVE NO. 10

T. 22 N., R. 3 E.,
Sec. 2, W $\frac{1}{2}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$;
Secs. 3, 4, and 5;
Sec. 6, E $\frac{1}{2}$ E $\frac{1}{2}$;
Sec. 7, NE $\frac{1}{4}$ NE $\frac{1}{4}$;
Sec. 8, N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$;
Secs. 9, 10, and 11;
Sec. 13, S $\frac{1}{2}$ N $\frac{1}{2}$ and S $\frac{1}{2}$;
Secs. 14 and 15;
Sec. 16, E $\frac{1}{2}$, NW $\frac{1}{4}$, and E $\frac{1}{2}$ SW $\frac{1}{4}$;
Sec. 17, N $\frac{1}{2}$;
Sec. 18, NE $\frac{1}{4}$ and E $\frac{1}{2}$ NW $\frac{1}{4}$;
Sec. 21, NE $\frac{1}{4}$ NE $\frac{1}{4}$;
Sec. 22, N $\frac{1}{2}$ N $\frac{1}{2}$ and SE $\frac{1}{4}$ NE $\frac{1}{4}$;
Secs. 23, 24, and 25;
Sec. 26, NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, and NE $\frac{1}{4}$ SE $\frac{1}{4}$.
T. 22 N., R. 4 E.,
Sec. 18, lots 2, 3, 4, and SE $\frac{1}{4}$ SW $\frac{1}{4}$;
Sec. 19, lots 1, 2, 3, 4, SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ W $\frac{1}{2}$, and W $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 30, lots 1, 2, 3, 4, W $\frac{1}{2}$ E $\frac{1}{2}$, and E $\frac{1}{2}$ W $\frac{1}{2}$;
Sec. 31, N $\frac{1}{2}$.
T. 23 N., R. 3 E.,
Sec. 34, SE $\frac{1}{4}$;
Sec. 35, W $\frac{1}{2}$ SW $\frac{1}{4}$ and SE $\frac{1}{4}$ SW $\frac{1}{4}$.

The areas described, including the public and nonpublic lands, total in the aggregate approximately 18,657 acres.

2. The lands are for the most part patented, or included in withdrawals for national forest, reclamation, or bird refuge purposes.

3. The public lands released from withdrawal by this order are hereby restored to the operation of the public land laws, the national forest lands being opened to such forms of disposition as may by law be made of national forest lands, subject to valid existing rights and equitable claims, the requirements of applicable law, rules, and regulations, and the provisions of any existing withdrawals provided, that, until 10:00 a.m. on May 4, 1962, the State of Montana shall have a preferred right of application to select the public lands in accordance with the provisions of subsection (c) of section 2 of the act of August 27, 1958 (72 Stat. 928; 43 U.S.C. 851, 852). The lands have been open to applications and offers under the mineral leasing laws, and to location under the United States mining laws.

Inquiries concerning the lands should be addressed to the Manager, Land Office, Bureau of Land Management, Billings, Montana.

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

NOVEMBER 2, 1961.

[F.R. Doc. 61-10701; Filed, Nov. 8, 1961; 8:47 a.m.]

Title 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

PART 10—PUBLIC SAFETY RADIO SERVICES

[Docket No. 14111; FCC 61-1298]

Coordination of Certain Split Channel Frequencies

In the matter of amendment of §§ 10.255, 10.305, 10.355, and 10.405 of Part 10 of the Commission's rules to permit certain "split channel" frequencies to be coordinated by Frequency Advisory Committees pursuant to § 10.8 of the Commission's rules; Docket No. 14111; RM-233 (in part), RM-239, RM-250.

1. The Commission adopted a notice of proposed rulemaking, May 11, 1961, in the above-entitled matter which was duly published in the FEDERAL REGISTER (26 F.R. 4292, May 17, 1961) and requested comments in favor of or in opposition to the proposals contained therein. The date for filing such comments has elapsed, and all those which were timely filed have been considered by the Commission in reaching the determinations set forth below.

2. Under present rules an applicant in the Police, Fire, Highway Maintenance, and Forestry-Conservation Radio Services requesting a frequency which is 20 or 30 kc from a primary frequency must submit a notarized statement showing that consent for its proposed operations has been obtained from all licensees authorized to operate within 75 miles of the proposed station location and within 30 kc of the applicant's requested frequency. Alternatively, an applicant may submit a satisfactory engineering showing that all licensees within the above prescribed areas have been notified of the applicant's intention to operate and that no harmful interference will be caused to these licensees by such operation. In effect, this requires an engineering survey and report. Applicants in these services requesting a frequency which is 15 kc from a primary frequency must meet even more stringent requirements: their proposed station must be more than 40 miles from other stations authorized to operate on frequencies 30 kc or less removed, and they must show that the frequencies 15 kc removed from the requested frequency are assigned in the area or cannot be used by the applicant. Additionally, they must satisfy the requirements, supra, which applicants for the 20 kc or 30 kc frequency must meet. Finally, grants for such frequencies are issued on a one-year developmental basis only.

3. The reason for placing this burden on these applicants was to afford protection to licensees authorized prior to August 1, 1958, until this latter group converted their systems to meet the Commission's narrow-band technical standards which will go into effect November 1, 1963. In essence, then, while the "split channels" were made available on August 1, 1958, applicants for these fre-

quencies were required to coordinate their proposed operations with existing users on an individual basis. In many cases these existing users refuse to give the required consent to the applicant because of the fear of potential interference. Since the cost of undertaking an adequate engineering study is too great for many governmental entities, the net result has been that some of them have been stymied in their efforts to establish new radio systems.

4. The petitions which led to the initiation of rule-making proceedings in this matter all maintained that existing licensees, no longer needed the high degree of protection from interference afforded by these present rules. It was pointed out that experience acquired since 1958 indicated that in a majority of cases existing users could operate efficiently even if a new licensee were authorized to operate 30 kc or even 15 kc away in the same area. Hence, the petitions request that the Commission's rules be amended to make these "split channels" more readily available by permitting applicants for such frequencies to satisfy the frequency coordination requirements by submitting a recommendation from the appropriate frequency advisory committee. The proposed change would be applicable to those frequencies in the Police, Fire, Forestry-Conservation, and Highway Maintenance Radio Services which are located within a "block" of frequencies available to the service in which the applicant is seeking an authorization.

5. The comments were strongly in favor of the proposed amendments. Organizations such as American Association of State Highway Officials (AASHO), Forestry, Conservation Communications Association (FCCA), American Municipal Association (AMA), and International Municipal Signal Association (IMSA) and International Association of Fire Chiefs (IAFC) all supported the proposal. In addition, favorable comments were also received from many governmental entities such as the Florida Board of Forestry; City of Indianapolis, Indiana; City of San Diego California; City of Los Angeles, California; and the State of Michigan Highway Department.

6. The City of Burbank, California, and the Associated Public Communications Officers, Inc. (APCO) favored the proposal of permitting applicants for "split channels" to satisfy frequency co-

ordination requirements by the submission of an appropriate letter of recommendation from a frequency advisory committee. However, both expressed concern about the possibility of a misconception being created if the Commission further amended its rules, as proposed, by eliminating the developmental limitation which is now attached to the 15 kc "split channels", and thus the frequency tables would show a large increase in the number of frequencies available on a regular basis to the Police and other affected Public Safety Radio Services. These comments point out that this increase would be somewhat illusory since in some areas of the country it is impossible for two systems to operate within 15 kc of each other without experiencing disruptive interference. Hence, it is contended that the number of usable frequencies would be far less than the total number of frequencies listed as being available for assignment. The Commission recognizes the validity of this argument and is aware that utilization of the 15 kc split channels under the present state of the art will be somewhat limited, and, in a few areas will be minimal. However, some of these frequencies can be used successfully in various regions, and in those instances there appears to be no good reason why applicants should be hampered by the limitations of a developmental authorization. The Commission can reassure those who raised this query that should there be future allocation proceedings involving the Public Safety Radio Services full consideration will be given to the amount of usage which is being attained or can be attained on all available frequencies.

7. The Commission is of the opinion that the amendments proposed in the notice of proposed rule making should be adopted. It should be emphasized that with respect to the frequency coordination aspect of this proceeding the applicants concerned will have a choice as to how to satisfy § 10.8 of the rules. While they may endeavor to secure a letter of recommendation from the frequency advisory committee, they may also elect to conduct an engineering survey and submit a report with their application which may then be accepted by the Commission. Also, it should be pointed out that § 10.8 requires that in certain cases a frequency advisory committee letter must indicate that coordination has been effected with other

services; this requirement is being retained.

Therefore, it is ordered, Pursuant to the authority contained in sections 4(i) and 303 of the Communications Act of 1934, as amended, that Part 10 of the Commission's rules be amended, effective December 11, 1961, as set forth below.

(Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interprets or applies sec. 303, 48 Stat. 1082, as amended; 47 U.S.C. 303)

Adopted: November 1, 1961.

Released: November 3, 1961.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] BEN F. WAPLE,
Acting Secretary.

Part 10 of the Commission's rules is amended as follows:

1. Section 10.255 is amended as follows:

A. The frequency table in paragraph (g) is amended by deleting limitation indicators 20 and 23 in column 3 wherever they occur.

B. Paragraph (h) is amended by deleting the texts of subparagraphs (20) and (23) and inserting the word "[Reserved]" in lieu thereof.

2. Section 10.305 is amended as follows:

A. The frequency table in paragraph (f) is amended by deleting limitation indicators 11 and 12 in column 3 wherever they occur.

B. Paragraph (h) is amended by deleting the texts of subparagraphs (11) and (12) and inserting the word "[Reserved]" in lieu thereof.

3. Section 10.355 is amended as follows:

A. The frequency table in paragraph (d) is amended by deleting limitation indicators 21 and 22 in column 3 wherever they occur.

B. Paragraph (e) is amended by deleting the texts of subparagraphs (21) and (22) and inserting the word "[Reserved]" in lieu thereof.

4. Section 10.405 is amended as follows:

A. The frequency table in paragraph (e) is amended by deleting limitation indicators 14 and 15 wherever they occur.

B. Paragraph (f) is amended by deleting the texts of subparagraphs (14) and (15) and inserting the word "[Reserved]" in lieu thereof.

[F.R. Doc. 61-10685; Filed, Nov. 8, 1961; 8:45 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Agricultural Research Service

[7 CFR Part 301]

WHITE-FRINGED BEETLE QUARANTINE

Proposed Extension to Arkansas, Ken- tucky, and Virginia; Notice of Public Hearing

Correction

In F.R. Doc. 61-9952, appearing at page 9781 of the issue for Wednesday, October 18, 1961, the time cited for the public hearing in the third paragraph should read "at 10 a.m., c.s.t." instead of "at 10 a.m., e.s.t."

FEDERAL AVIATION AGENCY

[14 CFR Part 24]

[Reg. Docket No. 960; Draft Release
No. 61-24]

TIME LIMIT FOR COMPLETION OF MECHANIC EXAMINATIONS

Notice of Proposed Rule Making

Pursuant to the authority delegated to me by the Administrator (14 CFR 405.27), notice is hereby given that there is under consideration a proposal to amend Part 24 of the Civil Air Regulations as hereinafter set forth.

Interested persons may participate in the making of the proposed rules by submitting such written data, views, or arguments as they may desire. Communications should be submitted in duplicate to the Docket Section of the Federal Aviation Agency, Room C-226, 1711 New York Avenue NW., Washington 25, D.C. All communications received on or before January 8, 1962, will be considered by the Administrator before taking action upon the proposed rules. The proposals contained in this notice may be changed in the light of comments received. All comments submitted will be available in the Docket Section for examination by interested persons when the prescribed date for return of comments has expired.

Part 24 does not presently provide any specific period of time in which all parts of the prescribed mechanic examinations must be successfully completed by an applicant before he may obtain a mechanic certificate with airframe or powerplant ratings. Consequently, many applicants have taken one or more parts of the examinations and waited several years before completing the remainder. Frequently, such applicants have never completed all of the prescribed examinations. In order to determine that the knowledge and skill of an applicant is current, it is necessary to establish a reasonable period of time within which

he must successfully complete all parts of the prescribed examinations. Accordingly, the rule proposed herein would require all parts of the prescribed written, oral, and practical examinations to be completed successfully by the applicant within a period of 24 consecutive calendar months before he may obtain a mechanic certificate and appropriate ratings.

To avoid placing an undue burden on any person, provision is made in this proposal to give an applicant credit for any part of the prescribed examinations successfully completed by him prior to the effective date of this amendment. This credit would be good for 24 consecutive calendar months after the effective date of the amendment.

In consideration of the foregoing, it is proposed to amend Part 24 of the Civil Air Regulations (14 CFR Part 24) as follows:

1. By amending § 24.1 by adding in proper alphabetical order a new definition to read as follows:

§ 24.1 Definitions.

* * * * *

Calendar month. Calendar month means that period of time extending from the first day of any month delineated by the calendar through the last day thereof.

NOTE: For example, a period of 24 consecutive calendar months beginning in July would end on July 31 two years later.

2. By amending § 24.18 to read as follows:

§ 24.18 Examinations.

(a) Examinations shall be conducted by an authorized representative of the Administrator at such times and places as the Administrator may designate.

(b) Except as provided in paragraph (c) of this section, no applicant may obtain a mechanic certificate and rating unless all prescribed examinations have been completed successfully within a period of 24 consecutive calendar months.

(c) An applicant who, prior to (the effective date of this amendment), has completed successfully any part of the prescribed examinations for a mechanic certificate and rating may receive credit for such part for 24 consecutive calendar months after the effective date of this amendment.

These amendments are proposed under the authority of sections 313(a), 601, and 602 of the Federal Aviation Act of 1958 (72 Stat. 752, 775, 776; 49 U.S.C. 1354, 1421, 1422).

Issued in Washington, D.C., on November 1, 1961.

GEORGE C. PRILL,

Director,

Flight Standards Service.

[F.R. Doc. 61-10691; Filed, Nov. 8, 1961;
8:46 a.m.]

[14 CFR Part 507]

[Reg. Docket No. 962]

BOEING AIRCRAFT

Proposed Airworthiness Directives

Pursuant to the authority delegated to me by the Administrator, (14 CFR Part 405), notice is hereby given that the Federal Aviation Agency has under consideration a proposal to amend Part 507 of the Regulations of the Administrator to include an airworthiness directive requiring modification of the secondary seals of the fuel dump chutes on Boeing 707 and 720 Series aircraft.

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 Docket Section of the Federal Aviation Agency, Room C-226, 1711 New York Avenue NW., Washington 25, D.C. All communications received on or before December 11, 1961, will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this notice may be changed in light of comments received. All comments submitted will be available, in the Docket Section, for examination by interested persons when the prescribed date for return of comments has expired. This proposal will not be given further distribution as a draft release.

This amendment is proposed under the authority of sections 313(a), 601 and 603 of the Federal Aviation Act of 1958 (72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423).

In consideration of the foregoing it is proposed to amend § 507.10(a) of Part 507 (14 CFR Part 507), by adding the following airworthiness directive:

BOEING. Applies to Model 707 and 720 Series airplanes which have not previously been modified in accordance with Boeing Service Bulletin No. 1359, dated June 30, 1961, (Service Bulletin No. 1359 contains a list of such airplanes), and to Model 707 airplanes on which retractable dump chutes have been installed per Boeing Service Bulletin No. 1200.

Compliance required as indicated.

In order to prevent leakage through the secondary seal of the fuel dump chute when fuel is allowed to enter the manifold for any reason, the following modification shall be accomplished within the next 1,000 hours' time in service after the effective date of this directive:

Remove the secondary fuel seal assembly, Boeing P/N 66-2538, and rebuild, using new parts from Boeing kit, P/N 65-9566-1. Upon completion of the rebuilding, change the part number of secondary seal assembly to 69-16258-1. Use new "O" ring seal P/N MS29513-238 when installing secondary seal assembly, P/N 69-16258-1.

(Boeing Service Bulletin No. 1359, dated June 30, 1961, covers this modification.)

Issued in Washington, D.C., on November 3, 1961.

G. S. MOORE,
Acting Director,
Flight Standards Service.

[F.R. Doc. 61-10692; Filed, Nov. 8, 1961;
8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 73]

[Docket No. 3666; Order No. 49]

SHIPPERS

Compressed Gases; Definition and Preparation; Hearing on Reconsideration of Proposed Rule Making

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D.C., on the 30th day of October A.D. 1961.

It appearing, that by an order dated July 6, 1961 (26 F.R. 6483), the Commission, by Safety and Service Board No. 2, disapproved amendments to the Commission's regulations governing the transportation of explosives and other dangerous articles, proposed in Notice No. 49 in Docket No. 3666 (26 F.R. 4458) permitting the use of certain portable and cargo tanks, having a minimum design pressure of 250 psig, for anhydrous ammonia;

It further appearing, that consideration having been given to petitions for reconsideration filed by the National Tank Truck Carriers, Inc., and Phillips Petroleum Company, and replies thereto; And it further appearing, that the issues involved cannot be adequately resolved without affording all interested parties an opportunity to present evidence in support of their respective positions:

It is ordered, That the said petitions of the National Tank Truck Carriers, Inc., and Phillips Petroleum Company insofar as they seek oral hearing be, and they are hereby granted;

And it is further ordered, That the above-entitled proceeding be, and it is hereby, referred to Examiners Henry J. Vinsky and Robert R. Boyd for hearing on December 11, 1961, at 9:30 o'clock a.m. United States Standard Time at the Office of the Interstate Commerce Commission, Washington, D.C., and for an appropriate order thereon, accompanied by the reasons therefor, unless waived by the parties.

Notice of the above hearing shall be given to persons of interest and to the general public by posting a copy of this order in the Office of the Secretary of the Commission at Washington, D.C., for public inspection and by filing a copy with the Director of the Office of the Federal Register for publication in the FEDERAL REGISTER.

By the Commission, Division 3.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 61-10714; Filed, Nov. 8, 1961;
8:50 a.m.]

PROPOSED RULE MAKING

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 3]

[Docket No. 14273]

TELEVISION BROADCAST STATIONS; PALM SPRINGS, CALIF.

Proposed Table of Assignments; Order Extending Time for Filing Reply Comments

The Commission has before it for consideration a petition filed by Norman H. Rogers, permittee of television Station KCHU, Channel 18, San Bernardino, California, requesting a seven-day extension of time up to and including November 6, 1961, in which to file reply comments in the above-captioned proceeding. Petitioner states that he has not had sufficient time in which to study and evaluate the comments which were filed in this proceeding by H & B Communications Corporation, and that the additional time requested will provide him with an opportunity to study the feasibility of the H & B proposal.

It appears that good cause has been shown for the request for extension of time and that the public interest would be served by granting the requested extension.

In view of the foregoing: *It is ordered*, This 31st day of October 1961, that the request of Norman H. Rogers for extension of time is granted and that the time for filing reply comments in this proceeding is extended from October 30, 1961, to and including November 6, 1961.

This action is taken pursuant to authority found in sections 4(i), 5(d)(1) and 303(r) of the Communications Act of 1934, as amended, and section 0.241(d)(8) of the Commission's rules.

Released: November 2, 1961.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 61-10686; Filed, Nov. 8, 1961;
8:45 a.m.]

[47 CFR Part 3]

[Docket No. 14364 (RM-261); FCC 61-1312]

TELEVISION BROADCAST STATIONS; ERIE AND SHARON, PA.

Proposed Table of Assignments

1. Notice is hereby given of proposed rule making concerning changes in the UHF television channel assignments, as discussed below.

2. By petition filed on May 31, 1961, Alfred E. Anscombe, holder of a construction permit on Channel 66 (WEPA-TV) in Erie, Pennsylvania, requested the Commission to institute rule making to effectuate the substitution of Channel 24 for Channel 66 by changing the assignment to Sharon, Pa., as follows:

City	Channel No.	
	Present	Proposed
Erie, Pa.-----	12, 35+,*41-, 66+ 39+	12, 24+, 35+,*41- 83
Sharon, Pa.-----		

The proposal would also have required a shift from Channel 24+ to 69- in St. Thomas, Ontario, Canada. The Canadian Authorities did not concur in the proposed change. However, we proposed a different plan, to delete Channel 66+ from Erie and add 24+, and to delete Channel 39+ from Sharon, Pennsylvania and 28 from Flint, Michigan. This proposal would require a shift from Channel 24+ to 34+ in St. Thomas, Ontario, and from Channel 27- to 28 in Stratford, Ontario. The Canadians have concurred in this proposed change.

3. Petitioner further requests that he be ordered to show cause why his outstanding authorization for the construction of Station WEPA-TV should not be modified to specify Channel 24+ in lieu of Channel 66+.

4. In addition to the construction permit held by the petitioner on Channel 66, there are two stations in operation in Erie on Channels 12 and 35. There is no application on file for the remaining Channel *41 nor is there an application for Channel 39 at Sharon, Pa., or 28 at Flint, Mich.

5. In support of his request, petitioner urges that the proposal would not affect any existing station or authorization, that it is consistent with the Commission's rules and actions on other similar requests, that the industry accepts the allegations that the low band UHF has advantages over the high band, and that the proposed changes would permit him to compete on a more equitable basis with the other two stations in the market. The petitioner finally submits that, in the event the proposal is adopted, he will proceed promptly to bring the third service to Erie.

6. The Commission is of the view that a rule making proceeding should be instituted so that all interested parties may submit their views and relevant data on the proposal. We do not believe that it is necessary or desirable to combine this proposal with the proposal in Docket No. 14242 to add Channel 54+ to Erie, since Channel 24+ may be assigned to Erie without prejudice to the Channel 54+ proposal.¹ Unless an active interest is manifested, we find it desirable in the public interest to defer action on making available a substitute

¹ By petition, filed October 31, 1961, Gibraltar Enterprises, Inc., licensee of Station WICU-TV at Erie (Channel 12), requests that rule making on the subject proposal be deferred pending the termination of the Erie deintermixture proceeding in Docket No. 14242. Its request is denied. We believe that rule making is warranted in the public interest on this proposal for bringing a needed additional television service to Erie since it does not conflict with the deintermixture proposal in Docket 14242 and appears to have sufficient merit to warrant further consideration in a rule making proceeding.

UHF channel for Sharon or Flint until decisions are reached in Docket 14229 concerning the future methods of assigning stations on UHF channels.

7. Accordingly, it is proposed to amend the Table of Assignments, Television Broadcast Stations, in § 3.606 of the rules insofar as the communities named are concerned, by making the following changes:

City	Channel No.	
	Delete	Add
Erie, Pa.-----	66+	24+
Sharon, Pa.-----	39+	-----
Flint, Mich.-----	28	-----

8. If it is determined by the Commission that the rule amendments proposed herein will serve the public interest, the Commission will take such further action as may be appropriate with respect to outstanding authorizations. We accordingly defer action upon petitioner's request for issuance of an order to show cause.

9. Authority for the adoption of the amendment proposed herein is contained in sections 4(i), 303, and 307(b) of the Communications Act of 1934, as amended.

10. Pursuant to applicable procedures set out in § 1.213 of the Commission's rules, interested parties may file comments on or before December 4, 1961 and reply comments on or before December 15, 1961. All submissions by parties to this proceeding or by persons acting in behalf of such parties must be made in written comments, reply comments or other appropriate pleadings.

11. In accordance with the provisions of § 1.54 of the rules, an original and 14 copies of all written comments and statements shall be furnished to the Commission.

Adopted: November 1, 1961.

Released: November 3, 1961.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 61-10687; Filed, Nov. 8, 1961;
8:45 a.m.]

[47 CFR Part 10]

[Docket No. 14356; FCC 61-1299]

PUBLIC SAFETY RADIO SERVICES

Proposed Reallocation of Band and Provision for Channeling

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

2. On October 12, 1960, the Commission adopted a Report and Order in Docket No. 13616 (25 F.R. 9947) (FCC 60-1228), which, inter alia, amended Part 2 of the rules so as to return the 46.51-46.60 Mc band to the Public Safety Radio Services and to provide for 20 kc channeling therein. This band had been withdrawn from Public Safety (specifically the Forestry-Conservation Radio Service) in 1957 and reallocated to the Aeronautical Fixed and International Fixed Public Radio Services for use in international communications employing the technique of forward propagation by ionospheric scatter (FPIS). Subsequently, however, a re-evaluation indicated that a non-government FPIS allocation was not needed so the band was returned to Public Safety.

3. In the above-mentioned proceeding, the Commission stated that suballocation of this band within the Public Safety Radio Services would be accomplished by subsequent rule making inasmuch as further study of the various Public Safety service requirements would first be necessary. The Commission also stated that the petition of the Forestry-Conservation Communications Association (FCCA) for reallocation of this band to the Forestry-Conservation Radio Service would be considered in connection with this further study.

4. More recently, in Dockets No. 13273 and 13754, the Commission allocated 11 frequencies in the 150.8-152 Mc band to the Forestry-Conservation Radio Service rather than to the Local Government Radio Service, as had been proposed. This was done as a result of representations by the FCCA that Forestry-Conservation needed more channels at this order of frequency which, when used in mountainous terrain, provides "excellent coverage of fairly large areas without skip interference to other areas." The comments from Forestry-Conservation users indicated that their needs in the 150 Mc band were on the increase and correspondingly their low band usage is diminishing. Other considerations which led the Commission to allocate these 11 frequencies to the Forestry-Conservation Radio Service were that to do so resulted in a block allocation to one service and, furthermore, the FCCA's comment implied that the Forestry-Conservation Radio Service would relinquish its operations in the 450-470 Mc band. This would tend to provide more interference free channels in the UHF range for Local Government operations covering smaller areas. The net result of the

foregoing action was the allocation of 11 split channels to the Forestry-Conservation Radio Service and 10 channels to the Local Government Radio Service in lieu of 21 as had been proposed.

5. It is obvious that the Local Government Radio Service has by far the most serious need of the Part 10 users for additional frequencies. In many areas of the country, there are no frequencies available for potential Local Government applicants. While this shortage is due mainly to the inability of such applicants to secure the frequency coordination required, part of the problem has resulted from a lack of frequencies. In view of the foregoing, it now appears appropriate to reallocate the band 46.51 to 46.60 Mc from Forestry-Conservation to Local Government and to provide for 20 kc channeling therein. It is proposed that existing users of the frequencies 46.54 and 46.58 Mc would be permitted to continue operations on these frequencies but that new Forestry-Conservation systems would not be authorized in this band. The specific frequencies which would be made available for base and mobile stations in the Local Government Radio Service are 46.52, 46.54, 46.56, and 46.58 Mc.

6. The proposed amendments are issued under authority contained in sections 4(i) and 303 of the Communications Act of 1934, as amended.

7. Pursuant to the applicable procedures set forth in § 1.213 of the Commission's rules, interested persons may file comments on or before January 3, 1962, and reply comments on or before January 15, 1962. All relevant and timely comments and reply comments will be considered by the Commission before final action is taken in this proceeding. In reaching its decision in this proceeding, the Commission may also take into account other relevant information before it, in addition to the specific comments invited by this notice.

8. In accordance with the provisions set forth in § 1.54 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs, or comments shall be furnished to the Commission.

Adopted: November 1, 1961.

Released: November 3, 1961.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 61-10688; Filed, Nov. 8, 1961;
8:46 a.m.]

Notices

DEPARTMENT OF THE TREASURY

Office of the Secretary

[Dept. Circ. 570, 1961 Rev. Supp. No. 12]

PENNSYLVANIA MILLERS MUTUAL INSURANCE CO.

Surety Companies Acceptable on Federal Bonds

NOVEMBER 3, 1961.

A Certificate of Authority has been issued by the Secretary of the Treasury to the following company under the Act of Congress approved July 30, 1947, 6 U.S.C., secs. 6-13, as an acceptable surety on Federal bonds.

An underwriting limitation of \$962,000 has been established for the company. Further details as to the extent and localities with respect to which the company is acceptable as surety on Federal bonds will appear in the next revision of Department Circular 570, to be issued as of May 1, 1962. Copies of the circular, when issued, may be obtained from the Treasury Department, Bureau of Accounts, Surety Bonds Branch, Washington 25, D.C.

State in Which Incorporated, Name of Company and Location of Principal Executive Office

Pennsylvania; Pennsylvania Millers Mutual Insurance Co., Wilkes-Barre, Pa.

[SEAL] W. T. HEFFELFINGER,
Fiscal Assistant Secretary.

[F.R. Doc. 61-10717; Filed, Nov. 8, 1961; 8:50 a.m.]

DEPARTMENT OF JUSTICE

Office of the Attorney General

[Order 253-61]

DELEGATING RESPONSIBILITY FOR PERFORMANCE OF CERTAIN FUNCTIONS RELATING TO COMPENSATION OF FEDERAL PRISONERS FOR INJURIES

By virtue of the authority vested in me by section 161 of the Revised Statutes (5 U.S.C. 122), and section 2 of Reorganization Plan No. 2 of 1950 (64 Stat. 1261), I hereby amend section 17(e) of Order No. 175-59, dated January 19, 1959, to read as follows:

(e) *Compensation to Federal prisoners.* The Board of Directors of Federal Prison Industries, or such officer of the corporation as the Board may designate, may exercise the authority vested in the Attorney General by section 4126 of title 18 of the United States Code, as amended, to prescribe rules and regulations governing the payment of compensation to inmates of Federal penal and correctional institutions employed in any industry, or performing outstanding

services in institutional operations, and to inmates or their dependents for injuries suffered in any industry or in any work activity in connection with the maintenance or operation of the institution where confined.

This order shall be effective as of September 26, 1961.

Dated: November 2, 1961.

ROBERT F. KENNEDY,
Attorney General.

[F.R. Doc. 61-10702; Filed, Nov. 8, 1961; 8:47 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[California No. 632]

CALIFORNIA; SMALL TRACT CLASSIFICATION

Revocation and Order Providing for Opening of Public Lands

OCTOBER 30, 1961.

1. Effective immediately, the following described lands listed under Paragraph 1 of Federal Register Document 61-5440, appearing on page 5276 of the issue for June 13, 1961 are hereby revoked from the classification order.

MOUNT DIABLO MERIDIAN

T. 31 N., R. 5 W.,
Sec. 8: W $\frac{1}{2}$ W $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$.
Containing approximately 120 acres.

2. The lands are located about 2 miles southwest of the city limits of Redding, California. The terrain forms part of a southeast trending valley located between gently rolling hills on the east and Sugar Loaf Mountain on the west. Vegetation consists of scrub oak and manzanita. Access is provided by a county road passing through the section.

3. The public lands affected by this order are hereby restored as of 10:00 a.m. on December 5, 1961 to the operation of the public land laws, subject to any valid existing rights, the provisions of existing withdrawals, and the requirements of applicable law, rules and regulations.

R. G. SPORLEDER,
Office-in-Charge, Northern Field Group, Sacramento, Calif.

[F.R. Doc. 61-10697; Filed, Nov. 8, 1961; 8:47 a.m.]

[California No. 572]

CALIFORNIA; SMALL TRACT CLASSIFICATION

Revocation and Order Providing for Opening of Public Lands

OCTOBER 30, 1961.

1. Effective immediately, the following described lands listed under Para-

graph 1 of Federal Register Document 59-7558, appearing on page 7338 of the issue for September 11, 1959, are hereby revoked from the classification order.

MOUNT DIABLO MERIDIAN

T. 13 N., R. 10 E.,
Sec. 4: Lots 4, 8, 12, 13, SW $\frac{1}{4}$ SW $\frac{1}{4}$.
Containing 115.65 acres.

2. The lands described above are located on the Foresthill Divide about 2½ miles southwest of Placerville, California, at an elevation of 2,600 to 2,900 feet above sea level. The terrain is rolling with a vegetative cover of merchantable timber consisting of Ponderosa Pine, Douglas Fir, and Incense Cedar. A surfaced county road bisects the section.

3. The public lands affected by this order are hereby restored as of 10:00 a.m. on December 5, 1961 to the operation of the public land laws, subject to any valid existing rights, the provisions of existing withdrawals, and the requirements of applicable law, rules and regulations.

R. G. SPORLEDER,
Officer-in-Charge, Northern Field Group, Sacramento, Calif.

[F.R. Doc. 61-10696; Filed, Nov. 8, 1961; 8:47 a.m.]

[California No. 608]

CALIFORNIA; SMALL TRACT CLASSIFICATION

Revocation and Order Providing for Opening of Public Lands

OCTOBER 30, 1961.

1. Effective immediately, the following described lands listed under Paragraph 1 of Federal Register Document 60-11868, appearing on pages 13640-13641 of the issue for December 23, 1960, are hereby revoked from the classification order.

MOUNT DIABLO MERIDIAN

T. 31 N., R. 5 W.,
Sec. 9: W $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$.
Containing approximately 160 acres.

2. The subject land is a flat lying parcel located about 1½ miles southwest of the city limits of Redding, California. Vegetation consists of manzanita and oak. A paved county road passes through the section.

3. The public lands affected by this order are hereby restored as of 10:00 a.m. on December 5, 1961 to the operation of the public land laws, subject to any valid existing rights, the provisions of existing withdrawals, and the requirements of applicable law, rules and regulations.

R. G. SPORLEDER,
Officer-in-Charge, Northern Field Group, Sacramento 14, Calif.

[F.R. Doc. 61-10698; Filed, Nov. 8, 1961; 8:47 a.m.]

ALASKA

Notice of Filing of Plat of Survey

NOVEMBER 2, 1961.

1. Plat of the extension survey of the lands described below will be officially filed in the Anchorage Land Office, Anchorage, Alaska effective at 10:00 a.m., December 1, 1961.

SEWARD MERIDIAN

T. 16 S., R. 46 W.,
 Sec. 31: Lots 1-7, E $\frac{1}{2}$ W $\frac{1}{2}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$;
 Sec. 32: Lots 1-10, S $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$;
 Sec. 33: Lots 1-10, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$;
 Sec. 34: Lots 1-6, NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$;
 Sec. 35: Lots 1-4, NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$;
 Sec. 36: Lot 1, N $\frac{1}{2}$, SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$.
 Total, 3,102.91 acres.

T. 17 S., R. 46 W.,
 Sec. 1: All;
 Sec. 2: Lots 1, 2, S $\frac{1}{2}$, NE $\frac{1}{4}$;
 Sec. 3: Lots 1, 2, NW $\frac{1}{4}$, SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$;
 Sec. 4: Lots 1-5, N $\frac{1}{2}$ NE $\frac{1}{4}$;
 Sec. 5: Lots 1-3;
 Sec. 10: Lots 1-3, NE $\frac{1}{4}$ NE $\frac{1}{4}$;
 Sec. 11: Lots 1-6, NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$;
 Sec. 12: Lots 1-4, N $\frac{1}{2}$.
 Total, 3,028.54 acres.

T. 17 S., R. 47 W.,
 Sec. 1: Lot 1;
 Sec. 2: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, N $\frac{1}{2}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$;
 Sec. 3: Lots 1-15, N $\frac{1}{2}$ N $\frac{1}{2}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$;
 Sec. 4: Lots 1-8, E $\frac{1}{2}$ W $\frac{1}{2}$, N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$;
 Sec. 9: Lots 1-3;
 Sec. 10: Lots 1-5.
 Total, 1,390.16 acres.
 Grand total, 7,521.61 acres.

2. The Naknek River lies north of and adjacent to portions of these townships. The land is nearly level, most of which lies on a gentle southerly slope.

The soil is generally sandy loam, which is covered with tundra throughout, under which will be found permafrost.

There are several small lakes, some of which are meandered in the survey.

The timber is thinly scattered birch, dense undergrowth covers small areas, being principally alder and willow. Marsh areas are covered with moss, cranberries and blueberries.

3. The public lands affected by this order are hereby restored to the operation of the public land laws, subject to any valid existing rights, the provisions of existing withdrawals, and the requirements of applicable law, rules and regulations.

4. All inquiries relating to the lands should be directed to the Manager, Anchorage Land Office, Bureau of Land Management, 6th and Cordova, Anchorage, Alaska.

WARNER T. MAY,
 Manager.

[F.R. Doc. 61-10699; Filed, Nov. 8, 1961; 8:47 a.m.]

Bureau of Reclamation

[Public Announcement 25, Amdt. 3]

COLUMBIA BASIN PROJECT, WASHINGTON

Public Announcement of Sale of Full-Time Farm Units

Public announcement of the sale of farm units in the South Columbia Basin Irrigation District, Columbia Basin Project, Washington, dated October 18, 1956, published in the FEDERAL REGISTER at 21 F.R. 8822, and subsequently amended, is further amended by deleting Farm Unit 120, Irrigation Block 14, from the list of farm units offered in Section 1.

FLOYD E. DOMINY,
 Commissioner of Reclamation.

OCTOBER 31, 1961.

[F.R. Doc. 61-10721; Filed, Nov. 8, 1961; 8:51 a.m.]

[Public Announcement 26, Amdt. 4]

COLUMBIA BASIN PROJECT, WASHINGTON

Public Announcement of Sale of Full-Time Farm Units

Public announcement of the sale of farm units in the South Columbia Basin Irrigation District, Columbia Basin Project, Washington, dated October 18, 1956, published in the FEDERAL REGISTER at 21 F.R. 8826, and subsequently amended, is further amended as follows:

By deleting from the list of farm units offered in Section 1.a. the farm units listed below:

Irrigation block:	Farm unit
18-----	187
18-----	206

FLOYD E. DOMINY,
 Commissioner of Reclamation.

OCTOBER 31, 1961.

[F.R. Doc. 61-10722; Filed, Nov. 8, 1961; 8:51 a.m.]

RECLAMATION ADDITION TO CITY OF RUPERT, IDAHO

Notice of Sale of Government-Owned Block 67

In accordance with the provisions of the Act of August 17, 1961 (75 Stat. 389), the United States Bureau of Reclamation will offer for sale at Public Auction at 2:00 p.m., November 21, 1961, from the steps of the Minidoka Irrigation District Office, 319 F Street, Rupert, Idaho, the following described property subject to the terms and conditions as set forth herein: All of Block 67, Reclamation Addition to the City of Rupert, together with the office building now occupied by the Minidoka Irrigation District. Subject to an easement for such public utilities as are presently located within the block.

All other buildings and equipment located on this property are excepted from this sale and are reserved to the Minidoka Irrigation District for removal within 120 days from the date of this sale.

The Minidoka Irrigation District shall have the right to occupy the office building and to remove all office equipment, records, and other personal property located therein within 180 days from the date of this sale.

The alley in Block 67 has been vacated by action of the Rupert City Council.

The property will be sold to the highest bidder at not less than the appraised value. The appraised value is \$63,000.00. The successful bidder shall deposit, with the United States, the sum of \$6,300.00 and execute a Contract of Sale immediately following the sale. The balance of the bid price shall be due and payable within 90 days from the date of the sale.

If the property is not sold at the above time and place, it will be available for sale thereafter at the appraised price.

Further details concerning the sale may be obtained at the office of the Bureau of Reclamation, 1359 Hansen Ave., Burley, Idaho.

W. DARLINGTON DENIT,
 Acting Commissioner.

NOVEMBER 3, 1961.

[F.R. Doc. 61-10723; Filed, Nov. 8, 1961; 8:51 a.m.]

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation LENDING AGENCY AGREEMENT; COTTON

Increase in Interest Rate

Commodity Credit Corporation, by FEDERAL REGISTER notice published in 26 F.R. 3652 announced that the per annum rate of interest included in the compensation provided in the Lending Agency Agreement—Cotton (CCC Cotton Form D) in effect for 1960 and subsequent Cotton Loan Programs would be 4 percent through and including July 31, 1960, 3 $\frac{1}{4}$ percent from August 1, 1960 to and including May 27, 1961, and 2 $\frac{1}{2}$ percent thereafter.

Pursuant to section IV, paragraph 4, of the Lending Agency Agreement—Cotton (CCC Form D), CCC hereby announces that such per annum rate of interest for the 1961 and subsequent Cotton Loan Programs is increased to 3 percent effective on the date of publication of this notice in the FEDERAL REGISTER, and that the rates of interest, specified in paragraphs 1b and 3 of such section IV, in effect for the 1961 and subsequent Cotton Loan Programs, shall be 2 $\frac{1}{2}$ percent through and including the date next preceeding the date of

publication of this notice in the FEDERAL REGISTER, and 3 percent thereafter.

Effective on date of publication.

Signed at Washington, D.C. on November 3, 1961.

R. P. BEACH,
Acting Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 61-10727; Filed, Nov. 8, 1961;
8:51 a.m.]

SALES OF CERTAIN COMMODITIES

November 1961 Monthly Sales List

Notice to buyers. Pursuant to the policy of Commodity Credit Corporation issued October 12, 1954 (19 F.R. 6669), and subject to the conditions stated therein as well as herein, the commodities listed below are available for sale and, where noted, for redemption of payment-in-kind certificates on the price basis set forth.

The prices at which Commodity Credit Corporation commodity holdings are available for sale during November 1961 were announced today by the U.S. Department of Agriculture. The following commodities are available: Butter, cheddar cheese, nonfat dry milk, cotton (upland and extra long staple), peanuts, wheat, rice (rough), corn, oats, barley, rye, grain sorghums, gum turpentine, and tung oil.

As announced October 27 (press release USDA 3536-61), corn and grain sorghums will continue to be made available in redemption of certificates and rights represented by pooled certificates at market prices but not at levels below generally prevailing prices received by farmers in the fall of 1960 for the 1960 crop. All CCC domestic dispositions of corn and grain sorghums for unrestricted use will be in redemption of certificates and rights. The term "certificate pool sale—1961 Feed Grain Program" used in contracts of CCC shall be deemed to refer to a transaction under the 1961 Feed Grain Program involving the sale of rights represented by pooled certificates and the immediate use of such rights to acquire grain from CCC.

Rye is again available for sale under the feed grain export payment-in-kind program, and barley is offered by the Portland ASCS Commodity Office on a restricted basis in redemption of certificates and rights represented by pooled certificates. As announced October 13 (press release USDA 3563-61), moderate quantities of farmers stock peanuts are being offered for domestic crushing to meet immediate domestic requirements for peanut oil.

The CCC Monthly Sales List, which varies from month to month as additional commodities become available or commodities formerly available are dropped, is designed to aid in moving CCC's inventories into domestic or export use through regular commercial channels.

If it becomes necessary during the month to amend this list in any material way—such as by the removal or addition of a commodity in which there

is general interest or by a significant change in price or method of sale—an announcement of the change will be sent to all persons currently receiving the list by mail from Washington. To be put on this mailing list, address: Director, Price Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington 25, D.C.

All commodities except oats currently offered for sale by CCC, plus tobacco from CCC loan stocks, are eligible for special export sale under the CCC Export Credit Sales Program. The following commodities are currently eligible for barter: Nonfat dry milk, butter, cotton, tobacco, rice (Pearl rough), wheat, corn, rye, barley, and grain sorghums. This list is subject to change from time to time.

Interest rates per annum under the CCC Export Credit Sales Program for November 1961 are 3½ percent for periods up to 6 months, 4 percent for periods from over 6 and up to 18 months, and 4½ percent for periods from over 18 months up to a maximum of 36 months.

The CCC will entertain offers from responsible buyers for the purchase of any commodity on the current list. Offers accepted by CCC will be subject to the terms and conditions prescribed by the Corporation. These terms include payment by cash or irrevocable letter of credit before delivery of the commodity, and the conditions require removal of the commodity from CCC storage within a reasonable period of time. Where conditions of sale for export differ from those for domestic sale, proof of exportation is also required, and the buyer is responsible for obtaining any required U.S. Government export permit or license. Purchases from CCC shall not constitute any assurance that any such permit or license will be granted by the issuing authority.

Applicable announcements containing all terms and conditions of sale will be furnished upon request. For easy reference a number of these announcements are identified by code number in the following list. Interested persons are invited to communicate with the Agricultural Stabilization and Conservation Service, USDA, Washington 25, D.C., with respect to all commodities or—for specified commodities—with the designated ASCS Commodity Office.

Commodity Credit Corporation reserves the right to amend, from time to time, any of its announcements. Such amendments shall be applicable to and be made a part of the sale contracts thereafter entered into.

CCC reserves the right to reject any or all offers placed with it for the purchase of commodities pursuant to such announcements.

If CCC does not have adequate information as to the financial responsibility of a prospective buyer to meet all contract obligations that might arise by acceptance of an offer or if CCC deems such buyer's financial responsibility to be inadequate CCC reserves the right, (i) to refuse to consider the offer, (ii) to

accept the offer only after submission by the buyer of a certified or cashier's check, bond, letter of credit or other security acceptable to CCC assuring that the buyer will discharge the responsibility under the contract, or (iii) to accept the offer upon condition that the buyer promptly submit to CCC such of the aforementioned security as CCC may direct. If a prospective buyer is in doubt as to whether CCC is acquainted with his financial responsibility he should communicate with the ASCS Office at which the offer is to be placed to determine whether a financial statement or advance financial arrangement will be necessary in his case.

Disposals and other handling of inventory items often result in small quantities at given locations or in qualities not up to specifications. These lots are offered by the appropriate ASCS Office promptly upon appearance and therefore generally they do not appear in the Monthly Sales List.

On sales for which the buyer is required to submit proof to CCC of exportation the buyer shall be regularly engaged in the business of buying or selling commodities and for this purpose shall maintain a bona fide business office in the United States, its territories or possessions, and have a person, principal, or resident agent upon whom service of judicial process may be had.

Prospective buyers for export should note that generally, sales to United States Government agencies, with only minor exceptions, will constitute a domestic unrestricted use of the commodity.

Commodity Credit Corporation reserves the right, before making any sales, to define or limit export areas.

Notice to exporters. The Department of Commerce, Bureau of International Programs (the Bureau of Foreign Commerce until Aug. 9, 1961), pursuant to regulations under the Export Control Act of 1949, prohibits the exportation or re-exportation by anyone of any commodities (except absorbent cotton and sterilized gauze and bandages with respect to Cuba only) under this program to Cuba, the Soviet Bloc, or Communist-controlled areas of the Far East including Communist China, North Korea, and the Communist-controlled area of Vietnam, except under validated license issued by the U.S. Department of Commerce, Bureau of International Programs.

These regulations generally require that exporters, in or in connection with their contracts with foreign purchasers, where the contract involves \$10,000 or more and exportation is to be made to a Group R country, obtain from the foreign purchaser a written acknowledgment of his understanding of, (1) U.S. Commerce Department prohibitions (Comprehensive Export Schedule, 15 CFR 371.4 and 371.8) against sales or resale for re-export of said commodities, or any part thereof, without express Commerce Department authorization, to the Soviet Bloc, Communist China, North Korea or the Communist-controlled area of Vietnam or to Cuba, and (2) the sanction of denial of future

Commodity	Sales price or method of sale
Cotton, extra long staple	Domestic or export, unrestricted use: Competitive bid and under the terms and conditions of Announcement NO-C-6 (revised July 22, 1960), as amended, and NO-C-10, as amended. Under these announcements extra long staple cotton will be sold at the highest price offered but in no event less than the higher of (a) 115 percent of the current support price plus reasonable carrying charges, or (b) the domestic market price as determined by CCC Catalogs for upland cotton and extra long staple cotton showing quantities, qualities, and locations may be obtained for a nominal fee from the New Orleans ASCS Commodity Office.
Peanuts, shelled (as available)	Domestic, unrestricted use: Market price but not less than 105 percent of the 1961 support price (adjusted for milling) plus reasonable carrying charges under Peanut Announcement 3.
Peanuts, shelled and unshelled (farmers stock) (as available)	Domestic or export, unrestricted use: Competitive bid under CCC Peanut Announcement 1 (revised Feb. 16, 1959), as amended.
Gum turpentine (bulk in tanks)	Domestic, unrestricted use: Competitive offers for unrestricted use, bulk in storage tanks, subject to Announcement TB-21-61 and supplements thereto. Available through Naval Stores Branch, Tobacco Division, ASCS, U.S. Department of Agriculture.
Tung oil (as available)	Domestic or export, unrestricted use: Competitive bid and under the terms and conditions of tung oil Announcement DL-OP-11.
Wheat, bulk	Available Dallas ASCS Commodity Office. Domestic, unrestricted use: Market price basis in store, ¹ but not less than the 1961 applicable support price for the class, grade, and quality of the wheat plus the amount shown below applicable to the type of carrier involved.

Unit	Received by—		Examples of minimum prices (extrall or barge)	
	Truck	Rail or barge	Terminal	Class and grade
Bushel	Cents 21	Cents 17	Chicago	No. 1 RWW
			Minneapolis	No. 1 DNS
			Kansas City	No. 1 HW
			Portland	No. 1 SW

Export:
 (1) Under Announcement GR-345 (revised June 30, 1960), as amended for redemption of certificates under export payment-in-kind program, (2) under Announcement GR-212 (revision 2, Jan. 9, 1961), for specified offerings as announced and (3) as wheat under Announcement GR-261 (revision 2, Jan. 9, 1961), or as flour under Announcements GR-262 (revision 2, Jan. 9, 1961) for application under arrangements for barter which permits exportation of wheat as flour and approved credit sales only at prices determined daily. Available Evansston, Dallas, Kansas City, Minneapolis, and Portland ASCS Commodity Offices.
 Domestic, unrestricted use:
 Storable: Market price basis in store² but not less than 105 percent of the applicable 1961 support price⁴ for the class, grade, and quality of the grain plus the respective amount shown below applicable to the type of carrier involved. If delivery is outside the area of production, applicable freight will be added to the above.

Unit	Received by—		Examples of minimum prices (extrall or barge)	
	Truck	Rail or barge	Terminal	Class and grade
Bushel	Cents 9	Cents 6	Minneapolis	No. 2 or better (or No. 3 on T W only).

See footnotes at end of table.

U.S. export privileges that may be imposed for violation of the Commerce Department regulations. Exporters who have a continuing and regular relationship with a foreign purchaser may obtain a blanket acknowledgment from such purchaser covering all transactions involving surplus agricultural commodities and manufactures thereof purchased from CCC or subsidized for export by the Secretary of Agriculture or CCC. Where commodities are to be exported by a party other than the original purchaser of the commodities from CCC the original purchaser should inform the exporter in writing of the requirement for obtaining the signed acknowledgment from the foreign purchaser.

Commodity	Sales price or method of sale
Dairy products	Sales are in cartons only in store at storage location of products. Submission of offers: For products in Arizona, California, Idaho, Nevada, Oregon, Utah, and Washington, submit offers to the Portland ASCS Commodity Office. For products in other States and the District of Columbia, submit offers to the Cincinnati ASCS Commodity Office. Domestic, unrestricted use: Announced prices, under LD-29 as amended: 65.75 cents per pound—New York, Pennsylvania, New Jersey, New England, and other States bordering the Atlantic Ocean and Gulf of Mexico. 65.0 cents per pound—Washington, Oregon, and California. All other States 64.75 cents per pound. Export, competitive bid under LD-33, as amended, pursuant to invitations to bid to be issued by Cincinnati ASCS Commodity Office. Announced prices under LD-35: When sales are made under LD-33, as amended, above any butter offered but not sold under the invitation to bid will be offered for sale through the following Wednesday at prices announced in Washington each Thursday. Domestic, unrestricted use: Announced prices, under LD-29 as amended: Spray process, U.S. extra grade, 17.40 cents per pound. Roller process, U.S. extra grade, 16.40 cents per pound. Export, competitive bid under LD-33, as amended, pursuant to invitations to bid to be issued by Cincinnati and Portland ASCS Commodity Offices. Announced prices under LD-35: When sales are made under LD-33, as amended, above, any nonfat dry milk offered but not sold under the invitation to bid will be offered for sale through the following Monday at prices announced in Washington each Tuesday. Domestic, unrestricted use: Announced prices under LD-29 as amended: 39.75 cents per pound—New York, Pennsylvania, New England, New Jersey, and other States bordering the Atlantic Ocean and Pacific Ocean and the Gulf of Mexico. All other States 38.75 cents per pound. Export, competitive bid under LD-33, as amended, pursuant to invitations to bid to be issued by Cincinnati ASCS Commodity Office. Announced prices under LD-35: When sales are made under LD-33, as amended, above, any cheese offered but not sold under the invitation to bid will be offered for sale through the following Wednesday at prices announced in Washington each Thursday. Domestic, unrestricted use: Competitive bid under the terms and conditions of Announcement NO-C-16 (sale of Upland Cotton for Unrestricted Use). Under this Announcement, upland cotton acquired under price support program will be sold at the highest price offered but in no event at less than the higher of (a) 115 percent of the current support price plus reasonable carrying charges or (b) the market price for such cotton, as determined by CCC. Export, CCC Credit Sales: Competitive bid under the terms and conditions of Announcements CN-EX-14 (acquisition of Cotton for Export under Credit Sales Program) and NO-C-17 (sale of Upland Cotton for Credit Sales). Cotton to be sold at the highest price offered but in no event at less than the higher of (a) the market price for such cotton, as determined by CCC, or (b) 105 percent of the current support price for such cotton plus reasonable carrying charges, less in either case an amount equal to the payment-in-kind cotton export payment rate in effect on the date of the acceptance of an offer.
Butter	
Nomfat dry milk	
Cheddar cheese (standard moisture basis)	
Cotton, upland	

Commodity	Sales price or method of sale
Rye, bulk (continued)	<p>Available: At bin sites through ASCS County Offices. At other locations through the Evanston, Dallas, Kansas City, Minneapolis, and Portland ASCS Commodity Offices.</p> <p>Nonstorable (as available): At not less than market price as determined by CCC, through the ASCS Commodity Offices indicated above.</p> <p>Export: Under Announcement GR-368 (revised Aug. 31, 1959), as amended, for feed grain export, payment-in-kind program, and under Announcement GR-212 (revision 2, Jan. 9, 1961), for application to arrangement for barter, approved credit and emergency sales.</p> <p>Available: Evanston, Dallas, Kansas City, and Portland ASCS Commodity Offices, also Minneapolis ASCS Commodity Office as available in terminal location in Minneapolis area.</p> <p>Domestic, unrestricted use: Market price but not less than 105 percent of the applicable 1961 support price plus 22 cents per hundredweight, basis in store.</p> <p>Export: As milled or brown under Announcement GR-369 (revision 1, Feb. 1, 1961), as amended, Rice Export Program—Payment-in-Kind, and under GR-379 (revision 1, May 1, 1961), for approved credit sales. California Pearl rice only for application to approved barter contracts under GR-379.</p> <p>Price, quantities, and varieties of rough rice available from Dallas and Portland ASCS Commodity Offices.</p> <p>Domestic, storable and nonstorable: Until further notice all CCC domestic dispositions of corn for unrestricted use will be in redemption of certificates or rights represented by pooled certificates under the 1961 Feed Grain Program. Such redemptions will be made at market price at point of delivery, as determined by CCC. CCC reserves the right to determine the time of delivery, and the class, grade, quality, and quantity of corn that will be made available for redemption. CCC also reserves the right to restrict the availability of corn at any location whenever such action is deemed necessary. For information on the availability of such grain from bin sites, contact ASCS State or county offices. For information on the availability of such grain from other locations, contact the Evanston, Dallas, Kansas City, Minneapolis, or Portland ASCS Commodity Office.</p> <p>Export: Under Announcement GR-368 (revised Aug. 31, 1959), as amended, for feed grain export, payment-in-kind program, and under Announcement GR-212 (revision 2, Jan. 9, 1961), for application to arrangements for barter, approved credit and emergency sales.</p> <p>Available: Evanston, Dallas, Kansas City, Minneapolis, and Portland ASCS Commodity Offices.</p> <p>Domestic: Market price basis in store,¹ but not less than 105 percent of the applicable 1961 support price,² for the class, grade, and quality of the grain plus the amount shown below applicable to the storage point involved. For grain in store at other than the point of production the freight from point of production to the present point of storage will also be added.</p>
Rice, rough (as available)	<p>Available: At bin sites through ASCS County Offices. In States in which emergency areas have been designated bin sites storable oats will be available only under the Livestock Feed Program, and to stockmen and livestock (including poultry) owners who use this grain for feeding their livestock and poultry. At other locations through the Evanston, Dallas, Kansas City, Minneapolis, and Portland ASCS Commodity Offices.</p> <p>Nonstorable (as available): At not less than market price as determined by CCC. At bin sites through ASCS County Offices. At other locations through the ASCS Commodity Offices indicated above.</p>
Corn, bulk	<p>Available: At bin sites through ASCS County Offices. In certain States in which emergency areas have been designated bin sites storable feed barley is available from bin sites only under the Livestock Feed Program, and to stockmen and livestock (including poultry) owners who use this grain for feeding their livestock and poultry. At other locations through the Evanston, Dallas, Kansas City, and Minneapolis ASCS Commodity Offices.</p> <p>B. Redemption of 1961 Feed Grain Program Certificates: Until further notice, CCC will redeem rights represented by pooled certificates under the 1961 Feed Grain Program at market prices and at restricted points of delivery, as determined by CCC. CCC reserves the right to determine the time of delivery, and the class, grade, quality, and quantity of grain that will be made available for redemption. CCC also reserves the right to restrict the availability of barley for such redemption, at any location whenever such action is deemed necessary.</p> <p>Available: Portland ASCS Commodity Office.</p> <p>Nonstorable (as available): At not less than market price as determined by CCC. At bin sites through ASCS County Offices. At other locations through the ASCS Commodity Offices indicated above.</p> <p>Export: Under Announcement GR-368 (revised Aug. 31, 1959), as amended, for feed grain export, payment-in-kind program, and under Announcement GR-212 (revision 2, Jan. 9, 1961), for application to arrangement for barter, approved credit and emergency sales.</p> <p>Available: Evanston, Dallas, and Kansas City ASCS Commodity Offices.</p> <p>Also Minneapolis ASCS Commodity Office as available in terminal location in Minneapolis area.</p> <p>Domestic: Storable and nonstorable: Until further notice all CCC domestic dispositions of grain sorghums for unrestricted use will be in redemption of certificates or rights represented by pooled certificates under the 1961 Feed Grain Program. Such redemptions will be made at market price at point of delivery, as determined by CCC. CCC reserves the right to determine the time of delivery, and the class, grade, quality, and quantity of grain that will be made available for redemption. CCC also reserves the right to restrict the availability of such grain from bin sites, contact ASCS State or county offices. For information on the availability of such grain from other locations, contact the Evanston, Dallas, Kansas City, Minneapolis, or Portland ASCS Commodity Office.</p> <p>Export: Under Announcement GR-368 (revised Aug. 31, 1959), as amended, for feed grain export, payment-in-kind program, and under Announcement GR-212 (revision 2, Jan. 9, 1961), for application to arrangement for barter, approved credit and emergency sales.</p> <p>Available: Evanston, Dallas, Kansas City, Minneapolis, and Portland ASCS Commodity Offices.</p> <p>Domestic: Market price basis in store,¹ but not less than 105 percent of the applicable 1961 support price,² for the class, grade, and quality of the grain plus the amount shown below applicable to the storage point involved. For grain in store at other than the point of production the freight from point of production to the present point of storage will also be added.</p>
Oats, bulk	<p>Available: At bin sites through ASCS County Offices. In States in which emergency areas have been designated bin sites storable oats will be available only under the Livestock Feed Program, and to stockmen and livestock (including poultry) owners who use this grain for feeding their livestock and poultry. At other locations through the Evanston, Dallas, Kansas City, Minneapolis, and Portland ASCS Commodity Offices.</p> <p>Nonstorable (as available): At not less than market price as determined by CCC. At bin sites through ASCS County Offices. At other locations through the ASCS Commodity Offices indicated above.</p>
Barley, bulk	<p>Available: At bin sites through ASCS County Offices. In certain States in which emergency areas have been designated bin sites storable feed barley is available from bin sites only under the Livestock Feed Program, and to stockmen and livestock (including poultry) owners who use this grain for feeding their livestock and poultry. At other locations through the Evanston, Dallas, Kansas City, and Minneapolis ASCS Commodity Offices.</p> <p>B. Redemption of 1961 Feed Grain Program Certificates: Until further notice, CCC will redeem rights represented by pooled certificates under the 1961 Feed Grain Program at market prices and at restricted points of delivery, as determined by CCC. CCC reserves the right to determine the time of delivery, and the class, grade, quality, and quantity of grain that will be made available for redemption. CCC also reserves the right to restrict the availability of barley for such redemption, at any location whenever such action is deemed necessary.</p> <p>Available: Portland ASCS Commodity Office.</p> <p>Nonstorable (as available): At not less than market price as determined by CCC. At bin sites through ASCS County Offices. At other locations through the ASCS Commodity Offices indicated above.</p> <p>Export: Under Announcement GR-368 (revised Aug. 31, 1959), as amended, for feed grain export, payment-in-kind program, and under Announcement GR-212 (revision 2, Jan. 9, 1961), for application to arrangement for barter, approved credit and emergency sales.</p> <p>Available: Evanston, Dallas, and Kansas City ASCS Commodity Offices.</p> <p>Also Minneapolis ASCS Commodity Office as available in terminal location in Minneapolis area.</p> <p>Domestic: Storable and nonstorable: Until further notice all CCC domestic dispositions of grain sorghums for unrestricted use will be in redemption of certificates or rights represented by pooled certificates under the 1961 Feed Grain Program. Such redemptions will be made at market price at point of delivery, as determined by CCC. CCC reserves the right to determine the time of delivery, and the class, grade, quality, and quantity of grain that will be made available for redemption. CCC also reserves the right to restrict the availability of such grain from bin sites, contact ASCS State or county offices. For information on the availability of such grain from other locations, contact the Evanston, Dallas, Kansas City, Minneapolis, or Portland ASCS Commodity Office.</p> <p>Export: Under Announcement GR-368 (revised Aug. 31, 1959), as amended, for feed grain export, payment-in-kind program, and under Announcement GR-212 (revision 2, Jan. 9, 1961), for application to arrangement for barter and approved credit and emergency sales.</p> <p>A available: Evanston, Dallas, Kansas City, Minneapolis, and Portland ASCS Commodity Offices.</p>

See footnotes at end of table.

¹ On bin site sales such delivery basis shall be f.o.b. buyers conveyance at the bin site.

² Noncommercial producing area wheat shall be on the same basis as commercial producing area wheat except increase applicable support price by 35 percent.

³ On compute, multiply applicable support price by 1.05, round product up to nearest whole cent and add amount shown above and any applicable freight for grain stored outside the area of production.

⁴ On bin site sales, applicable support price shall be f.o.b. buyers conveyance at the bin site.

⁵ On bin site sales, applicable support price shall be f.o.b. buyers conveyance at the bin site.

⁶ On bin site sales such delivery basis shall be f.o.b. buyers conveyance at the bin site.

⁷ Includes paid in freight from Woodford County, Illinois.

⁸ On bin site sales such delivery basis shall be f.o.b. buyers conveyance at the bin site.

⁹ To compute, multiply applicable support price by 1.05, round product up to nearest whole cent, and add amount shown above and any applicable freight for grain stored outside the area of production.

Unit	Received by		Examples of minimum price (exrall or barge)		Price
	Truck	Rail or barge	Terminal	Class and grade	
Bushels.....	Cents 8	Cents 6	Minneapolis..	No. 2 or better....	\$1.27

Domestic: Domestic: A. General Sales: Market price basis in store,¹ but not less than 105 percent of the applicable 1961 support price,² for the class, grade, and quality of the grain plus the amount shown below applicable to the type of freight involved. For grain in store at other than the point of production, applicable freight will be added to the above.

USDA AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE OFFICES

Cincinnati: Cincinnati ASCS Commodity Office, 222 East Central Parkway, Cincinnati 2, Ohio. Telephone: Dunbar 1-2200.

Dallas: Dallas ASCS Commodity Office,¹ 500 South Ervay Street, Dallas 1, Tex. Telephone: Riverside 8-5611.

Evanston: Evanston ASCS Commodity Office,¹ 2201 Howard Street, Evansville, Ill. Telephone: Long distance—University 9-0600 (Evanston Exchange). Local—Rogers Park 1-5000 (Chicago, Ill.)

Kansas City: Kansas City ASCS Commodity Office,¹ 560 Westport Road (P.O. Box 205), Kansas City 41, Mo. Telephone: Valentine 1-7104.

Minneapolis: Minneapolis ASCS Commodity Office,¹ 6400 France Avenue, South Minneapolis 10, Minn. Telephone: Walnut 7-7311.

New Orleans: New Orleans ASCS Commodity Office, Wirth Building, 120 Marais Street, New Orleans 16, La. Telephone: 529-2411.

Portland: Portland ASCS Commodity Office,¹ 1218 Southwest Washington Street, Portland 5, Oreg. Telephone: Capitol 6-3361.

Cotton Products and Export Operations Office, New York City: 80 Lafayette Street, New York 13, N.Y. Telephone: Rector 2-8000.

Representative of General Sales Manager, New York Area: Joseph Reiding, 80 Lafayette Street, New York 13, N.Y. Telephone: Rector 2-8000.

Representative of General Sales Manager, West Coast Area: Callan B. Duffy, Balboa Building, 593 Market Street, San Francisco 4, Calif. Telephone: Sutter 1-3179.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 407, 63 Stat. 1055; 7 U.S.C. 1427.)

Signed at Washington, D.C. on November 3, 1961.

EMERY E. JACOBS,
Acting Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 61-10705; Filed, Nov. 8, 1961; 8:48 a.m.]

DEPARTMENT OF COMMERCE

Bureau of the Census

ANNUAL SURVEYS IN MANUFACTURING AREA

Notice of Consideration

Notice is hereby given that the Bureau of the Census is considering a proposal to conduct the annual surveys covering 1961 listed below, under the authority of Title 13, United States Code, section 181 approved August 31, 1954. These surveys are significant in the manufacturing area and on the basis of information and recommendations received by the Bureau of the Census, the data have significant application to the needs of the public and industry and are not available from non-Governmental or other Governmental sources.

The establishments covered by these surveys directly employ about 17 million persons. The information to be developed from these surveys is necessary to an adequate measurement of total industrial production. Government agencies need data on the output of these in-

¹ Grain Offices.

dustries. Manufacturers in the industries involved, as well as their suppliers and customers and the general public, have all requested such data in the interest of business efficiency and stability.

Such surveys, if conducted, shall begin not earlier than 30 days after publication of this notice in the FEDERAL REGISTER.

Report forms in most instances furnishing data on shipments and/or production and in some instances on stocks, unfilled orders, orders booked, consumption, etc., will be required of all establishments engaged in the production of the items covered by the following list of surveys with the exception of the lumber production and stocks survey which will be conducted on a sample basis. The surveys have been arranged under major group headings shown in the revised Standard Industrial Classification Manual (1957 edition) promulgated by the Bureau of the Budget for the use of Federal statistical agencies.

Major Group 20—Food and kindred products: Salad dressings, prepared animal feeds.

Major Group 22—Textile mill products: Stocks of wool (as of Jan. 1, 1962). Cotton and synthetic woven goods finished, broad woven fabrics, blends and mixtures; knit cloth, woolen and worsted machinery activity, yarn production.

Major Group 23—Apparel and other finished products made from fabrics and similar materials: Gloves and mittens, apparel, brassieres, corsets, and allied garments; sheets, pillowcases, and towels.

Major Group 24—Lumber and wood products, except furniture: Hardwood plywood, softwood plywood, softwood veneer, red cedar shingles, lumber.

Major Group 25—Furniture: Office furniture.

Major Group 26—Paper and allied products: Paper and board—detailed grade.

Major Group 28—Chemicals and allied products: Sulfuric acid, industrial gases, inorganic chemicals.

Major Group 30—Rubber and miscellaneous plastic products: Plastic products.

Major Group 32—Stone, clay, and glass: Pressed and blown glassware.

Major Group 33—Primary metal industries: Steel mill products.

Major Group 34—Fabricated metal products, except ordnance, machinery, and transportation equipment: Aluminum foil, converted; steel power boilers, heating and cooking equipment.

Major Group 35—Machinery, except electrical: Internal combustion engines, tractors, farm machines and equipment, vending machines, refrigeration equipment, office, computing and accounting machines; pumps and compressors.

Major Group 36—Electric machinery, equipment, and supplies: Radios, television, and phonographs, motors and generators, wiring devices and supplies, electronic systems, equipment and components.

Major Group 38—Professional, scientific, and controlling instruments; photographic and optical goods; watches and clocks: Instruments.

The following list of surveys represents annual counterparts of monthly, quarterly, and semiannual surveys and will cover only those establishments which are not canvassed or do not report in the more frequent survey. Accordingly, there will be no duplication in reporting. The content of these annual reports will be identical with that of the monthly, quarterly, and semiannual reports except for Construction Machinery which will additionally call for data on

shipments of power cranes and shovels, concrete mixers, and attachments for contractors' off-highway type tractors. Also, reports on manmade fiber, silk, woolen and worsted fabrics, on finishing plants and on piece goods inventories listed below will call for information relating to the monthly fluctuations of stocks and unfilled orders for woven fabrics in addition to the annual production data.

Major Group 20—Food and kindred products: Flour milling products, confectionery products.

Major Group 22—Textile mill products: Manmade fiber, silk, woolen and worsted fabrics; finishing plant report—broad woven fabrics; piece goods inventories and orders; broad woven goods (cotton, wool, silk, and synthetic); consumption of wool and other fibers, and production of tops and nolls.

Major Group 25—Furniture and fixtures: Mattresses and bedsprings.

Major Group 26—Paper and allied products: Pulp, paper, and board; consumers of wood pulp; converted flexible packaging products.

Major Group 28—Chemicals and allied products: Superphosphates; paint, varnish, and lacquer.

Major Group 29—Petroleum refining and related industries: Asphalt and tar roofing and siding products.

Major Group 31—Leather and leather products: Shoes and slippers.

Major Group 32—Stone, clay, and glass: Glass containers, refractories, clay construction products.

Major Group 33—Primary metal industries: Nonferrous castings; steel forgings; iron and steel foundries, blast furnaces and steel ingot producers.

Major Group 34—Fabricated metal products, except ordnance, machinery and transportation equipment: Plumbing fixtures; steel shipping barrels, drums, and pails; closures for containers; metal cans.

Major Group 35—Machinery, except electrical: Construction machinery; farm pumps; fans, blowers, and unit heaters.

Major Group 36—Electrical machinery, equipment, and supplies: Electric lamps, fluorescent lamp ballasts.

Major Group 37—Transportation equipment: Complete aircraft and aircraft engines; backlog of orders for aircraft, space vehicles, missiles, engines, and selected parts; aircraft propellers.

Also, the Annual Survey of Manufacturers will be conducted and will call for general statistical data such as employment, payroll, man-hours, capital expenditures, cost of materials consumed, etc., in addition to information on value of products shipped and quantity data for selected classes of products. This survey, while conducted on a sample basis, will cover all manufacturing industries.

A survey of Research and Development Costs will also be conducted as an annual counterpart to the more detailed survey collected and compiled by the Bureau of the Census for the National Science Foundation. The data to be obtained by the Census under its mandatory authority will be limited to total research and development costs of work performed by the company, total cost of research and development work performed for the Federal Government, and, for comparative purposes, total net sales and receipts, and total employment of the company. As for all counterpart

type surveys there will be no duplication since firms that furnish the equivalent data as part of the more detailed voluntary survey conducted for the National Science Foundation will not be asked to file the separate Census questionnaire.

Copies of the proposed forms are available on request to the Director, Bureau of the Census, Washington 25, D.C.

Any suggestions or recommendations concerning the subject matter of these proposed surveys should be submitted in writing to the Director of the Census within 30 days after the date of publication and will receive consideration.

Dated: November 2, 1961.

[SEAL] RICHARD M. SCAMMON,
Director.

[F.R. Doc. 61-10720; Filed, Nov. 8, 1961;
8:51 a.m.]

CIVIL AERONAUTICS BOARD

[Docket 11879, Agreement C.A.B. 15907;
Order E-17668]

JOINT CONFERENCE; INTERNATIONAL AIR TRANSPORT ASSOCIATION

Specific Commodity Rates

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 6th day of November 1961.

There has been filed with the Board, pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations, an agreement between various air carriers, foreign air carriers, and other carriers, embodied in the resolutions of Joint Conference 1-2 of the International Air Transport Association (IATA), and adopted by mail vote. The agreement, which has been assigned the above-designated C.A.B. Agreement number, amends and/or cancels certain specific commodity rates applicable to Item 2196 from Shannon, Dublin, and points in the United Kingdom to New York.

The Board, acting pursuant to sections 102, 204(a), and 412 of the Act, does not find the subject agreement, which is incorporated in Resolution JT12(Mail 248)590k, to be adverse to the public interest or in violation of the Act, provided that approval thereof is conditioned as hereinafter ordered:

Accordingly, it is ordered:

1. That Agreement C.A.B. 15907 is approved, provided that such approval shall not constitute approval of the specific commodity description contained therein for purposes of tariff publication.

2. That any air carrier party to the agreement, or any interested person, may, within 15 days from the date of service, submit statements in writing containing reasons deemed appropriate, together with supporting data, in support of or in opposition to the Board's action herein. An original and nineteen copies of the statements should be filed with the Board's Docket Section. The Board may, upon consideration of

any such statements filed, modify or rescind its action herein by subsequent order.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 61-10718; Filed, Nov. 8, 1961;
8:50 a.m.]

[Docket No. 12538]

TRANS-TEXAS AIRWAYS, INC.; "USE IT OR LOSE IT" INVESTIGATION

Notice of Hearing

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that a public hearing in the above-entitled proceeding is assigned to be held on December 5, 1961, at 10:00 a.m., c.s.t., in the Orleans Room, Roosevelt Hotel, 123 Baronne Street, New Orleans, Louisiana, before the undersigned examiner.

For information concerning the issues involved and other details in this proceeding, interested persons are referred to the prehearing conference report served October 10, 1961, Board Orders E-16897 and E-17269 adopted June 5, 1961, and August 3, 1961, respectively, and all other documents which are in the docket of this proceeding on file in the Docket Section of the Civil Aeronautics Board located in the Universal Building, 1825 Connecticut Avenue NW., Washington, D.C.

Dated at Washington, D.C., November 6, 1961.

[SEAL] WILLIAM F. CUSICK,
Hearing Examiner.

[F.R. Doc. 61-10719; Filed, Nov. 8, 1961;
8:50 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 14181, 14182; FCC 61M-1721]

ELBERT H. DEAN ET AL.

Order Continuing Hearing Conference

In re applications of Elbert H. Dean & B. L. Golden, Lemoore, California, Docket No. 14181, File No. BP-12811; Glomor Music Broadcasters, Inc. (KHOT), Madera, California, Docket No. 14182, File No. BP-14294; for construction permits.

The Hearing Examiner having under consideration a "Motion to Continue Pre-Hearing Conference" filed by Glomor Music Broadcasters, Inc. on November 1, 1961, requesting that the prehearing conference in this proceeding presently scheduled for November 2, 1961 at 9:30 a.m., be continued to December 13, 1961 at 9:30 a.m.;

It appearing that good cause has been shown and that all the interested parties have agreed to the requested continuance;

It is ordered, This 1st day of November 1961, that the "Motion to Continue Pre-Hearing Conference" filed on November 1, 1961 by Glomor Music Broadcasters, Inc., be, and the same is, hereby granted, and that the prehearing conference in this proceeding presently scheduled for November 2, 1961 at 9:30 a.m., be, and the same is, hereby continued to December 13, 1961 at 9:30 a.m.

Released: November 2, 1961.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 61-10683; Filed, Nov. 8, 1961;
8:45 a.m.]

[Docket No. 14202; FCC 61M-1723]

REA RADIO AND ELECTRONIC LABORATORY

Order Continuing Hearing

In re application of Peter Corrado, Concetta Corrado and Anthony Corrado, d/b as Rea Radio and Electronic Laboratory, East Palatka, Florida, Docket No. 14202, File No. BR-3869; for renewal of license of Station WREA, East Palatka, Florida.

To afford the Commission additional time to act on certain pleadings pending before it: It is ordered, This 2d day of November 1961, that the hearing is further continued from November 9 to November 30, 1961.

Released: November 2, 1961.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 61-10684; Filed, Nov. 8, 1961;
8:45 a.m.]

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator

DESIGNATION OF ACTING ASSISTANT COMMISSIONER FOR PROGRAM PLANNING AND DEVELOPMENT

Robert C. Colwell is hereby designated to serve as Acting Assistant Commissioner for Program Planning and Development, Urban Renewal Administration, during the absence of the Assistant Commissioner, with all the powers, functions, and duties delegated or assigned to the Assistant Commissioner.

(62 Stat. 1283 (1948), as amended by 64 Stat. 80 (1950), 12 U.S.C. 1701c; Housing and Home Finance Administrator's delegation published at 25 F.R. 9874, Oct. 14, 1960)

Effective as of the 9th day of November 1961.

[SEAL] WILLIAM L. SLAYTON,
Urban Renewal Commissioner.

[F.R. Doc. 61-10713; Filed, Nov. 8, 1961;
8:50 a.m.]

CUMULATIVE CODIFICATION GUIDE—NOVEMBER

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during November.

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