

LIBRARY
Com. Hyde MS

THE NATIONAL ARCHIVES
LITTERA SCRIPTA MANET
FEDERAL REGISTER
OF THE UNITED STATES

VOLUME 28

1934

NUMBER 49

Washington, Tuesday, March 12, 1963

Contents

THE PRESIDENT

Proclamation

Cancer Control Month, 1963..... 2325

EXECUTIVE AGENCIES

Agricultural Marketing Service

PROPOSED RULE MAKING:

Milk in Greater Youngstown-Warren, Ohio, marketing area; recommended decision and opportunity to file comments on proposed amendments to agreement and order..... 2358

RULES AND REGULATIONS:

Lemons grown in California and Arizona; handling limitation... 2354

Milk in Wichita, Kans., marketing area; order suspending certain provisions..... 2354

Valencia oranges grown in Arizona and designated part of California; early maturity allotments..... 2353

Agriculture Department

See Agricultural Marketing Service; Commodity Credit Corporation; Federal Crop Insurance Corporation.

Atomic Energy Commission

NOTICES:

Babcock & Wilcox Co.; issuance of amendment to construction permit..... 2366

Northrop Corp.; issuance of facility license..... 2366

Regents of University of California; issuance of facility license amendment..... 2366

RULES AND REGULATIONS:

Public contracts:

Contract clauses..... 2350

Labor..... 2350

Civil Aeronautics Board

NOTICES:

Hearings, etc.:

Delta Air Lines, Inc., and Eastern Air Lines, Inc..... 2367

Interamerican Forwarding Corp..... 2367

North-South service at Savannah..... 2368

Reopened Puerto Rico third-class passenger fare investigation..... 2368

San Francisco and Oakland helicopter airlines..... 2368

Commerce Department

NOTICES:

Changes in financial interests:

Lewis, Richmond..... 2365

Sauers, Marguerite M..... 2366

Commodity Credit Corporation

NOTICES:

March sales list; notice to buyers... 2361

Federal Aviation Agency

RULES AND REGULATIONS:

Air traffic; Fairbanks Airport... 2354

Restricted area; alteration..... 2355

Restricted area and continental control area; alteration..... 2354

Federal Crop Insurance Corporation

RULES AND REGULATIONS:

Apples; 1963 and succeeding crop years..... 2353

Federal Maritime Commission

NOTICES:

Filing of agreements for approval: Daniel F. Young, Inc., et al... 2370

Europe-Puerto Rico/Virgin Islands Conference..... 2368

Express Forwarding & Storage Co., Inc., and Vairon Co... 2368

Kulukundis Lines, Ltd., et al... 2369

North Pacific Coast-Europe Passenger Conference..... 2369

Stone Forwarding Co., Inc, et al... 2370

Wm. H. Muller Shipping Corp. et al... 2369

et al..... 2369

et al..... 2369

et al..... 2369

Federal Power Commission

NOTICES:

Hearings, etc.:

Carnegie Natural Gas Co..... 2373

Cities Service Gas Co..... 2373

El Paso Natural Gas Co..... 2373

Graridge Corp..... 2374

Village of Dupo, Ill..... 2374

Federal Trade Commission

RULES AND REGULATIONS:

Inland Rubber Corp.; prohibited trade practices..... 2355

Fish and Wildlife Service

RULES AND REGULATIONS:

Hunting upland game; Kentucky Woodlands National Wildlife Refuge, Ky..... 2357

Sport fishing; Santee National Wildlife Refuge, South Carolina..... 2357

Health, Education, and Welfare Department

See Public Health Service; Social Security Administration.

Interior Department

See Fish and Wildlife Service; Land Management Bureau.

International Development Agency

NOTICES:

Administration of AID programs; delegations of authority:

Algeria..... 2365

Certain African countries..... 2365

Interstate Commerce Commission

NOTICES:

Fourth section applications for relief..... 2374

Minnesota, Mississippi, Nevada, and Utah; transportation of livestock feed and hay at reduced rates..... 2375

Motor carrier transfer proceedings..... 2375

Land Management Bureau

NOTICES:

Colorado; proposed withdrawal and reservation of lands..... 2365

(Continued on next page)

Post Office Department

NOTICES:
Office of Regional Management;
transfer and change of title----- 2361

RULES AND REGULATIONS:
Commerce Department; commod-
ities and technical data; li-
censes for gifts and baggage--- 2355

Public Health Service

PROPOSED RULE MAKING:
Foreign, quarantine; changes in
lists of communicable diseases- 2360

**Securities and Exchange
Commission**

NOTICES:
Hearings, etc.:
Electric Bond and Share Co.
and United Gas Corp----- 2370
Middle South Services, Inc., and
Middle South Utilities, Inc--- 2371

Social Security Administration

RULES AND REGULATIONS:
Voluntary liquidation of Federal
credit unions----- 2356

State Department

See International Development
Agency.

Veterans Administration

RULES AND REGULATIONS:
Public contracts; procurement--- 2327

Codification Guide

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date, appears at the end of each issue beginning with the second issue of the month.

Monthly, quarterly, and annual cumulative guides, published separately from the daily issues, include the section numbers as well as the part numbers affected.

3 CFR

PROCLAMATIONS:
3524----- 2325

7 CFR

404----- 2353
908----- 2353
910----- 2354
1073----- 2354

PROPOSED RULES:

1048----- 2358

14 CFR

60----- 2354
71 [New]----- 2354
73 [New] (2 documents)----- 2354, 2355

16 CFR

13----- 2355

39 CFR

141----- 2355
142----- 2355

41 CFR

Chapter VIII----- 2327
9-7----- 2350
9-12----- 2350

42 CFR

PROPOSED RULES:
71----- 2360

45 CFR

310----- 2356

50 CFR

32----- 2357
33----- 2357

Now Available

**CODE OF FEDERAL
REGULATIONS**

(As of January 1, 1963)

The following revised books and pocket supplement are now available:

Title 7 (Parts 1000 to 1029)	
(Rev.)-----	\$1.00
Title 7 (Parts 1030 to 1059)	
(Rev.)-----	1.00
Title 7 (Parts 1060 to 1089)	
(Rev.)-----	.70
Title 25 (Supp.)-----	.60

A cumulative checklist of CFR issuances for 1963 appears in the first issue of each month under Title 1.

Order from Superintendent of Documents,
Government Printing Office, Washington
25, D.C.



Telephone WO 3-3261

prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D.C.

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

The regulatory material appearing herein is keyed to the CODE OF FEDERAL REGULATIONS, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended August 5, 1953. The CODE OF FEDERAL REGULATIONS is sold by the Superintendent of Documents. Prices of books and pocket supplements vary.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER, or the CODE OF FEDERAL REGULATIONS.

Presidential Documents

Title 3—THE PRESIDENT

Proclamation 3524

CANCER CONTROL MONTH, 1963

By the President of the United States of America

A Proclamation

WHEREAS the conquest of cancer, which has annually claimed the lives of 280,000 Americans and threatens the lives of millions more in the future, depends upon vigorous programs of medical research and public education; and

WHEREAS progress in research has already significantly increased the rate of survival of cancer patients and holds promise of further improvement through studies dealing with the cause, prevention, and treatment of malignant disease; and

WHEREAS the continued efforts of medical scientists, physicians, public health workers, and volunteers depend upon continued public support, encouragement, and cooperation; and

WHEREAS the Congress, by a joint resolution approved March 28, 1938 (52 Stat. 148), requested the President to issue annually a proclamation setting apart the month of April as Cancer Control Month:

NOW, THEREFORE, I, JOHN F. KENNEDY, President of the United States of America, do hereby proclaim the month of April 1963 as Cancer Control Month; and I invite the Governors of the States, the Commonwealth of Puerto Rico, and other areas subject to the jurisdiction of the United States to issue similar proclamations.

I also ask the medical and allied health professions, the communications industries, and all other interested persons and groups to unite during the appointed month in public reaffirmation of this Nation's efforts to control cancer.

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

DONE at the City of Washington this seventh day of March in the year of our Lord nineteen hundred and sixty-three, and of the Independence of the United States of America
[SEAL] the one hundred and eighty-seventh.

JOHN F. KENNEDY

By the President:

DEAN RUSK,
Secretary of State.

[F.R. Doc. 63-2664; Filed, Mar. 11, 1963; 11:05 a.m.]

Rules and Regulations

Title 41—PUBLIC CONTRACTS

Chapter 8—Veterans Administration PROCUREMENT REGULATIONS

A new Chapter 8 is added to Title 41 of the Code of Federal Regulations, reading as set forth below.

These regulations are effective March 25, 1963, but may be observed earlier.

By direction of the Administrator.

[SEAL] **W. J. DRIVER,**
Deputy Administrator.

- Part
- 8-1 General.
 - 8-2 Procurement by formal advertising.
 - 8-3 Procurement by negotiation.
 - 8-4 Special types and methods of procurement.
 - 8-5 Special and directed sources of supply [Reserved].
 - 8-6 Foreign purchases [Reserved].
 - 8-7 Contract clauses.
 - 8-10 Bonds and insurance.
 - 8-11 Federal, state and local taxes.
 - 8-12 Labor [Reserved].
 - 8-15 Contract cost principles and procedures [Reserved].
 - 8-16 Procurement forms.
 - 8-18 Contract financing.
 - 8-75 Delegations of authority.

PART 8-1—GENERAL

Subpart 8-1.1—Introduction

- Sec.
- 8-1.100 Scope of subpart.
 - 8-1.101 Establishment of VA procurement regulations.
 - 8-1.102 Relationship of the Federal Procurement Regulations to VAPR.
 - 8-1.103 Method of issuance.
 - 8-1.104 Applicability.
 - 8-1.105 Exclusions.
 - 8-1.106 Numbering.
 - 8-1.107 Cross references.
 - 8-1.108 Deviations.
 - 8-1.108-1 Authority.
 - 8-1.108-2 Procedure.
 - 8-1.109 Citation.

Subpart 8-1.3—General Policies

- 8-1.302 Procurement sources.
- 8-1.302-1 General.
- 8-1.302-2 Production and research and development pools.
- 8-1.303 Approval signatures.
- 8-1.305 Specifications.
- 8-1.305-3 Deviations from Federal specifications.
- 8-1.305-4 Optional use of interim Federal specifications.
- 8-1.305-6 Military and departmental specifications.
- 8-1.306 Standards.
- 8-1.306-1 Mandatory use and application of Federal standards.
- 8-1.310 Responsible prospective contractor.
- 8-1.310-5 Standards.
- 8-1.310-9 Preaward on-site evaluation of mortuary services.
- 8-1.310-10 Performance records.
- 8-1.311 Priorities, allocations and allotments.
- 8-1.316 Time of delivery or performance.
- 8-1.316-5 Time of delivery clauses.

Subpart 8-1.5—Contingent Fees

- 8-1.508 Enforcement.
- 8-1.508-1 Failure or refusal to furnish representation and agreement.
- 8-1.508-2 Failure or refusal to furnish Standard Form 119.

- Sec.
- 8-1.508-3 Misrepresentations or violations of the covenant against contingent fees.

Subpart 8-1.6—Debarred and Ineligible Bidders

- 8-1.601 Purpose.
- 8-1.602 Establishment and maintenance of a list of firms or individuals debarred or ineligible.
- 8-1.604 Treatment to be accorded firms or individuals in debarred or ineligible status.
- 8-1.606 Agency procedure.

Subpart 8-1.9—Reporting Possible Antitrust Violations

- 8-1.901 General.

Subpart 8-1.11—Qualified Products

- 8-1.1101 Procurement of qualified products.

Subpart 8-1.13—Standard Contract Delivery Terms

- 8-1.1351 General policy.
- 8-1.1352 F.o.b. point of origin.
- 8-1.1352-1 F.o.b. point of origin delivery clause.
- 8-1.1353 F.o.b. contractor's plant.
- 8-1.1353-1 F.o.b. contractor's plant delivery clause.
- 8-1.1354 F.o.b. point of origin, freight prepaid.
- 8-1.1354-1 F.o.b. point of origin, freight prepaid delivery clause.
- 8-1.1355 F.o.b. point of origin, freight allowed.
- 8-1.1355-1 F.o.b. point of origin, freight allowed delivery terms clause.
- 8-1.1356 F.o.b. destination.
- 8-1.1356-1 F.o.b. destination, delivery terms clause.
- 8-1.1357 F.o.b. destination, within consignee's premises.
- 8-1.1357-1 F.o.b. destination, within consignee's premises delivery clause.

AUTHORITY: §§ 8-1.100 to 8-1.1357-1 issued under 72 Stat. 1114, sec. 205 (c), 63 Stat. 390; 38 U.S.C. 210, 40 U.S.C. 486 (c).

Subpart 8-1.1—Introduction

§ 8-1.100 Scope of subpart.

This subpart establishes the Veterans Administration Procurement Regulations (VAPR), Chapter 8 of the Federal Procurement Regulations System (41 CFR Ch. 8) and states its relationship to the Federal Procurement Regulations (FPR) 41 CFR Ch. 1, and to instructions governing the procurement operations of the Veterans Administration.

§ 8-1.101 Establishment of VA Procurement Regulations.

(a) The policies and procedures prescribed by the Administrator of Veterans Affairs to provide direction, control and uniformity in the agency's procurement of personal property and nonpersonal services (including construction) are contained in 41 CFR Ch. 8. Policies and procedures which directly affect the public will be published in the FEDERAL REGISTER. However, related material, not affecting the public, may also be published in the FEDERAL REGISTER, when its inclusion will provide a logical comprehensive statement of VA procurement policies and procedures.

(b) Procurement instructions which implement or supplement 41 CFR Ch. 8, but which do not directly affect the public, will be published by the department head or staff officer responsible for the procurement activity. For this purpose the following assignments are made:

Chapter	Department or Staff Offices
8A	Department of Medicine and Surgery.
8B	Manager, Administrative Services.
8C	Assistant Administrator for Construction.
8D	Department of Veterans Benefits.

Material contained in these chapters will not be published in the FEDERAL REGISTER.

(c) Material contained in 41 CFR Ch. 8 and that contained in Chapters 8A, 8B, 8C and 8D constitute the VA Procurement Regulations.

§ 8-1.102 Relationship of the Federal Procurement Regulations to VAPR.

(a) Chapter 8 implements and supplements the Federal Procurement Regulations. Except as necessary to assure continuity or understanding, material published in the Federal Procurement Regulations will not be repeated, paraphrased, or otherwise restated in Chapter 8.

(b) Implementing material is that which expands upon related Federal Procurement Regulation material. Supplementing material is that for which there is no counterpart in the Federal Procurement Regulations.

(c) Material in Chapter 8 may supersede the FPR, as when a deviation (see § 8-1.108-1(b)) is authorized, but only when the deviation contains an explicit cross reference to the FPR.

(d) Where Chapter 8 contains no material implementing the FPR, the FPR will govern.

§ 8-1.103 Method of issuance.

The Chapter 8 material published in the FEDERAL REGISTER will be published in cumulative form in Chapter 8 of Title 41 of the Code of Federal Regulations. The FEDERAL REGISTER and Title 41 of the Code of Federal Regulations may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D.C.

§ 8-1.104 Applicability.

(a) Neither the Federal Procurement Regulations nor the VA Procurement Regulations shall apply to purchases or contracts which utilize General Post Funds, when such regulations would infringe on a donor's prerogative to specify the exact item to be purchased and the source of supply.

(b) Title 38, United States Code, grants to the Veterans Administration special procurement authorities for some of its programs, i.e., Canteen Service, Loan Guaranty Service and Vocational Rehabilitation and Education Service. Contracts and other agreements entered into under such Title 38 authorities, will be negotiated under the authority contained in § 8-3.215. The Administrator will cause to be published

in the appropriate parts of Chapter 8 the procurement regulations of these programs including those which implement or supplement specific portions of the FPR.

§ 8-1.105 Exclusions.

(a) Certain VA procurement policies and procedures which come within the scope of this Chapter 8 nevertheless may be excluded therefrom when there is a justification therefor. These exclusions may include the following categories:

(1) Policies or procedures which are instituted on an experimental basis, or which are expected to be effective for a period of less than six months.

(2) Policies and procedures pertaining to other functions of VA as well as to procurement functions, where there is need to make the issuance available simultaneously to all VA employees concerned.

(3) Speed of issuance is essential, numerous changes are required in Chapter 8, and all necessary changes cannot be made promptly.

(b) Procurement procedures and instructions issued under paragraph (a) (2) and (3) of this section, will be codified into Chapter 8 at the earliest practicable date, but in any event not later than six months from date of issuance.

§ 8-1.106 Numbering.

(a) Generally, the numbering system used in VAPR conforms to that of the FPR (see § 1-1.007-2). Thus, a particular procurement policy or procedure is identified by the same number in both the FPR and VAPR except that the first digit of the number is either 1 (FPR) or 8.

(b) Where Chapter 8 implements a part, subpart, section or subsection of the FPR, the implementing part, subpart, section or subsection of Chapter 8 will be numbered (and captioned) to correspond to the FPR part, subpart, section or subsection, e.g., 8-3.302 "Procurement Sources" implements 1-3.302 FPR. Paragraph and subparagraph designations of Chapter 8, however, are independently developed and do not necessarily correspond to a paragraph or subparagraph of the FPR.

(c) Where Chapter 8 supplements the FPR and thus deals with subject matter not contained in the FPR, the numbers in the group 50 through 99 are assigned to the respective supplementing parts, subparts or sections.

(d) Where the subject matter contained in the part, subpart, section or subsection of the FPR requires no implementation, Chapter 8 will contain no corresponding part, subpart, section or subsection. Thus, there will be gaps in the Chapter 8 series of part, subpart, section or subsection numbers.

§ 8-1.107 Cross references.

(a) Within Chapter 8, cross references to the FPR will be made in the same manner as used within the FPR. Illustrations of cross references to the FPR are:

(1) Part 1-3.

(2) Subpart 1-3.1.

(3) Section 1-3.413-5(a). The word "section" or its symbol (§) is used in making a cross reference even though

the reference may be to a subsection, paragraph, or subparagraph. For example, this reference is actually to a paragraph.

(b) Within Chapter 8, cross reference to parts, subparts and sections of Chapter 8 will be in a manner generally similar to that used in making references to the FPR. For example this paragraph would be referred to as § 8-1.107(b).

§ 8-1.108 Deviations.

§ 8-1.108-1 Authority.

(a) Except for those programs for which special procurement authorities are contained in Title 38 USC, and for which procurements are negotiated under § 8-3.215, authority to deviate from the FPR and Chapter 8 in individual cases, may be granted by the department head or staff officer having jurisdiction over the supply activity.

(b) Authority to deviate from the VAPR in procurements effected under the special procurement authorities contained in Title 38 USC, in classes of cases will be secured from the Associate Deputy Administrator.

(c) Authority to deviate from the FPR in classes of cases will normally be obtained in advance from GSA. Where, in the judgment of the Director, Supply Management Service, circumstances preclude joint consideration with GSA, he may recommend to the Associate Deputy Administrator that authority be granted for such deviation, pending joint consideration at a later date. Normally, classes of cases requiring special treatment will be handled as revisions of Chapter 8.

§ 8-1.108-2 Procedure.

(a) Requests for deviations will set forth clearly the circumstances warranting a deviation and the nature of the deviation required.

(b) Where deviations in individual cases are requested by a procuring activity and authorized by the appropriate department or staff office head, the authorization will be placed in the purchase or contract file. A copy of the authorization will be forwarded to the Supply Management Service, Office of Management Services. That service will periodically review the deviations authorized, and recommend any changes to FPR or VAPR considered necessary or desirable in the light of such deviations.

(c) Where deviations from the FPR in classes of cases are considered necessary, a request for authority to deviate will be submitted through channels to the Director, Supply Management Service, who will prepare the submission to GSA. Where circumstances preclude obtaining the prior concurrence of GSA, and a deviation is authorized by the Associate Deputy Administrator, the Director, Supply Management Service will prepare a letter to GSA stating the deviation authorized and the circumstances requiring the deviation. Deviations will be set forth in Chapter 8 as provided in § 8-1.102(c).

(d) Where deviations from the VAPR are considered necessary in classes of cases, for those procurements effected under § 8-3.215, a request for authority

to deviate will be submitted to the Associate Deputy Administrator through the Director, Supply Management Service. The Director, Supply Management Service will review the request and forward it with his recommendation to the Associate Deputy Administrator. The deviation if granted will be published in Chapter 8.

§ 8-1.109 Citation.

(a) In formal documents, such as legal briefs, citations of Chapter 8 material which have been published in the FEDERAL REGISTER shall be to Title 41 of the Code of Federal Regulations. If Chapter 8 material has not been published in the FEDERAL REGISTER, citation of such material in formal documents should give the number of the part, subpart, or section.

Subpart 8-1.3—General Policies

§ 8-1.302 Procurement sources.

§ 8-1.302-1 General.

(a) Procurement will be effected from the following sources in the descending order of priority indicated:

(1) VA excess.
(2) VA supply depot stocks.
(3) Other Government agencies' excess.

(4) GSA stores stock.
(5) VA decentralized contracts.
(6) Mandatory Federal supply schedule contracts.

(7) Federal prison industries and blind-made products.

(8) Commercial concerns, educational or nonprofit institutions, as applicable.

(b) A source lower in priority may be utilized in a public exigency as defined in FPR 1-3.202. Justification for such deviation shall be included in the procurement file.

§ 8-1.302-2 Production and research and development pools.

VA Contracting Officers will be advised of, and consider bids from and make awards to, Small Business and Defense Production Pools. Supply Management Service (031C) will notify the appropriate departments and staff offices when such pools are approved.

§ 8-1.303 Approval signatures.

Contracting officers or their duly authorized representatives will personally sign all contracts, changes thereto and contract enforcement correspondence. The signing of contractual documents will not be accomplished by facsimile stamps.

§ 8-1.305 Specifications.

When product specifications (Federal, Interim Federal, Military, Departmental or Industry) are cited in an invitation for bids or request for proposals, the citation shall conform to the following method:

Shall be in accordance with Federal Specification 00-X-000, dated _____, and Amendment _____, dated _____.

§ 8-1.305-3 Deviations from Federal specifications.

The VA is authorized by FPR 1-1.305-3 to deviate from Federal specifications. Each contracting officer, who is required to deviate from Federal specifications to

fulfill his needs, will submit a complete justification for such deviation to the department or staff office concerned. The department head or staff officer shall perform the review and furnish notification to GSA as required by FPR 1-1.305-3(b). A copy of each such notification shall be forwarded to the Director, Supply Management Service. This procedure also applies to the development of a VA specification where there is a Federal specification which does not meet VA requirements.

§ 8-1.305-4 Optional use of Interim Federal specifications.

(a) Interim Federal specifications, developed by VA, as indicated in the preamble, are mandatory under the same conditions and with the same exceptions as provided for Federal specifications.

(b) Suggested changes to Interim Federal Specifications used on an optional basis will be handled as in § 8-1.305-3.

§ 8-1.305-6 Military and departmental specifications.

(a) Where VA specifications have been promulgated, they will be used in all applicable procurement transactions. Deviations from VA specifications are authorized, and will be reported to the department or staff office which promulgated the specifications.

(1) *Standard specifications for perishable subsistence items.* VA Pamphlet 10-19¹ contains contract conditions and standard specifications for fresh meats, cured pork, manufactured meat products, miscellaneous meat products, poultry and dairy products. VA Pamphlet 10-28¹ contains contract conditions and standard specifications for fresh and frozen fruits and vegetables.

(i) Purchases of perishable subsistence items, including non-pamphlet items, shall be subject to the contract conditions of the appropriate VA pamphlet. This shall not apply to frozen foods purchased for distribution through the depot supply system.

(b) Where military and departmental specifications have been adopted by VA, they will be used in the same manner as VA specifications, including deviations and reporting thereof. Other such specifications included in the Index of Federal Specifications and Standards may be used when applicable by any procuring office.

§ 8-1.306 Standards.

§ 8-1.306-1 Mandatory use and application of Federal standards.

(a) Requests for exceptions to Federal standards not authorized by FPR 1-1.306-1(a) will be submitted with adequate justification through channels to the Director, Supply Management Service for submission to GSA.

(b) Where conflict exists between a Federal standard and the applicable Federal specification, notice will be furnished through channels to the Director, Supply

Management Service who will take appropriate action to have the conflict reconciled by GSA.

(c) Federal standards do not preclude the use of existing Government stocks or acceptance of excess property not in full conformity with the standard items.

§ 8-1.310 Responsible prospective contractor.

§ 8-1.310-5 Standards.

A construction contractor will execute on site and with his own organization actual construction work in an amount as set forth in the General Conditions of the contract. (See § 8-7.C50-3 for pertinent clause.)

§ 8-1.310-9 Preward on-site evaluation of mortuary services.

After solicitation of proposals for mortuary services, a committee appointed by the field station Director or Manager and consisting of the Chief, Supply Division, as chairman, the Registrar, and a professional medical representative shall inspect the establishment, equipment facilities and capabilities of each bidder. It shall also consider the reputation, financial standing and qualifications of each bidder. The committee shall submit through the field station Director or Manager to the Contracting Officer a written report recommending award to the firm or firms offering that combination of services, supplies, equipment, establishment and facilities which will best serve the needs of the station and be within the monetary limits established by law. Price or past performance will be considered as a determining factor only if it is established that all services, supplies, equipment, establishment and facilities are equal.

§ 8-1.310-10 Performance records.

A record will be established by Contractor's name and will include the purchase document number of each contract awarded in excess of \$2,500 and data on the following actions:

- (a) Follow-up on delinquent deliveries.
- (b) Rejection.
- (c) Declaration of intent to default.
- (d) Default.

§ 8-1.311 Priorities, allocations and allotments.

There are no priorities or allocations available to VA.

§ 8-1.316 Time of delivery or performance.

§ 8-1.316-5 Time of delivery clauses.

When delivery is required by or on a particular date, the following clause will be included in the appropriate time of delivery clause in FPR 1-1.316:

The delivery dates specified are the dates material is to be delivered to the ordering office—not the shipping dates.

Subpart 8-1.5—Contingent Fees

§ 8-1.508 Enforcement.

§ 8-1.508-1 Failure or refusal to furnish representation and agreement.

In all cases of negotiated procurement where the SF 119 is required, the contracting officer will determine whether

negotiations will be suspended pending receipt of the executed SF 119.

§ 8-1.508-2 Failure or refusal to furnish Standard Form 119.

The contracting officer will make the determinations required by FPR 1-1.508-2 (a) and (b).

§ 8-1.508-3 Misrepresentations or violations of the covenant against contingent fees.

(a) The determinations required by FPR 1-1.508-3 (a), (b), and (c) will be made by the Contracting Officer after he has presented the facts to and consulted with the Chief Attorney of the VA installation within whose jurisdiction the misrepresentation or violation has occurred. Contracting Officers in Central Office will consult with the Office of the General Counsel.

(b) The determination required by FPR 1-1.508-3(d) will be made by the Office of the General Counsel.

Subpart 8-1.6—Debarred and Ineligible Bidders

§ 8-1.601 Purpose.

This subpart prescribes the establishment, use and maintenance of the VA debarred bidders list.

§ 8-1.602 Establishment and maintenance of a list of firms or individuals debarred or ineligible.

The Director, Supply Management Service, or person acting in his absence, is the debarring official for the VA. The names of firms or individuals debarred will be included in an administrative issue entitled "Debarred and Ineligible Bidders List," which will be maintained by the Director, Supply Management Service. This list, marked "for official use only," will be made available only to those VA employees who require this information in the performance of their official duties.

§ 8-1.604 Treatment to be accorded firms or individuals in debarred or ineligible status.

(a) The Director, Supply Management Service or person acting in his absence may authorize procurement from a firm or individual debarred by the VA, when considered essential in the public interest.

(b) Each Contracting Officer may, at his discretion, solicit bids or proposals from and award contracts to firms or individuals otherwise ineligible under the Walsh Healey Act, as provided in FPR 1-1.604(d).

§ 8-1.606 Agency procedure.

Debarment action may be initiated by any Contracting Officer. The recommendation for debarment together with a statement of the causes or conditions, FPR (1-1.605), the suggested term of debarment and documentary evidence to support the recommendation will be submitted to the appropriate Central Office department or staff office. The department head or top staff official concerned will review the adequacy of the debarment request and transmit it to the Director, Supply Management Service with recommendations.

¹Not published in FEDERAL REGISTER. Copies may be obtained from VA Field Contracting Officers.

Subpart 8-1.9—Reporting Possible Antitrust Violations

§ 8-1.901 General.

Instances of possible antitrust violations will be reported by procurement activities through channels to the Director, Supply Management Service for review and submission to the General Counsel. Determination as to whether or not the case should be submitted to the Attorney General will be made by the General Counsel. The initial report and agency submission will be in accordance with FPR 1-1.9.

Subpart 8-1.11—Qualified Products

§ 8-1.1101 Procurement of qualified products.

(a) Federal Qualified Products Lists are lists of products qualified under the applicable Federal or interim Federal specification. Such lists may be used as authorized by the appropriate department or staff office. Requests to receive copies of existing Federal Qualified Products Lists will be submitted to the department or staff office for transmittal to GSA. Requests to establish a Federal Qualified Products List for a commodity will be submitted through channels to the Director, Supply Management Service, supported by one or more of the following justifications:

(1) The time required for testing after award would unduly delay delivery of the supplies being purchased.

(2) The cost of repetitive testing would be excessive.

(3) The tests would require expensive or complicated testing apparatus not commonly available.

(4) The interest of the Government requires assurance, prior to award, that the product is satisfactory for its intended use.

(5) The determination of acceptability would require performance data to supplement technical requirements contained in the specification.

(b) VA Qualified Products Lists are lists of products qualified by the VA under VA specifications or purchase descriptions. Such lists may be established as authorized by the appropriate department or staff office.

(1) VA Qualified Products Lists will be supported by one or more of the justifications in § 8-1.1101(a) or the following:

(i) Where tests result in substantial or repetitive rejections, or

(ii) Where professional requirements of performance, balance, design, or construction cannot economically be developed into clear specifications, and professional judgment is required in determining the acceptability of items meeting VA requirements.

(2) In the event that the requirement for VA Qualified Products List is established for any given product, known suppliers of the type of item required will be notified and given an opportunity to submit samples for inspection, and test based upon guarantee that they will deliver the item so inspected, provided the item is acceptable. A qualified products list shall not be used as a means of restricting competition to favored

suppliers. All suppliers so desiring shall be given an opportunity to have their products tested for acceptability.

(3) Costs involved in the inspection and test will be borne by the VA. The supplier will be required to bear the cost of the sample and its transportation to the inspecting point. After inspection, the sample shall be returned to the supplier "as is" unless it is destroyed by inspection or disposed of or retained by the VA as authorized by the supplier.

(4) Items which have been accepted for the qualified products list will be subject to constant review for compliance with the applicable specification. Where there is a variance between the specification and the item, the supplier shall be requested to furnish an item that conforms to the specification. Failure or inability on the part of the supplier to provide an item that conforms to the specification will be sufficient cause to consider the item unacceptable in response to subsequent invitations.

(5) The acceptance of an item for the qualified products list does not guarantee acceptance in any future purchase, nor does it constitute a waiver of the requirements of the specifications as to acceptance, inspection, testing or other provisions of any future contract involving such item.

(6) Bid invitations covering products which have been included in a qualified products list will include the clause set forth in FPR 1-1.1101(b). When purchase is made by negotiation, the clause in FPR 1-1.1101(b) may be appropriately modified.

Subpart 8-1.13—Standard Contract Delivery Terms

§ 8-1.1351 General policy.

(a) All supply contracts, advertised or negotiated, will contain the delivery terms most appropriate and advantageous to the VA. Contracts covering delivery within the continental United States shall provide for delivery f.o.b. destination when it is estimated that no single shipment to a single destination will equal 20,000 pounds: *Provided, however*, That other delivery terms may be designated whenever there are valid reasons to the contrary, such as, but not restricted to, industry practice or destination unknown.

(b) Where only domestic transportation is involved, the criteria set forth below should be used to determine the appropriate delivery terms to be incorporated in supply contracts.

(1) Destination unknown: Invite bids or request quotations f.o.b. origin regardless of quantity and nature of commodity.

(2) Destination is known: Invite bids or request quotations f.o.b. destination when:

(i) The quantity to be purchased is less than 20,000 pounds.

(ii) The quantity to be purchased is 100,000 pounds or less and the item(s) is of fragile nature or exceptionally susceptible to damage in transit.

(3) Destination is known and quantity to be purchased exceeds those shown in

subparagraph (2) (i) and (ii) of this paragraph. Invite bids or request quotations both f.o.b. origin and destination.

(4) When clearly to the VA interest to consider bids or quotations f.o.b. contractor's plant, f.o.b. origin, freight prepaid, or f.o.b. origin, freight allowed, the Contracting Officer will assure that:

(i) In the case of bids or quotations f.o.b. contractor's plant, the location of the plant with relation to the common carrier facilities is clearly stated; and

(ii) In the case of bids or quotations f.o.b. origin, freight prepaid or freight allowed, the amount of, or basis for, the freight charges to be prepaid or allowed is stated with sufficient clarity to enable the certifying officer to determine vendor's full responsibility for the payment, or allowance of transportation charges.

§ 8-1.1352 F.o.b. point of origin.

(a) When delivery is to be made f.o.b. point of origin, the contract will include the following:

(1) The term "f.o.b. point of origin."

(2) The clause in § 8-1.1352-1.

(3) Identification of the f.o.b. point, including:

(i) The name of the city in which the contractor's plant, store, warehouse, or other facility from which shipment will be made is located, and at which the principal transportation service (as distinguished from switching, local drayage, or other terminal service at the point of origin) begins; and

(ii) If shipment is to be made in carload or truckload quantities, the name or number, if any, of private or assigned rail siding, or public team track, on which rail shipments are usually loaded, together with the name of railroads serving such siding or team directly or through reciprocal switching, or the name of the street or highway and location thereon where truck shipments are usually received by motor carriers.

§ 8-1.1352-1 F.o.b. point of origin delivery clause.

F.O.B. POINT OF ORIGIN DELIVERY TERMS

The term "f.o.b. point of origin" means:

(a) On board the indicated type of conveyance of carrier (or of Government where the contract so indicates), free of expense to the Government, in the city specified, in which the Contractor's plant, store, warehouse, or other facility from which the shipment will be made is located, and at which the principal transportation service (as distinguished from switching, local drayage, or other terminal service at the point of origin) begins. If the Contractor's plant, store, warehouse, or other facility is not located within the "limits of a city" as herein defined, the principal transportation service shall be understood to begin at the carrier's station or depot at which bills of lading are receipted by the carrier's agent. "Limits of a city" shall be understood to mean the free switching limits or free limits of the city or municipality of origin as defined in the applicable freight tariff, or, if there is no applicable freight tariff with such definition, the commercial zone area as prescribed by the Interstate Commerce Commission pursuant to sections 202(c) and 203(b)(8) of the Interstate Commerce Act, as amended (49 U.S.C. 302(c) and 303(b)(8)), or, in the absence of such prescribed zone areas, the corporate limits or geographic limits of the local Government entity, as determined by the law or local custom.

(b) That it shall be the responsibility of the Contractor to do the following:

(1) Pack and mark in such manner as to afford adequate protection against normal transportation hazards and secure prompt delivery to the consignee, and comply with all packing and marking specifications of the contract;

(2) Where carload rail shipments are involved, order cars not in excess of the length, capacity, and number necessary to accommodate shipments, and to do everything possible to see that cars are furnished;

(3) Properly load, stow, block, and brace goods on or in conveyance of carrier, in the case of carload or truckload shipments, or deliver shipments of less than carload or less than truckload in good order to carriers for loading;

(4) Fill in blank spaces on Government bills of lading which are supplied by ordering agencies, or, when Government bills of lading are not supplied, prepare commercial collect bills of lading or other transportation receipts (endorsed "To be converted to Government bill of lading at destination"), to show:

(i) Description of shipment in freight classification nomenclature (not trade or popular name, if these are different from freight classification description) under which lowest freight rates are applicable.

(ii) Length and capacity of cars ordered and furnished in the case of carload shipments,

(iii) Other information not inserted by the ordering agency, which is required to effect prompt delivery to consignee at minimum cost, such as name and postal address of consignee, destination, routing, etc.,

(iv) Signature thereon of carrier's agent, receipting for shipment in good order;

(5) Distribute the several parts of bill of lading, or other transportation receipts, as directed by the ordering agency;

(6) Pay and bear all charges for switching or local drayage service performed at point of origin, which are not borne by the common carrier receipting for the shipment;

(7) Be responsible for any loss or damage to property being shipped occurring before such property is loaded, or delivered to carrier, i.e., before carrier's receipt is obtained, as the case may be, as provided in paragraph (b)(3) above, and carrier's receipt is obtained as provided in paragraph (b)(4)(iv) above;

(8) Be responsible for all damages (including accessorial charges) resulting from negligence or error in packing, marking, and delivering shipment to carrier, and, when loaded by contractor, in loading, stowing, blocking, or bracing of shipment on or in carrier's conveyance, or resulting from negligence or error in the completion or distribution of Government bills of lading or other transportation receipts or documents.

§ 8-1.1353 F.o.b. contractor's plant.

(a) When delivery is to be made f.o.b. contractor's plant, the contract will include the following:

(1) The term "f.o.b. contractor's plant."

(2) The clause in § 8-1.1353-1.

(3) Identification of the f.o.b. point, including:

(i) The street, highway, or other location address of contractor's plant, store, warehouse, or other facilities from which shipment will be made and the name of the city in or near which such plant is located; and

(ii) The identification of loading locations, if shipment is made in carload or truckload quantities, as provided in § 8-1.1352(a)(3)(ii).

§ 8-1.1353-1 F.o.b. contractor's plant delivery clause.

F.O.B. CONTRACTOR'S PLANT DELIVERY TERMS

The term "f.o.b. contractor's plant" means:

(a) On board the indicated type of conveyance of carrier (or of Government where the contract so indicates), free of expense to the Government, at the contractor's plant, store, warehouse, or other designated facility, from which the shipment will be made.

(b) That it shall be the responsibility of the Contractor to do the following:

(1) Pack and mark in such manner as to afford adequate protection against normal transportation hazards and secure prompt delivery to the consignee, and comply with all packing and marking specifications of the contract;

(2) Where carload rail shipments are involved, order cars not in excess of the length, capacity, and number necessary to accommodate shipments, and to do everything possible to see that cars are furnished;

(3) Properly load, stow, block, and brace goods on, or in, conveyance of carrier, in the case of carload or truckload shipments, or deliver shipments of less than carload or less than truckload in good order to carriers for loading;

(4) Fill in blank spaces on Government bills of lading which are supplied by ordering agencies, or, when Government bills of lading are not supplied, prepare commercial collect bills of lading or other transportation receipts (endorsed "To be converted to Government bill of lading at destination") to show:

(i) Description of shipment in freight classification nomenclature (not trade or popular name, if these are different from freight classification description) under which lowest freight rates are applicable.

(ii) Length and capacity of cars ordered and furnished in the case of carload shipments,

(iii) Other information not inserted by the ordering agency, which is required to effect prompt delivery to consignee at minimum cost, such as name and postal address of consignee, destination, routing, etc.,

(iv) Signature thereon of carrier's agent, receipting for shipment in good order;

(5) Distribute the several parts of bill of lading, or other transportation receipts, as directed by the ordering agency;

(6) Be responsible for any loss or damage occurring after delivery to carrier at contractor's plant, either loaded in carrier's or Government's conveyance or for loading, as the case may be, or while en route from Contractor's plant to public team track for loading caused by his error or negligence;

(7) Be responsible for local drayage, switching, or other accessorial charges accruing at the point of origin, which are not borne by the carrier receipting for the shipment at that point, caused by his error or negligence in performing his applicable responsibilities as set forth herein;

(8) Be responsible for all damages (including accessorial charges) resulting from negligence or error in packing, marking, and delivering shipment to carrier, and, when loaded by Contractor, in loading, stowing, blocking, or bracing of shipment on or in carrier's conveyance, or resulting from negligence or error in the completion or distribution of Government bills of lading or other transportation receipts or documents.

§ 8-1.1354 F.o.b. point of origin, freight prepaid.

(a) When delivery is to be made f.o.b. point of origin, freight prepaid, the contract will include the following:

(1) The term "f.o.b. Point of origin, freight prepaid."

(2) The clause in § 8-1.1354-1.

(3) Identification of the f.o.b. point and of the transportation charges to be prepaid, including:

(i) The point of origin as provided in § 8-1.1352(a)(3), and

(ii) The name of the destination to which transportation will be prepaid or the amount, or the basis for computing the amount, of the transportation charges to be prepaid.

§ 8-1.1354-1 F.o.b. point of origin, freight prepaid delivery clause.

F.O.B. POINT OF ORIGIN, FREIGHT PREPAID DELIVERY TERMS

The term "f.o.b. point of origin, freight prepaid" means:

(a) On board the indicated type of conveyance of carrier (or of Government where the contract so indicates), free of expense to the Government, in the city specified, in which the contractor's plant, store, warehouse, or other facility from which the shipment will be made is located, and at which the principal transportation service (as distinguished from switching, local drayage, or other terminal service at the point of origin) begins. If the contractor's plant, store, warehouse, or other facility is not located within the "limits of a city" as defined herein, the principal transportation service shall be understood to begin at the carrier's station or depot at which bills of lading are received by the carrier's agent. "Limits of a city" shall be understood to mean the free switching limits or free pickup limits of the city or municipality of origin as defined in the applicable freight tariff, or, if there is no applicable freight tariff with such definition, the commercial zone area as prescribed by the Interstate Commerce Commission pursuant to sections 202(c) and 203(b)(8), of the Interstate Commerce Act, as amended (49 U.S.C. 302(c) and 303(b)(8)), or in, the absence of such prescribed zone areas, the corporate limits or geographic limits of the local Government entity, as determined by law or local custom.

(b) That it shall be the responsibility of the Contractor to do the following:

(1) Pack and mark in such manner as to afford adequate protection against normal transportation hazards and secure prompt delivery to the consignee, and comply with all packing and marking specifications of the contract;

(2) Where carload rail shipments are involved, order cars not in excess of the length, capacity, and number necessary to accommodate shipments, and to do everything possible to see that cars are furnished;

(3) Properly load, stow, block, and brace goods on, or in, conveyance of carrier, in the case of carload or truckload shipments, or deliver shipments of less than carload or less than truckload in good order to carriers for loading;

(4) Prepay all freight charges to the extent specified in the contract and ship on prepaid commercial bills of lading prepared to show:

(i) Description of shipment in freight classification nomenclature (not trade or popular name, if these are different from freight classification description) under which lowest freight rates are applicable,

(ii) Length and capacity of cars ordered and furnished in the case of carload shipments,

(iii) Other information not inserted by the ordering agency, which is required to effect prompt delivery to consignee at minimum cost, such as name and postal address of consignee, destination, routing, etc.,

(iv) Signature thereon of carrier's agent, receipting for shipment in good order;

(5) Distribute the several parts of bill of lading, or other transportation receipts, as directed by the ordering agency;

(6) Be responsible for any loss or damage to property being shipped occurring before such property is loaded, or delivered to carrier, i.e., before carrier's receipt is obtained, as the case may be, as provided in paragraph (b) (3) above, and carrier's receipt is obtained as provided in paragraph (b) (4) (iv) above;

(7) Pay and bear all charges for switching of local drayage service performed at point of origin, which are not borne by the common carrier receipting for the shipment;

(8) Be responsible for all damages (including accessorial charges) resulting from negligence or error in packing, marking, and delivering shipment to carrier, and when loaded by seller, in loading, stowing, blocking or bracing of shipment on or in carrier's conveyance, or resulting from negligence or error in the completion or distribution of bills of lading or other transportation receipts or documents.

§ 8-1.1355 F.o.b. point of origin, freight allowed.

(a) When delivery is to be made f.o.b. point of origin, freight allowed, the contract will include the following:

(1) The term "f.o.b. point of origin, freight allowed."

(2) The clause in § 8-1.1355-1.

(3) Identification of the f.o.b. point and of the transportation charges to be allowed including:

(i) The point of origin as provided in § 8-1.1352(a) (3); and

(ii) The name of the destination to which the transportation will be allowed or the amount, or the basis for computing the amount, of the transportation charges to be allowed.

§ 8-1.1355-1 F.o.b. point of origin, freight allowed delivery terms clause.

F.O.B. POINT OF ORIGIN, FREIGHT ALLOWED DELIVERY TERMS

The term "F.O.B. Point of Origin, Freight Allowed" means:

(a) On board the indicated type of conveyance or carrier (or of Government where the contract so indicates), free of expense to the Government, in the city specified, in which the Contractor's plant, store, warehouse, or other facility from which the shipment will be made is located, and at which the principal transportation service (as distinguished from switching, local drayage, or other terminal service at the point of origin) begins. If the Contractor's plant, store, warehouse, or other facility is not located within the "limits of a city" as defined herein, the principal transportation service shall be understood to begin at the carrier's station or depot at which bills of lading are receipted by the carrier's agent. "Limits of a city" shall be understood to mean the free switching limits or free pickup limits of the city or municipality of origin as defined in the applicable freight tariff, or if there is no applicable freight tariff with such definition, the commercial zone area as prescribed by the Interstate Commerce Commission pursuant to sections 202(c) and 203(b) (8) of the Interstate Commerce Act, as amended (49 U.S.C. 302(c) and 303(b) (8)), or in the absence of such prescribed zone areas, the corporate limits or geographic limits of the local Government entity, as determined by law or local custom.

(b) That it shall be the responsibility of the Contractor to do the following:

(1) Pack and mark in such manner as to afford adequate protection against normal transportation hazards and secure prompt delivery to the consignee, and comply with

all packing and marking specifications of the contract;

(2) Where carload rail shipments are involved, order cars not in excess of the length, capacity, and number necessary to accommodate shipments, and to do everything possible to see that cars are furnished;

(3) Properly load, stow, block, and brace goods on, or in, conveyance of carrier, in the case of carload or truckload shipments, or deliver shipments of less than carload or less than truckload in good order to carriers for loading;

(4) Fill in blank spaces on Government bills of lading which are supplied by ordering agencies, or when Government bills of lading are not supplied, prepare commercial collect bills of lading or other transportation receipts (endorsed "To be converted to Government bill of lading at destination") to show—

(i) Description of shipment in freight classification nomenclature (not trade or popular name, if these are different from freight classification description) under which lowest freight rates are applicable,

(ii) Length and capacity of cars ordered and furnished in the case of carload shipments,

(iii) Other information not inserted by the ordering agency, which is required to effect prompt delivery to consignee at minimum cost, such as name and postal address of consignee, destination, routing, etc.,

(iv) Signature thereon of carrier's agent, receipting for shipment in good order;

(5) Allow freight charges to the extent specified in the contract and show on each invoice the deduction for such allowed freight charges;

(6) Distribute the several parts of bill of lading, or other transportation receipts, as directed by the ordering agency;

(7) Be responsible for any loss or damage to property being shipped occurring before such property is loaded, or delivered to carrier, i.e., before carrier's receipt is obtained, as the case may be, as provided in paragraph (b) (3) above, and carrier's receipt is obtained as provided in paragraph (b) (4) (iv) above;

(8) Pay and bear all charges for switching or local drayage service performed at point of origin, which are not borne by the common carrier receipting for the shipment;

(9) Be responsible for all damages (including accessorial charges) resulting from negligence or error in packing, marking, and delivering shipment to carrier, and when loaded by seller, in loading, stowing, blocking or bracing of shipment on or in carrier's conveyance, or resulting from negligence or error in the completion or distribution of Government bills of lading or other transportation receipts or documents.

§ 8-1.1356 F.o.b. destination.

(a) When delivery is to be made f.o.b. destination, the contract will include the following:

(1) The term "f.o.b. destination."

(2) The clause in § 8-1.1356-1.

(3) Identification of the f.o.b. point, including:

(i) The name of the city in which the consignee's plant, store, warehouse, or other facility to which shipment will be made is located, and at which the principal transportation service (as distinguished from switching, local drayage, unloading, handling, or other service at destination, not borne by delivering carrier) ends;

(ii) If shipment is to be made in carload or truckload quantities, the name or number, if any, of private or assigned rail siding, or public team track, on

which shipments are usually unloaded, together with the name of all railroads serving such siding or team track, unless provision is made in the contract for supplying this information in the delivery instructions; and

(iii) The street address of consignee's plant, store, warehouse, or other facility to which the carrier's arrival notice is to be mailed, and at which less than carload, truckload, or less than truckload shipments are to be delivered.

§ 8-1.1356-1 F.o.b. destination delivery terms clause.

F.O.B. DESTINATION DELIVERY TERMS

The term "f.o.b. destination" means:

(a) On board conveyance of carrier, free of expense to the Government, to the city specified, in which the consignee's plant, store, warehouse, or other facility to which shipment will be made is located, and at which the principal transportation service (as distinguished from switching, local drayage, unloading, handling, or other service at destination, not borne by delivering carrier) ends. If the consignee's plant, store, warehouse, or other facility to which shipment will be made is not located within the limits of a city as herein defined, the principal transportation service shall be understood to end at the carrier's nearest agency or non-agency station to which shipments are usually billed by the carrier. "Limits of a city" shall be understood to mean the free switching limits or free delivery limits of the city or municipality of destination as defined in the applicable freight tariff, or, if there is no applicable freight tariff with such definition, the commercial zone area as prescribed by the Interstate Commerce Commission pursuant to sections 202(c) and 203(b) (8) of the Interstate Commerce Act, as amended (49 U.S.C. 302(c) and 303(b) (8)) or in the absence of such prescribed zone areas the corporate limits or geographic limits of the local Government entity, as determined by law or local custom. This term will include delivery to the consignee's plant, etc., to the extent that the applicable rate for the principal transportation service, as above described, includes such delivery.

(b) That it shall be the responsibility of the Contractor to do the following:

(1) Pack and mark in such manner as to afford adequate protection against normal transportation hazards and secure prompt delivery to the consignee, and comply with all packing and marking specifications of the contract;

(2) Properly prepare and distribute commercial bills of lading;

(3) Pay and bear all transportation charges including accessorial charges to on board conveyance of carrier at named destination except as may be incurred by error or negligence of the Government in issuing shipping instructions. The Contractor shall not be responsible for charges for switching, drayage, unloading and handling incurred at destination not included in the applicable rate for the principal transportation service;

(4) Be responsible for any loss or damage to shipments occurring before receipt by the Government at the named destination.

§ 8-1.1357 F.o.b. destination, within consignee's premises.

(a) When delivery is to be made f.o.b. destination, within consignee's premises, the contract will include the following:

(1) The term "f.o.b. destination within consignee's premises."

(2) The clause in § 8-1.1357-1 when delivery is to be made via freight or express.

(3) Identification of the f.o.b. point, including:

(i) The destination point as described in § 8-1.1356(a) (3) and
 (ii) The street, highway, or other location address of the consignee's premises within which delivery is to be made.
 (4) When delivery is to be made via parcel post, the clause in § 8-1.1357-1 will be modified by deleting (b) (2) and the words "and accessorial" in line 1, (b) (4).

§ 8-1.1357-1 F.o.b. destination, within consignee's premises delivery clause.

F.O.B. DESTINATION, WITHIN CONSIGNEE'S PREMISES DELIVERY TERMS

The term "f.o.b. destination, within consignee's premises" means:

(a) Delivery, free of expense to the Government, to within the doors of the consignee's premises specified in the contract or delivery instructions.

(b) That it shall be the responsibility of the Contractor to do the following:

(1) Pack and mark in such manner as to afford adequate protection against normal transportation hazards and secure prompt delivery to the consignee, and comply with all packing and marking specifications of the contract;

(2) Properly prepare and distribute commercial bills of lading;

(3) Make delivery laid down within the doors of the consignee's premises specified in the contract or delivery instructions;

(4) Pay and bear all transportation and accessorial charges for such delivery laid down within the doors of the consignee's premises specified in the contract or delivery instructions;

(5) Be responsible for any loss or damage occurring before delivery laid down within the doors of the consignee's premises specified in the contract or delivery instructions.

PART 8-2—PROCUREMENT BY FORMAL ADVERTISING

Subpart 8-2.1—Use of Formal Advertising

- Sec.
- 8-2.102 Policy.
- 8-2.104 Types of contracts.
- 8-2.104-1 General.
- 8-2.104-3 Fixed price contracts with escalation.

Subpart 8-2.2—Solicitation of Bids

- 8-2.201 Preparation of invitations for bids.
- 8-2.202 Miscellaneous rules for solicitation of bids.
- 8-2.202-4 Bid samples.
- 8-2.203 Methods of soliciting bids.
- 8-2.203-1 Mailing or delivering to prospective bidders.
- 8-2.203-3 Publicity in newspapers and trade journals.

Subpart 8-2.3—Submission of Bids

- 8-2.301 Responsiveness of bids.
- 8-2.303 Late bids.
- 8-2.303-2 Consideration for award.
- 8-2.303-5 Hand-carried bids.
- 8-2.303-6 Notification to late bidders.
- 8-2.305 Late modifications and withdrawals.

Subpart 8-2.4—Opening of Bids and Award of Contract

- 8-2.402 Opening of bids.
- 8-2.403 Recording of bids.
- 8-2.404 Rejection of bids.
- 8-2.404-2 Rejection of individual bids.
- 8-2.406 Mistakes in bids.
- 8-2.406-3 Other mistakes disclosed before award.
- 8-2.406-4 Disclosure of mistakes after award.
- 8-2.407 Award.

- Sec.
- 8-2.407-1 General.
- 8-2.407-8 Protests against award.
- 8-2.408 Information to bidders.

AUTHORITY: §§ 8-2.102 to 8-2.408 issued under 72 Stat. 1114, sec. 205(c), 63 Stat. 390; 38 U.S.C. 210, 40 U.S.C. 486(c).

Subpart 8-2.1—Use of Formal Advertising

§ 8-2.102 Policy.

Contracts in excess of \$2,500 will be made by formal advertising when all of the following elements essential to formal advertising are present:

(a) A complete, adequate and realistic specification or purchase description is available or can be written.

(b) There are two or more suppliers available who are willing and able to compete effectively for the contract.

(c) There is sufficient time to prepare the invitation completely setting forth the needs of the VA, the terms and conditions upon which it will do business and to complete the administrative determinations, including evaluation, essential to this type of procurement.

(d) The award can be made on the basis of price alone to a responsible and responsive bidder.

§ 8-2.104 Types of contracts.

§ 8-2.104-1 General.

Contracts awarded after advertising shall be of the firm fixed price type, except when, in the opinion of the contracting officer, the use of a fixed price contract with an escalation clause would be to the advantage of the Veterans Administration. In the latter instance the reasons therefor shall be submitted through channels to the appropriate Central Office department or staff office for approval prior to issuance of the Invitation for Bid. Contracts covering public utilities, although containing an escalation clause, may be entered into without prior approval.

§ 8-2.104-3 Fixed price contracts with escalation.

When contracts of this nature are authorized by Central Office, contracting officers will be guided by the provisions of FPR 1-3.403-2.

Subpart 8-2.2—Solicitation of Bids

§ 8-2.201 Preparation of invitations for bids.

(a) Invitations for bids will be serially numbered at the time of issuance. A new series beginning with the number 1 will be started at the beginning of each fiscal year. Bid invitations issued in one fiscal year to become effective in the ensuing fiscal year will be assigned a number from the ensuing fiscal year series.

(1) Invitations for construction contracts will bear the applicable specification number and project number if assigned.

(i) When no specification or project number is assigned, the invitation will be assigned a number in the current fiscal year series.

(b) Alternates specified on construction projects will be considered for acceptance only as a part of the basic item.

Bid invitations for supplies and services (other than construction) must define the extent to which alternate bids will be authorized and considered. Following are examples of situations and appropriate clauses for use when bids are allowed on alternate items of supplies and services:

(1) When alternate is to be considered if no bids, or insufficient bids are received on the item desired:

Alternate Item(s)

Bids on (acceptable alternate, item number, etc.) will be considered only if acceptable bids on (required item, item number, etc.) are not received or do not satisfy the total requirement.

(2) When alternate item will be considered on equal basis with the item specified:

Alternate Item(s)

Bids on (alternate item) will be given equal consideration along with the (desired item) and any such bids received may be accepted if to the advantage of the United States. Tie bids will be decided in favor of the (desired item).

(3) When bids are allowed on different packaging, unit designation, etc., the following should be added to the clauses in (1) through (2).

Alternate Packaging and Packing

The bidder's proposal must clearly indicate the (quantity, package size, unit or other different feature) upon which he is quoting. Evaluation on (the alternate or multiple alternates) will be made on a (common denominator such as per ounce, per pound, etc.) basis.

(c) In instances where it is determined that awards should be made in the aggregate in lieu of on an item by item basis, a clause as follows will be used. In the event the number of line items on the invitation are so few as to make the wording of this clause inappropriate, it may be modified to fit the circumstances.

Aggregate Awards

It is contemplated that items No. ----- to -----, inclusive, will be awarded in the aggregate, but the right is reserved to cancel any item or items after the bids are opened, before making award. The entire group will be awarded to the bidder quoting the lowest price for the complete group, or, in the event no bid is received for all the items in the group, award will be made to the bidder quoting the lowest aggregate price for the greatest number of items in the group, the remaining items in the group to be awarded to the lowest bidder on each item. It will be necessary for each bidder to state the unit price of each item on which quoting and the total price quoted for all items in the group.

(d) Where test or examination reports may require an unusually long period of time, or to establish the exact date for discount considerations, the appropriate paragraph of SF 33 will be amended in the invitation for bids as follows:

Test and Examination Reports

Discounts offered for prompt payment will be computed from the date of acceptance by the Veterans Administration (whether delivery is f.o.b. point of origin or delivery to destination) or from date the correct invoice or voucher is received in the office specified by the Veterans Administration or from the date of receipt of the shipment,

whichever is later. Acceptance will be the date the Veterans Administration receives satisfactory inspection or test report. (Paragraph 7, Discounts, SF 33, is amended accordingly.)

(e) Instructions for bid guarantee, performance and payment bond requirements are set forth in §§ 8-10.102-2 and 8-10.150.

§ 8-2.202 Miscellaneous rules for solicitation of bids.

§ 8-2.202-4 Bid samples.

(a) Where it has been determined that samples are necessary to the proper awarding of a contract the following subparagraph will be added to the provision in FPR 1-2.202-4(e):

Bid Samples

* * * * *

All samples furnished must be plainly marked with the complete lettering and numbering of the item or sub-items to which it relates, the name of the commodity, the Invitation for Bid number, and the name of the Bidder. Cases or packages containing samples must be plainly marked "Samples" and all charges incident to the preparation and transportation of samples must be prepaid by the Bidder. Bids must not be enclosed with samples. (Par. 2, Submission of Bids, SF 33 is amended accordingly.)

§ 8-2.203 Methods of soliciting bids.

§ 8-2.203-1 Mailing or delivering to prospective bidders.

(a) Each prospective bidder shall be furnished an envelope without penalty indicia, addressed to the contracting office with the invitation number or other identifying data, and opening time and date shown thereon.

(b) SF 19 Invitation, Bid, and Award or SF 20, Invitation for Bids (Construction Contract) may be distributed 10 to 14 days prior to the issue of drawings and specifications.

§ 8-2.203-3 Publicity in newspapers and trade journals.

Paid advertising for procurement of supplies, equipment and services will be used only upon written approval of the Administrator (44 U.S.C. 324). Each request for approval will set forth the circumstances which preclude procurement being accomplished satisfactorily by normal advertising methods. The request will be submitted through channels and routed through the Director, Supply Management Service, for preparation of appropriate recommendation to the Administrator. See §§ 8-3.210 and 8-16.301-50.

Subpart 8-2.3—Submission of Bids

§ 8-2.301 Responsiveness of bids.

Where the timeliness of the submission of a bid, modification or withdrawal cannot be administratively determined in accordance with FPR-1-2.3, the matter will be submitted by the contracting officer direct to the Comptroller General for decision. The submission will include copies of all pertinent papers. A copy of each such submission will be forwarded to the Director, Supply Management Service.

§ 8-2.303 Late bids.

§ 8-2.303-2 Consideration for award.

All bids received by mail (or telegram where authorized), will be time and date stamped immediately upon receipt at the VA installation mail room and in the office of the addressee designated in the invitation. This will firmly establish the time of receipt of bids, or when bids are received in the office of the addressee subsequent to the time of opening, it will establish whether or not the delay was due to mishandling on the part of the VA.

§ 8-2.303-5 Hand-carried bids.

A bid hand-carried by the bidder or his agent, will be considered late unless delivered to the addressee designated in the bid invitation prior to the time set for opening.

§ 8-2.303-6 Notification to late bidders.

The notification to late bidders will specify the final date by which the evidence must be received to be considered. This date must be within the time allowed by the apparent low bidder for acceptance of his bid.

§ 8-2.305 Late modifications and withdrawals.

A bid modification or a bid withdrawal submitted by mail or telegram, delivered to the VA installation not later than the time set for opening, shall be considered timely received by the addressee designated in the invitation.

Subpart 8-2.4—Opening of Bids and Award of Contract

§ 8-2.402 Opening of bids.

(a) The contracting officer shall serve as, or designate, a bid opening officer. He shall also designate a recorder.

(b) The form and amount of bid security and name of surety will be read aloud and recorded.

§ 8-2.403 Recording of bids.

The information required for bid evaluation shall be recorded on an appropriate Abstract of Bids (VA Form 1286, 2232 or 11-6103). In addition to those instructions set forth in FPR 1-2.403, the bid opening officer shall certify on the abstract the date and hour at which the bids were opened. Where erasures, strikeouts, or changes in price are noted at the time of opening, a statement to that effect will also be included on, or attached to, the abstract or record of bids.

§ 8-2.404 Rejection of bids.

§ 8-2.404-2 Rejection of individual bids.

Questions involving the responsiveness of a bid which cannot be resolved by the contracting officer may be submitted directly to the Comptroller General, accompanied by a copy of each of the pertinent documents. A copy of each such submission will be forwarded to the Director, Supply Management Service.

§ 8-2.406 Mistakes in bids.

§ 8-2.406-3 Other mistakes disclosed before award.

(a) The Director, Supply Management Service, is delegated the authority of the Administrator of VA to make the determinations provided for in FPR 1-2.406-3(a). This delegation in no way impairs the delegations contained in Comptroller General Decision B-122003 dated November 22, 1954.

(b) Cases of alleged mistakes in bids will be submitted by Contracting Officers directly to the Director, Supply Management Service. No award will be made pending receipt of an administrative determination. Administrative determinations will be sent directly to the Contracting Officer. The Director, Supply Management Service shall furnish a copy of the submission and administrative determination to the department or staff office concerned.

(c) Determinations made by the Director, Supply Management Service may, when deemed necessary by him, be submitted to the General Counsel for review.

(d) In doubtful cases under FPR 1-2.406-3(e), where determination by the Comptroller General is required, it will be obtained by the Director, Supply Management Service and furnished to the Contracting Officer.

§ 8-2.406-4 Disclosure of mistakes after award.

(a) The Director, Supply Management Service, is delegated the authority of the Administrator to make the administrative determinations allowed by FPR 1-2.406-4.

(b) All cases of mistakes in bid alleged or disclosed after award will be submitted by the Contracting Officer directly to the Director, Supply Management Service. Administrative determinations made by the Director, Supply Management Service will be sent directly to the Contracting Officer. The Director, Supply Management Service shall furnish a copy of the submission and administrative determination to the department or staff office concerned. Where an administrative determination is precluded by the limitations of FPR 1-2.406-4, or where the case is doubtful, the decision of the Comptroller General will be obtained by the Director, Supply Management Service and forwarded to the Contracting Officer.

§ 8-2.407 Award.

§ 8-2.407-1 General.

(a) Multiple bids submitted by one individual on his own behalf or on behalf of two or more companies, or by two or more affiliated companies, may be considered in making an award, provided the bids were not submitted:

(1) For the purpose of circumventing a law such as the Davis-Bacon Act or the Walsh-Healey Public Contracts Act, or

(2) For any other purpose which would be prejudicial to the United States or to other bidders.

(b) To preclude any bidder from gaining an unfair advantage through the submission of multiple bids which are equal in all respects to other low bids received under the same invitation for bids, only one such bid shall be considered in the award by lot. The selection of the bid (of the equal multiple bids received) to represent the person or firm, or affiliates thereof, shall be by lot.

(c) Construction contractors will be given written "Notice to Proceed" with the work. SF 19 when completed by the contracting officer and returned to the contractor serves the purpose for contracts not in excess of \$2,000. A letter will serve as such notice in contracts exceeding \$2,000 and will be furnished to the contractor upon the approval of the required payment and performance bonds.

(1) Where the urgency of the work or other proper reason requires the contractor to immediately begin work, the award letter may include the "Notice to Proceed" with the reservation that payments are contingent upon approval of the bonds furnished.

§ 8-2.407-8 Protests against award.

(a) *General.* Simultaneous with any submission to the Office of the Comptroller General under the authority of this section 8-2.407-8, the appropriate Central Office department or staff office will be furnished a complete copy of such submission. The contracting officer will notify the protesting individual or firm promptly in writing upon receipt of the decision of the Comptroller General. A copy of the decision and notification will be furnished the appropriate Central Office department or staff office by the contracting officer.

(1) When a written protest is lodged with Central Office, either before or after award, prompt action will be taken to notify the contracting officer. He will be furnished a copy of the protest document and requested to furnish that material outlined in FPR 1-2.406-4(f)

(2) (i) through (iv) which may be pertinent to the particular protest.

(b) *Protests before award.* When a written protest has been lodged with the contracting officer, and he considers it desirable to do so, he may obtain the views of the Office of the Comptroller General. The submission will be made direct to that office. It will include that material which may be pertinent to the particular protest, indicated in § 8-2.407-8(a) (1).

(1) While a case involving a protest before award is pending in the office of the Comptroller General, no award may be made under FPR 1-2.407-8(b) (3), unless prior approval of the appropriate Central Office department or staff office has been secured. The request for approval will include complete documentation of the determination to make the award.

(2) The department or staff office will file a notice of intent to make award with the Office of the Comptroller General and request advice as to the status of the case. A copy of such notice will be forwarded to the Director, Supply Management Service. Upon receipt of this

information, the department or staff office will approve the determination to make the award, or advise the contracting officer as to the action to be taken.

(c) *Protests after award.* When a written protest is lodged with the contracting officer, he will furnish the protestor a written explanation of the basis for the award. The protestor shall be advised that he may appeal the decision to the appropriate department or staff office, the Administrator or to the Office of the Comptroller General.

§ 8-2.408 Information to bidders.

(a) Prior to award, no information as to probable acceptance or rejection of any offer shall be given to any bidder or other person outside the VA.

(b) Except as provided in paragraphs (c) and (d) of this section, information as to performance under contract or an accepted bid is not public information and will be released to persons outside the VA only upon the authority of the immediate supervisor of the contracting officer.

(c) Except as provided in paragraph (d) of this section, the contracting officer may furnish information as to performance under a contract to those having a legitimate interest, such as banks, other financial companies and Government departments and agencies.

(d) When litigation is involved, all information will be furnished through the General Counsel.

PART 8-3—PROCUREMENT BY NEGOTIATION

Subpart 8-3.1—Use of Negotiation

Sec. 8-3.101 General requirements for negotiation.

Subpart 8-3.2—Circumstances Permitting Negotiation

8-3.204 Personal or professional services.
 8-3.207 Medicines or medical supplies (drugs).
 8-3.209 Subsistence supplies.
 8-3.210 Impractical to secure competition by formal advertising.
 8-3.211 Experimental, developmental, or research work.
 8-3.215 Otherwise authorized by law.

Subpart 8-3.4—Types of Contracts

8-3.401 Types of contracts.
 8-3.404 Cost reimbursement type contracts.
 8-3.404-3 Cost-plus-a-fixed-fee contract.
 8-3.405-3 Letter contract.

Subpart 8-3.6—Small Purchases

8-3.602 Policy.
 8-3.603 Competition.
 8-3.603-2 Data to support small purchases.
 8-3.604 Imprest funds (petty cash) method.
 8-3.604-6 Procurement and payment.
 8-3.605 Order-Invoice-Voucher.
 8-3.605-1 Standard Form 44.
 8-3.606 Blanket purchase arrangements.
 8-3.606-1 General.
 8-3.606-3 Establishment of account.
 8-3.606-5 Agency implementation.

AUTHORITY: §§ 8-3.101 to 8-3.606-5 issued under 72 Stat. 1114, sec. 205(c), 63 Stat. 390; 38 U.S.C. 210, 40 U.S.C. 486(c).

Subpart 8-3.1—Use of Negotiation

§ 8-3.101 General requirements for negotiation.

Contracts in excess of \$2500 will be entered into by negotiation only in the absence of any one or more of the elements essential to formal advertising set forth in § 8-2.102, or when:

(a) It is determined that the procurement should be effected from Small Business in accordance with FPR 1-1.7.

(b) Items to be purchased are for authorized resale.

Subpart 8-3.2—Circumstances Permitting Negotiation

§ 8-3.204 Personal or professional services.

Except for Architect Engineer Service required in connection with construction, the authority contained in FPR 1-3.204 will be used to procure personal and professional services. Architect Engineer Service required by the VA in conjunction with construction (see Subparts 8-4.50 and 8-7.50) will be procured under the special authority set forth in Title 38, USC (§ 8-3.215).

§ 8-3.207 Medicines or medical supplies (Drugs).

(a) Under the authority contained in FPR 1-3.207, the Director, Supply Service, DM&S, the Chief, Purchase and Contract Division, DM&S, the Chief, Marketing Division for Drugs and Chemicals and one Senior Contract Officer, designated by the Chief, Marketing Division for Drugs and Chemicals, are authorized to negotiate contracts for the purchase of drugs.

(b) This authority will not be used to negotiate contracts for the purchase of prosthetic appliances and related services. For authority to negotiate such services see § 8-3.215.

§ 8-3.209 Subsistence supplies.

Under the authority contained in FPR 1-3.209, the Director, Supply Service, DM&S, the Chief, Purchase and Contract Division, DM&S, the Chief, Marketing Division for Subsistence and one Senior Contract Officer, designated by the Chief, Marketing Division for Subsistence, are authorized to negotiate contracts for the purchase of subsistence supplies.

§ 8-3.210 Impracticable to secure competition by formal advertising.

(a) Contracts for paid advertising (1) for procurement of supplies, equipment and services (see § 8-2.203-3) and (2) for recruitment purposes, may be negotiated under the authority of this § 8-3.210, after approval of requests for such advertising by the Administrator or the officials designated in VA Regulations 3 and 4 (38 CFR 2.3 and 2.4) respectively. Authority is hereby delegated to contracting officers to place purchase orders in accordance with 7 GAO 5200 for paid advertising based on approved requests.

(b) The procurement of utility connections and services from a Utility Services Company which is the sole source for the service may be negotiated under the authority of this § 8-3.210.

Contracts need not be executed for Public Utility Services when the Utility Companies rates are fixed or adjusted by a Federal or State regulatory body.

(c) Where a company, service or utility, requires the execution of an agreement or contract, the contract shall be executed on SF 33. Where a contract form is used by a company it may be accepted and made a part of the proposal form used by the Veterans Administration, by attachment and making the following reference in the proposal:

Contract form ----- is attached hereto and is made a part hereof, it being understood that no provisions contained therein which are contrary to laws and regulations governing the disbursements of funds of the United States of America shall be binding upon the Government.

§ 8-3.211 Experimental, developmental, or research work.

For authority to negotiate contracts for research in the field of prosthesis, prosthetic appliances, etc., see § 8-3.215.

§ 8-3.215 Otherwise authorized by law.

The special procurement authorities contained in Title 38, United States Code shall be cited as the contracting officer's authority to negotiate contracts for procurement of the following:

(a) Medicines or medical supplies—Prosthetic appliances and related services—38 U.S.C. 5013 will be cited as the authority for negotiating contracts for "prosthetic appliances and necessary services in the fitting, supplying and training, and use of prosthetic appliances." Such contracts may be made with more than one firm or with other than the lowest bidder to meet the requirements of the prescribing orthopedic surgeon or physician.

(b) Experimental, developmental, or research work—38 U.S.C. 216 will be cited as the authority for negotiating contracts for "research in the field of prosthesis, prosthetic appliances, orthopedic appliances, and sensory devices."

(c) Mortuary services.

(1) Contracts for funeral and burial services shall be negotiated under the authority of 38 U.S.C. 903, utilizing the bid invitation procedure to establish contract conditions and detailed specifications and shall contain the Funeral and Burial Service Clauses shown in § 8-7.150-9. No contracting officer of the VA shall enter into a contract for funeral and burial services under which the Contractor does not provide service for all eligible beneficiaries regardless of race, creed, color or national origin.

(2) The options to renew funeral and burial services contracts will not be exercised more than twice; that is, no contract will remain in effect for a period longer than 3 years.

(d) Architect - Engineering — Architect-engineering service, required in conjunction with the construction of new hospitals, domiciliaries and out patient dispensary facilities, or the replacement, extension, alteration, remodeling or repair of all such facilities, shall be procured by negotiation under authority of 38 U.S.C. 5002.

(e) Veterans Canteen Service—Items purchased for resale—38 U.S.C. 4202 au-

thorizes the Administrator to make all necessary contracts or agreements to purchase or sell merchandise, equipment, fixtures, supplies and services by negotiation.

(f) Supplies and services Loan Guaranty—Contracts for the purchase of supplies and services required in connection with property acquired by the VA through the operation of the Loan Guaranty Program will be negotiated under authority of 38 U.S.C. 1820(b).

(g) Training Facilities—Contracts necessary to provide vocational rehabilitation to eligible veterans will be negotiated under authority of 38 U.S.C. 1503.

Subpart 8-3.4—Types of Contracts

§ 8-3.401 Types of contracts.

(a) The payment of fees on cost-plus-a-fixed-fee prime contracts is limited by law to:

(1) 15 percent of estimated cost, exclusive of fees, for experimental, developmental or research work.

(2) 6 percent of estimated cost, exclusive of fees, for architectural or engineering services relating to any public works or utility project.

(3) 10 percent of estimated cost, exclusive of fees, for other types of work.

(b) All cost-plus-fee subcontracts under prime contracts made on other than a firm fixed-price basis shall limit the payment of fees to those prescribed in paragraph (a) of this section.

(c) The amount of fee to be paid to a prime contractor or allowed as a cost on a subcontract shall be determined by the contracting officer within the statutory limitations stated in paragraph (a) of this section.

§ 8-3.404 Cost-reimbursement type contracts.

All cost-reimbursement type contracts shall:

(a) Provide for advance notification by the contractor to the contracting office of any subcontract thereunder on a cost-plus-a-fixed-fee basis and of any fixed-price subcontract or purchase order which exceeds in dollar amount either \$25,000 or 5 per centum of the total estimated cost of the prime contract.

(b) Contain a provision that any authorized representative of the Administrator of VA shall have the right to inspect the plans and to audit the books and records of any prime contractor or subcontractor engaged in the performance of cost or cost-plus-fixed-fee contracts.

§ 8-3.404-3 Cost-plus-a-fixed-fee contract.

(a) The limitations on fixed fees referred in FPR 1-3.404-3(c) are stated in § 8-3.401.

(b) A determination to include in a cost reimbursement type contract, a provision that will permit an interim payment in excess of 80 percent of the costs incurred, shall be made by the department head or staff officer concerned.

§ 8-3.405-3 Letter contract.

The department head or staff officer concerned shall prior to the execution of

a letter contract, determine in writing that no other type contract is suitable. The determination shall establish the limit of the effectiveness of the letter contract; i.e., the date by which the definitive contract will be entered into. This date shall be not more than 90 days from the date of the letter contract or the completion of 25 percent of the production of the supplies or the performance of the work called for under the contract, whichever occurs first. The maximum liability of the VA under a letter contract shall not exceed 50 percent of the total estimated contract price.

Subpart 8-3.6—Small Purchases

§ 8-3.602 Policy.

When it is contemplated that a single purchase order will be issued to the supplier quoting the lowest aggregate price, the suppliers will be so advised at the time quotations are solicited.

§ 8-3.603 Competition.

§ 8-3.603-2 Data to support small purchases.

Quotation information shall be recorded in the manner and to the extent outlined in FPR 1-3.603-2. The quotations will be recorded on an Abstract of Bids (VA Form 1286, 2232 or 11-6103) or on the purchase request if space permits.

§ 8-3.604 Imprest funds (petty cash) method.

§ 8-3.604-6 Procurement and payment.

(a) When purchases are for \$15.00 or more, each receipt (original bill, sales slip, cash register ticket, or invoice) should be signed by the dealer or his agent as evidence of payment in addition to providing an itemized listing of the articles or nature of the services purchased. If the signature of the vendor and/or the articles purchased cannot be noted on the receipt, the name of the vendor and a list of the articles or services purchased will be placed on a sub-voucher which will be attached to the receipt.

(b) When purchases are for less than \$15.00, a receipt showing the articles or services purchased should be secured, but the signature of the dealer will not be necessary. In those instances where it is impossible to secure a dealer's invoice, bill, etc., the employee making the purchase, even though he may be a cashier, will detail on a SF 1165, or equivalent form, the name of the vendor and the articles or nature of the services purchased and will sign the subvoucher indicating receipt of the funds from the imprest fund.

§ 8-3.605 Order-invoice-voucher.

§ 8-3.605-1 Standard form 44.

(a) SF 44 is primarily intended for on the spot, over the counter transactions. The design of SF 44 contemplates purchase and receipt by the same individual under circumstances where normal procurement practices cannot be followed. Under some circumstances it may be desirable to designate as a purchasing agent an individual other than one normally engaged in procurement activities, and to issue a book of SF 44's to

such an individual. In such cases, the individual must be carefully instructed as to the limitations involved in his purchasing authority.

(b) Purchasing offices using SF 44 will be responsible for safeguarding the forms. They will maintain a record of quantities received, issued, and used.

(c) SF 44 may also be used in connection with Imprest Fund and Petty Cash purchases when a purchase order is required by the vendor as evidence of tax exemption or to grant Government discounts.

§ 8-3.606 Blanket purchase arrangements.

§ 8-3.606-1 General.

Blanket purchase arrangements will be consummated and procurement thereunder accomplished in accordance with FPR 1-3.606 and this § 8-3.606.

§ 8-3.606-3 Establishment of account.

Contracting Officers will determine the individual items, commodity groups, or classes of items to be procured under a blanket purchase arrangement.

§ 8-3.606-5 Agency implementation.

(a) Blanket purchase arrangements for open market transactions will not exceed 1 year, and the total amount will not exceed \$2,500.

(b) Blanket purchase arrangements made under existing contracts are not restricted as to amount, and may be made for the period of the contract.

(c) The duplicate and triplicate copies of the VA Form 2237 requesting the purchase will be used as the receiving report and property voucher for each individual purchase made under these arrangements.

PART 8-4—SPECIAL TYPES AND METHODS OF PROCUREMENT

Subpart 8-4.6—Livestock Products

- Sec. 8-4.605 Statement of eligibility clause.
- 8-4.607 Reporting violations.

Subpart 8-4.50—Contracts for Architect-Engineer or Professional Engineering Services

- 8-4.5001 Scope.
- 8-4.5002 The Architect-Engineer selection board.

Subpart 8-4.51—Narcotic Products

- 8-4.5101 Delegation of authority to purchase narcotics.

AUTHORITY: §§ 8-4.605 to 8-4.5101 issued under 72 Stat. 1114, sec. 205(c), 63 Stat. 390; 38 U.S.C. 210, 40 U.S.C. 486(c).

Subpart 8-4.6—Livestock Products

§ 8-4.605 Statement of eligibility clause.

The clause prescribed in FPR 1-4.605 (except for the linear spaces to be completed by the bidder), is included in the General Conditions of VA Pamphlet 10-19, Standard Specifications for Packing House and Dairy Products.¹ The signature of the bidder on the face of SF 33, or SF 18 shall be considered as

¹ Not published in FEDERAL REGISTER. Copies may be obtained from VA Field Contracting Officers.

applying to the required certificate as it does to all other factors of invitations, offers and contracts.

§ 8-4.607 Reporting violations.

Instances of possible violations of the statement of eligibility given in accordance with FPR 1-4.604 will be reported through channels to the Director, Supply Management Service for review and submission to the General Counsel. Determination as to whether or not the case should be submitted to the Department of Justice will be made by the General Counsel.

Subpart 8-4.50—Contracts for Architect-Engineer or Professional Engineering Services

§ 8-4.5001 Scope.

Without impairing the authority of the Administrator, to procure by other means deemed to be appropriate, this part sets forth the policies governing the selection of architect engineer or professional engineering services.

§ 8-4.5002 The Architect-Engineer selection board.

(a) The Architect-Engineer selection board is appointed by the Assistant Administrator for Construction for the purpose of selecting and recommending to the Assistant Administrator for Construction the names of several Architect-Engineer firms considered to be most capable of performing the work; also, for negotiating contracts with such firms for performing the work. This board performs this same function when only professional engineering services are required.

(b) The Architect-Engineer selection board will give consideration to as many firms, within practical limits, as may offer possible qualifications for performance of the work. Information made available to the board by the various firms, and from other sources, enable the maintenance of a library of current information pertaining to the firms who have made known their desire to be considered for Veterans Administration design work. Firms desiring consideration submit to the board a signed copy of SF 251 "U.S. Government Architect-Engineer Questionnaire" giving current and complete information on all items indicated on the form.

(c) Upon the selection of a firm, negotiations will be conducted to consummate a contract for the services required. If a satisfactory agreement cannot be reached, the negotiations will be terminated and a new selection is made.

(d) The word "firm" as used herein, includes an individual, and individually owned organization, a joint venture or other associations or combinations of architects and/or engineers.

Subpart 8-4.51—Narcotic Products

§ 8-4.5101 Delegation of authority to purchase narcotics.

Managers and Directors of field stations are authorized to certify to the appropriate District Director, Internal Revenue Service, on the form prescribed by the Treasury Department, the names

of the Chief and Assistant Chief, Supply Division as accredited officials of the VA to purchase narcotics, in accordance with Articles 93 and 94, Bureau of Narcotics Regulation No. 5. The Assistant Director, Supply Service, VA Supply Depot, Somerville, N.J., is authorized to perform this certification for the Chief, Marketing Division Drugs and Chemicals, and the individual who acts in that capacity in the absence of the Chief. Credentials will be renewed each fiscal year.

PART 8-5—SPECIAL AND DIRECTED SOURCES OF SUPPLY [RESERVED]

PART 8-6—FOREIGN PURCHASES [RESERVED]

PART 8-7—CONTRACT CLAUSES

Subpart 8-7.1—Fixed-Price Supply Contracts

- Sec. 8-7.100 Scope of subpart.
- 8-7.101 Clauses.
- 8-7.101-5 Inspection.
- 8-7.150 Clauses to be used when applicable.
- 8-7.150-1 Shipping rate adjustment.
- 8-7.150-2 Purchases for patients using Government funds and/or personal funds of patients.
- 8-7.150-3 Purchases from patients funds.
- 8-7.150-4 Estimated quantities for requirements contracts.
- 8-7.150-5 Savings clause.
- 8-7.150-6 Termination clauses.
- 8-7.150-7 Change in rates for public utilities.
- 8-7.150-8 Technical industry standards.
- 8-7.150-9 Funeral and burial services clauses.

Subpart 8-7.6—Fixed-Price Construction Contracts

- 8-7.600 Scope of subpart.
- 8-7.602 Additional standard clauses.
- 8-7.602-1 Price adjustment for suspension, delay or interruption of the work.
- 8-7.650 Clauses for fixed-price construction contracts estimated to exceed \$10,000.
- 8-7.650-1 Bond premium adjustment.
- 8-7.650-2 Measurements.
- 8-7.650-3 Work to be done by contractor.
- 8-7.650-4 Rights reserved.
- 8-7.650-5 Inspection and acceptance.
- 8-7.650-6 Guaranty.
- 8-7.650-7 Correspondence.
- 8-7.650-8 Definitions.
- 8-7.650-9 Government superintendence.
- 8-7.650-10 Daily report of workmen and material.
- 8-7.650-11 Inspection.
- 8-7.650-12 Samples.
- 8-7.650-13 Subcontracts.
- 8-7.650-14 Schedule of costs and progress curve.
- 8-7.650-15 Payrolls and statements.
- 8-7.650-16 Classification of laborers and mechanics.
- 8-7.650-17 Minimum rates of wages.
- 8-7.650-18 Technical industry standards.
- 8-7.650-19 Workmen's compensation laws.
- 8-7.650-20 Protection of property, safety requirements, accident prevention, etc.
- 8-7.650-21 Contract changes.
- 8-7.650-22 Removal of debris.
- 8-7.650-23 Release of claims.
- 8-7.651 Clauses for fixed-price construction contracts estimated to exceed \$2,000 but not to exceed \$10,000.
- 8-7.651-1 Bond premium adjustment.
- 8-7.651-2 Rights reserved.

Sec.	
8-7.651-3	Inspection and acceptance.
8-7.651-4	Technical industry standards.
8-7.651-5	Workmen's compensation laws.
8-7.651-6	Protection of property, safety requirements, accident prevention, etc.
8-7.651-7	Contract changes.
8-7.652	Clauses for fixed-price construction contracts estimated not to exceed \$2,000.
8-7.652-1	Rights reserved.
8-7.652-2	Technical industry standards.
8-7.652-3	Workmen's compensation laws.
8-7.652-4	Protection of property, safety requirements, accident prevention, etc.

Subpart 8-7.50—Architect-Engineer Contracts

8-7.5000	Scope of subpart.
8-7.5001	Contract clauses.
8-7.5001-1	Definitions.
8-7.5001-2	Disputes.
8-7.5001-3	Nondiscrimination in employment.
8-7.5001-4	Suspension of the project.
8-7.5001-5	Termination of contract.
8-7.5001-6	Breach of contract.
8-7.5001-7	Officials not to benefit.
8-7.5001-8	Covenant against contingent fees.
8-7.5001-9	Work-Hours Act 1962—overtime compensation.
8-7.5001-10	Assignability.
8-7.5001-11	Workmen's compensation laws.
8-7.5001-12	Utilization of small business concerns.
8-7.5001-13	Utilization of concerns in labor surplus areas.

AUTHORITY: §§ 8-7.100 to 8-7.5001-13 issued under 72 Stat. 1114, sec. 205(c), 63 Stat. 390; 38 U.S.C. 210, 40 U.S.C. 486(c).

Subpart 8-7.1—Fixed-Price Supply Contracts

§ 8-7.100 Scope of subpart.

This subpart sets forth contract clauses for use in fixed price supply contracts in addition to, or in lieu of, those in FPR 1-7.1.

§ 8-7.101 Clauses.

(a) Additional clauses not inconsistent with those in FPR 1-7.1 and those prescribed in this subpart are authorized when determined necessary or desirable by the contracting officer.

(b) Clauses inconsistent with those in FPR 1-7.1 and this subpart, but considered essential to the procurement of VA requirements, may be used as provided in the deviation procedure set forth in § 8-1.108.

(c) As prescribed forms may not be altered, except when specifically authorized, clauses used under the provisions of § 8-7.101 (a) and (b) will be included either in the schedule or continuation sheets or in supplementary general provisions.

§ 8-7.101-5 Inspection.

(a) Contracts for property, other than packing house and dairy products and fresh and frozen fruits and vegetables will contain the following clause as an amendment to SF 32:

Rejected goods will be held subject to Contractor's order for not more than 15 days, after which the rejected merchandise will be returned to the Contractor's address at his risk and expense. Expenses incident to the examination and testing of materials or supplies which have been rejected will be

charged to the Contractor's account. (Clause 5b, General Provisions SF 32 is amended accordingly.)

(b) Contracts for packing house and dairy products and for fresh and frozen fruits and vegetables will contain the following clause as an amendment to clause (5), SF 32.

The contractor shall remove rejected supplies within 48 hours after notice of rejection. Supplies determined to be unfit for human consumption will not be removed without permission of the local health authorities. Supplies not removed within the allowed time may be destroyed. The Veterans Administration will not be responsible for nor pay for products rejected. The contractor will be liable for costs incident to examination of rejected products.

§ 8-7.150 Clauses to be used when applicable.

The clauses contained in this section will be included in fixed price supply contracts under the conditions set forth in connection with each clause.

§ 8-7.150-1 Shipping rate adjustment.

This clause will be used when bids are allowed on an f.o.b. destination basis and there is a possibility of shipping rate adjustments by a regulatory body:

Shipping Rate Adjustment

Bids submitted f.o.b. destination should be based on shipping rates in effect on the date of the IFB. Payment shall be adjusted to reflect official changes in rates after that date. Contractor should enter changes, either upward or downward, on his final invoice and indicate the title of the rate schedule in effect at time of shipment.

§ 8-7.150-2 Purchases for patients using Government funds and/or personal funds of patients.

When contracts are for items to be purchased from both Government funds and personal funds of patients, the following clause will be included as a part of the Federal, State, and local tax clause in FPR 1-11.4.

Sales or Use Taxes

Any article purchased from this contract, payable from personal funds of patients, will be subject to any applicable sales or use tax levied thereon by any State, or by duly constituted taxing authority therein having jurisdiction to levy such a tax; the total amount of the tax applicable to such purchase payable from personal funds of patients will be computed on the total amount of the order and will be shown as a separate item on the purchase order and invoice. The bidder shall identify the applicable taxes and rates in his bid.

§ 8-7.150-3 Purchases from patient's funds.

When contracts are for items to be purchased solely from personal funds of patients, the following tax clause will be used in lieu of the Federal, State and Local tax clause in FPR 1-11.4:

Sales or Use Taxes

The articles listed in this bid invitation will be purchased from personal funds of patients and prices bid herein include any sales or use tax heretofore imposed by any State, or by any duly constituted taxing authority therein, having jurisdiction to levy such a tax, applicable to the material in this bid.

§ 8-7.150-4 Estimated quantities for requirements contracts.

(a) When definite quantities cannot be determined invitations for bids will contain one of the clauses set forth below.

(b) The following clause will be used for general equipment, supplies and services.

Estimated Quantities

As it is impossible to determine the exact quantities that will be required during the contract term, each bidder whose bid is accepted wholly or in part will be required to deliver all articles that may be ordered during the contract term, except as he otherwise indicates in his bid and except as otherwise provided herein. Bids will be considered if made with the proviso that the total quantities delivered shall not exceed a certain specified quantity. Bids offering less than 75 percent of the estimated requirement or which provide that the Government shall guarantee any definite quantity, will not be considered. The fact that quantities are estimated shall not relieve the Contractor from filling all orders placed under this contract to the extent of his obligation. Also, the VA shall not be relieved of its obligation to order from the Contractor all articles that may, in the judgment of the ordering officer, be needed except that in the public exigency procurement may be made without regard to this contract.

When invitations for bids will result in Decentralized Contracts, the following will be included as a part of the above provision:

It is further provided that any item covered by this contract required for delivery to a VA supply depot may at the option of the VA be procured without regard to this contract. The bidder also agrees that any contract made as a result of this invitation to Bid will not be mandatory on the VA in any purchase transaction of \$50 or less, but the Contractor may accept such orders at his option. Failure to return such orders within 10 days shall indicate acceptance upon which all provisions of the contract shall apply.

(c) The following clause will be used in local coal-hauling contracts.

Estimated Quantity

The estimated requirements shown in this bid invitation cover the requirements for the entire contract period. It is understood and agreed that during the period of this contract the Government may order and the contractor will haul such coal as may, in the opinion of the Government, be required, except that in the public exigency procurement may be made without regard to this contract. It is understood, however, that in the event of the closing of this activity or changing the boiler equipment so as to require a different kind of fuel subsequent to the execution of the contract or during the contractual period, this contract may be cancelled immediately upon written notice to the contractor and the VA relieved of its obligation to make further purchases thereunder.

(d) The following clause will be used for orthopedic, prosthetic, and optical supplies.

Quantities

The supplies and/or services listed in the attached schedule will be furnished at such time and in such quantities as they are required.

§ 8-7.150-5 Savings clause.

All local contracts of a continuing nature will contain the following savings clause:

Savings Clause

In the event the Veterans Administration Installation is closed subsequent to the execution of this contract, the contract may be cancelled immediately upon written notice to the contractor and the Veterans Administration relieved from its obligation to make further purchases hereunder.

§ 8-7.150-6 Termination clauses.

(a) *General.* Except as provided below, all requirements contracts will contain the following mutual termination clause, with the number of days to be inserted by contracting officer, normally, not more than 30.

Termination Clause

Any contract made as a result of this proposal will remain in full force for the period accepted, unless terminated, in whole or in part, at the request of either party after _____ day's notice in writing.

(b) *Telephone service.* The termination period for telephone service contracts will be 10 days.

(c) *Concession privileges.* The termination period for concession privileges contracts will be 90 days.

(d) *Public utility services.* Where possible contracts for public utility services will contain the following:

Termination Clause

This agreement, if accepted, shall become a contract and shall remain in force during the period above stated, unless terminated at the request of either party after 90 days' notice in writing or as mutually agreed upon, except that, in the event the VA closes this activity subsequent to the execution of this contract or during the contractual period, this contract may be terminated immediately upon written notice to the contractor, and the VA relieved from its obligation to make further purchase of supplies or services thereunder.

§ 8-7.150-7 Change in rates for public utilities.

When a contract covers service by a public service corporation and the rates charged therefor are subject to change by a State or Government commission, the following clause will be included:

Change in Rates

The rates specified herein are not in excess of those charged the general public for similar service and are subject to any change made by a duly authorized State or Government commission during the period of the contract.

§ 8-7.150-8 Technical industry standards.

Where items are required to conform to technical industry standards, such as those adopted by Underwriters' Laboratories, Incorporated; Factory Mutual Laboratories; American Gas Association; American Society Mechanical Engineers; National Electrical Manufacturers' Association; American Society Heating, Refrigeration and Air Conditioning Engineers; or similar organizations where such standards are generally recognized and accepted in the industry involved, the invitation for bids or request for quotations will so state. The

following clause will be used unless comparable provisions are contained in the item specification.

Technical Industry Standards

The item(s) (material or appliance(s)) required by this invitation (or request for quotations) must conform to the standards of the _____¹ and _____¹ as to _____²

The bidder or contractor shall submit proof that the item(s) (material or appliance(s)) he proposes to furnish conform to the above requirement. Label or listing of the above organization(s) will be accepted as proof that item(s) (material or appliance(s)) conform to such standards. In lieu of such label or listing, the bidder or contractor may submit a certificate from any nationally recognized testing agency, which, in the opinion of the Contracting Officer, is adequately equipped and competent to perform such services, stating that each item (material or appliance) has been tested and conforms to the standards, including methods of tests, of the organization(s) specified.

¹ Insert name(s) of organization(s), the standards of which are pertinent to the Government's needs.

² Insert pertinent standards, i.e., fire and casualty, safety and fire prevention, sanitation, etc.

§ 8-7.150-9 Funeral and burial services clauses.

The following clauses will be included in all contracts for Mortuary Services which are authorized by and promulgated in accordance with § 8-3.215.

Funeral and Burial Services

The Contractor agrees to provide all burial and funeral services specified in this contract for any person determined eligible by the Veterans Administration regardless of the race, creed, color or national origin of the person for whom such services are ordered. In addition, the Contractor warrants that subcontracting will not be resorted to as a means of circumventing this provision.

Renewal

At the option of the Government the right is reserved to renew this contract by serving notice in writing thirty (30) days prior to the termination date of the contract. The Government will limit the exercise of the option to two (2) renewals and the maximum period of the contract through the exercise of options will be limited to three (3) years.

Subpart 8-7.6—Fixed-Price Construction Contracts

§ 8-7.600 Scope of subpart.

(a) This subpart sets forth contract clauses for use in fixed-price construction contracts, in addition to, or in lieu of those in FPR 1-7.6.

(b) Additional clauses not inconsistent with those in FPR 1-7.6 and those prescribed in this subpart are authorized when determined necessary or desirable by the contracting officer.

(c) Clauses inconsistent with those contained in FPR 1-7.6 and this subpart, but considered essential to the procurement of VA requirements, shall not be used unless the deviation procedure set forth in § 8-1.108 has been complied with.

(d) As prescribed forms may not be altered, except when specifically authorized, clauses used under the provisions of paragraphs (a), (b), and (c)

of this section will be included either in the schedule or continuation sheets or in supplementary general provisions.

§ 8-7.602 Additional standard clauses.

§ 8-7.602-1 Price adjustment for suspension, delay, or interruption of the work.

The clause in FPR 1-7.602-1 will be inserted in all fixed-price construction contracts estimated to exceed \$10,000.

§ 8-7.650 Clauses for fixed-price construction contracts estimated to exceed \$10,000.

§ 8-7.650-1 Bond premium adjustment.

Insert clause set forth in § 8-10.5002.

§ 8-7.650-2 Measurements.

Measurements

All dimensions shown of existing work and all dimensions required for work that is to connect with work now in place, shall be verified by the contractor by actual measurement of existing work. Any discrepancies between drawings and specifications and existing conditions shall be referred to the contracting officer for adjustment before any work affected thereby has been performed.

§ 8-7.650-3 Work to be done by contractor.

Work To Be Done By Contractor

(a) Contractor shall execute on site and with his own organization actual construction work equivalent to not less than _____¹ percent of the total amount of the contract price.

(b) Construction work shall consist of work done on site by skilled and unskilled labor and foremen on contractor's own payroll. Cost of material installed by such labor may be included in the above percent.

(c) The Contractor shall submit with the Schedule of Costs, the branches of work he will perform with his own forces, to meet the requirements set forth above.

¹ The contracting officer shall insert one of the following: 20 percent for new buildings with reinforced concrete frame; 15 percent generally on all other types of construction except special projects such as boilers, water tanks, elevators, etc. The percent for special projects will be determined by the Assistant Administrator for Construction.

§ 8-7.650-4 Rights reserved.

Rights Reserved

The Government reserves the following rights:

(a) To refuse to permit employment on work or to require dismissal from the work of any subcontractor any person(s) who, by reason of previous unsatisfactory work on Veterans Administration projects, or for any other reason, is (are) considered by the contracting officer to be incompetent or otherwise objectionable;

(b) To withhold payment until samples, shop drawings, certificates, additional bonds, or any other such requirements of this contract have been properly submitted to the satisfaction of the contracting officer.

§ 8-7.650-5 Inspection and acceptance.

Inspection and Acceptance

Clause 10(f), General Provisions, SF 23A, is amended to include the following:

Final inspection and acceptance of the work shown by the drawings and specifications forming a part of this contract shall not be binding or conclusive upon the United States if it shall subsequently appear that the contractor has willfully or fraudulently, or through collusion with representatives of

the Veterans Administration in charge of work, supplied inferior materials or workmanship, or has departed from terms of the contract; or if defects of any kind should develop during periods that guaranties covering such material and workmanship are in force, the United States shall have the right, notwithstanding such final acceptance and payment, to have work removed and to cause work to be properly performed and satisfactory material supplied to such extent as in the opinion of the contracting officer may be necessary to complete work in accordance with the drawings and specifications therefor at the cost and expense of the contractor and his sureties, and shall have the right to recover against the contractor and his sureties, the cost of such work together with such other damages as the United States may suffer because of default of the contractor in premises, same as though such acceptance and final payment had not been made.

§ 8-7.650-6 Guaranty.

Guaranty

(a) Except when a different period is specifically prescribed, all work under this contract shall be guaranteed for a period of one (1) year from the date the work is completed, as established by the Government. All guaranties embraced in or required by this contract are subject to the terms of this paragraph unless otherwise expressly agreed in writing by parties to this contract.

(b) Whenever work is required to be done under this guaranty, the contractor whenever notified by the contracting officer, must immediately:

(1) Place in satisfactory condition in every particular any of the guaranteed work, and

(2) Make good all damage to buildings and grounds, or equipment or contents thereof if such unsatisfactory condition or damage develops within period stipulated by guaranty and is due to use of materials or workmanship which are inferior, defective, or not in accordance with this contract, and must make good any work or materials, or equipment and contents of said buildings or grounds, which are disturbed in fulfilling requirements of this contract or of any guaranty embraced in or required hereby. If this Contractor disturbs any work under another contract, he must restore such disturbed work to a condition satisfactory to the Contracting Officer and guarantee such restored work.

(c) Upon Contractor's failure to comply with terms of any guaranty under this contract or still running upon work originally executed by other contractors, contracting officer may:

(1) Have such work performed as he deems necessary to fulfill such guaranties, or,

(2) Allow such damaged or defective work or portion of buildings or grounds or contents or equipment of building or work disturbed in fulfilling guaranties or guaranteed work, which shows such a condition as to make any such guaranty operative, to remain in such unsatisfactory condition: *Provided*, That in either event the contractor shall promptly pay the United States such sums as were (in first instance) expended so as to fulfill such guaranty or as it would have been (in second instance) necessary to expend to fulfill such guaranty unless otherwise specifically prescribed in the particular guaranty, usual wear and tear and result of accident not chargeable to contractor or his agents are excepted from the requirements of this paragraph. Everything done in fulfillment of any guaranty shall be without additional expense to the United States. The decision of the Contracting Officer as to the liability of the contractor under any such guaranty or as to the satisfactory fulfillment or compensation for nonfulfillment thereof will be final, subject to written appeal by the con-

tractor, as provided by clause 6, Disputes, General Provisions, SF 23A.

§ 8-7.650-7 Correspondence.

Correspondence

All correspondence by the Contractor to the Contracting Officer relative to this contract shall bear the specification number, project number, Veterans Administration contract number, title of project and the name of the station.

§ 8-7.650-8 Definitions.

Definitions

Clause 1, General Provisions, SF 23A is amended to include the following: Where the word "Administrator" is used it shall mean Administrator of Veterans Affairs, or his duly authorized representative. Where words "Resident Engineer" are used they shall mean Superintendent of Construction or other local representative, detailed by the Veterans Administration to superintend construction of this work.

§ 8-7.650-9 Government superintendence.

Government Superintendence

(a) A Resident Engineer is to be detailed for the purpose of superintending construction of this work, but his absence at any time is not to be considered as a reason for delay in carrying out the contract, or justification for noncompliance with all the contract requirements.

(b) The Veterans Administration shall have free access at all times to work and shops for purpose of making inspection and the Contractor will provide safe access to all parts of the work and shall cooperate and assist representatives of the Veterans Administration in making such inspection.

(c) The Resident Engineers' directions shall be complementary to drawings and/or specifications and not conflict with or change contract requirements:

(1) Except: That the Resident Engineer within limitations of authority which may be delegated to him, as to which the Contractor will be advised, may direct changes in work when agreement is reached with the Contractor as to the effect of the change upon contract price and/or time, and

(2) *Provided*: That should the Contractor elect to dispute an implementary direction of the Resident Engineer and the matter in dispute is not disposed of by agreement, and the Contractor desires an appealable decision he shall notify the Contracting Officer in writing within 30 days from date of his receipt of the Resident Engineers' direction, unless the Contracting Officer shall grant a further period of time prior to date of final payment, that he desires a decision of the Contracting Officer under Clause 6 of General Provisions (SF 23A).

§ 8-7.650-10 Daily report of workmen and material.

Daily Report of Workmen and Material

(a) The Contractor shall furnish to the Resident Engineer each day a consolidated report showing the number of laborers, mechanics and foremen employed by himself and subcontractors. The report shall bear, the names of the firms and the branches of work, such as concrete, plastering, masonry, plumbing, sheet-metal work, etc., which they perform. The report shall also give a breakdown of employees by crafts, location where employed and work performed for the preceding day. He will also on same report show all materials delivered on the day involved.

(b) Report shall be signed by Contractor or his authorized representative and shall include all workers engaged in prosecution of work on the site.

§ 8-7.650-11 Inspection.

Inspection

Clause 10, General Provisions, SF 23A, is amended to include the following: (a) Should the Contractor fail to promptly remove rejected material from the premises, the Resident Engineer may, forty-eight (48) hours after serving written notice, have same removed and the expense incurred will be deducted from any money due the Contractor. No payment will be made for any rejected material or for any subsequent work performed or material installed which includes as a basic component rejected material.

(b) Final inspection will not be made until all work under contract is completed. The Contractor shall notify the Contracting Officer, through the Resident Engineer, fifteen (15) days prior to the date on which the work will be ready for final inspection. Should it develop that the work installed does not justify such inspection at that time, or that the character of materials or workmanship is such that reinspection is found necessary, cost of such reinspection including salary of inspector, his traveling and other expenses, shall be borne by the Contractor and will be deducted from any money due him on his contract.

§ 8-7.650-12 Samples.

Samples and Shop Drawings

The Contractor shall submit promptly for approval samples of such materials to be used in the work and shop, erection or setting drawings as required under Samples and Shop Drawings section.

§ 8-7.650-13 Subcontracts.

Subcontracts

(a) Nothing contained in this contract shall be construed as creating any contractual relationship between any subcontractor and the Government. Divisions or sections of specifications are not intended to control the Contractor in dividing work among subcontractors, or to limit work performed by any trade.

(b) The Contractor shall be responsible to the Government for acts and omissions of his own employees, and of the subcontractors and their employees. He shall also be responsible for coordination of the work of the trades, subcontractors, and materialmen.

(c) The Government or its representatives will not undertake to settle any differences between the Contractor and his subcontractors, or between subcontractors.

§ 8-7.650-14 Schedule of costs and progress curve.

Schedule of Costs and Progress Curve

Clause 7, SF 23A, General Provisions, is amended to include the following:

(a) After award of the contract the Contractor shall submit to the Contracting Officer, in quadruplicate, a schedule of costs of the work. This schedule shall show the cost by branches of work for each building or unit of the contract as instructed by the Resident Engineer.

(1) Branches shall in addition be subdivided into as many sub-branches as are necessary to cover all the component parts of the contract work.

(2) The sum total of sub-branches as applied to each branch shall equal the cost of such branch and the sum total of the costs of all branches shall equal contract price.

(3) Bonds, insurance, and similar items shall be prorated and included in the cost of each branch of work.

(4) The costs as shown by this schedule must be true costs and, should the Resident Engineer so desire, he may require the Contractor to submit the original estimate sheets

to him for verification. The Resident Engineer may also request any other information to substantiate the detail makeup of the schedule.

(5) In addition to this cost schedule, the Contractor shall submit such unit costs as may be specifically requested. The unit costs shall be those used by the Contractor in preparing the bid and will not be binding as pertaining to any contract changes.

(6) The schedule, signed by the Contractor, shall be submitted to the Contracting Officer through the Resident Engineer, and must carry the Resident Engineer's recommendation prior to approval of same by the Contracting Officer. After approval, one copy will be returned to the Resident Engineer, one to the Contractor, and remaining copies will be retained in the files of the Veterans Administration.

(7) The approved schedule will be used as the basis for estimating monthly payments for work completed, and same must be presented and approved prior to the submission of a voucher for any of such monthly payments. No vouchers will be passed for payment until after the schedule is approved, and is of record.

(b) At the same time, the schedule of costs is submitted, the Contractor shall also submit in quadruplicate, on the Veterans Administration form which will be furnished, a progress curve indicating the anticipated percent of total work completed against the contract time. The submission, approval, and distribution of this chart will be similar to that of the cost schedule.

(c) The Contractor shall submit with the Schedule of Costs, the branches of work which will be performed by his own forces.

§ 8-7.650-15 Payrolls and statements.

Payrolls and Statements

(a) Clause 3, Labor Standards Provisions, SF 19A is supplemented as follows: The Contractor shall submit, at time an apprentice's name first appears on his or a subcontractor's weekly payrolls, evidence of registered or approved indenture of such apprentice. Evidence may consist of:

(1) A true or photostatic copy of registered or approved apprenticeship agreement, or

(2) A true or photostatic copy of apprenticeship certificate, showing approval of apprenticeship by the appropriate registration agency, or

(3) A list of apprentices approved by the appropriate registration agency, showing the name and trade of each apprentice and the date of registration, or

(4) A written statement from a member of the joint apprenticeship committee, not a party to the contract, certifying that the named apprentices are employed under the supervision of the joint apprenticeship committee, and are registered with a designated state or federal apprenticeship agency.

(1) The Contractor shall also furnish evidence of apprentices' period of apprenticeship. The working ratio of apprentices to journeymen for a particular trade shall not exceed the ratio permitted by the controlling apprenticeship agreement. The Contractor shall furnish the Resident Engineer a copy of such agreement establishing the apprenticeship ratio.

(b) Payrolls containing the certification required by clause 4, SF 19A, Labor Standards Provisions, will be submitted in duplicate.

(c) Clause 5, SF 19A, Labor Standards Provisions requires that the following weekly statement of compliance be executed in duplicate by the Contractor or Subcontractor or by an authorized officer or employee of the Contractor or Subcontractor who supervises payment of wages:

WEEKLY STATEMENT OF COMPLIANCE

I, _____, 19____
 _____ (name of signatory party)
 _____ (title), do hereby state:

That I pay or supervise the payment of the persons employed by _____ (Contractor or Subcontractor) on the _____ (building or work); that during the payroll period commencing on the _____ day of _____, 19____, and ending the _____ day of _____, 19____, all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said _____ (Contractor or Subcontractor) from the full weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full weekly wages earned by any person, other than permissible deductions, as defined in Regulations Part 3 (29 CFR Part 3), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Stat. 108, 72 Stat. 967; 40 U.S.C. 276c), and described below:

(Paragraph describing deductions, if any.)

 (Signature and Title)

(d) Payrolls and statements will be delivered to the Resident Engineer within 7 days after the regular payment date for the period covered by these documents.

§ 8-7.650-16 Classification of laborers and mechanics.

Classification of Laborers and Mechanics

(a) Under Davis-Bacon Act of March 3, 1931, as amended (40 U.S.C. 276a-7-276c), the Contracting Officer shall require that any class of laborers and mechanics not listed in the Secretary's decision, which will be employed on the contract, shall be classified or reclassified by the Contractor or Subcontractor conformably to the Secretary's decision and a report of the administrative action taken in such cases shall be transmitted to the Secretary of Labor. In event interested parties cannot agree on proper classification or reclassification of a particular class of laborers and mechanics to be used, the question, accompanied by the recommendation of the Contracting Officer, shall be referred to the Secretary of Labor for final determination.

§ 8-7.650-17 Minimum rates of wages.

Minimum Rates of Wages

(a) Wage rates contained in Secretary's decision and set forth in the General Requirements Section are straight hourly wage rates. In some areas management and labor organizations in construction industry have collectively bargained for health and welfare fund contributions. Such contributions are not included in wage rates determined by Secretary of Labor for construction projects.

(b) No increase will be allowed or authorized in the contract price on account of payment of wage rates in excess of those listed.

§ 8-7.650-18 Technical industry standards.

Insert the clause set forth in § 8-7.150-8 under the conditions contained therein.

§ 8-7.650-19 Workmen's compensation laws.

Workmen's Compensation Laws

This contract will be subject to the provisions of Public Law No. 814, approved June 25, 1936, which provides for more adequate protection to workmen and laborers on projects, buildings, constructions, improvements, and property wherever situated, belonging to the United States of America, by granting

to several States jurisdiction and authority to apply their State workmen's compensation laws on all property and premises belonging to the United States of America.

§ 8-7.650-20 Protection of property, safety requirements, accident prevention, etc.

Protection of Property, Safety Requirements, Accident Prevention, etc.

(a) The Contractor shall carefully protect all utility lines, adjacent buildings, trees, roads, curbs, walks, and property, and make good any damage done thereto either by himself or workmen while this work is in progress. He shall provide the barriers necessary to afford protection of patients, station employees, or others against personal injury and existing or completed work from damage because of inclement weather, dust, dirt, etc. All work damaged shall be repaired or replaced to its original condition existing prior to commencing of work.

(b) In order to protect the lives and health of employees and others, the contractor in performance of this contract shall take such safety precautions as are required by the insurance underwriters, and shall comply with all the pertinent provisions of the Department of Army, Corps of Engineers, U.S. Army, "General Safety Requirements", EM 385-1-1 revised March 13, 1958 and any amendments thereto. If compliance with a provision of the "General Safety Requirements" would cause the contractor to be in noncompliance with a requirement of insurance underwriters, then the requirement of the insurance underwriters in that specific instance shall govern:

(1) The contractor shall maintain an accurate record of, and shall report to the Contracting Officer through the Resident Engineer in the manner and on the forms as prescribed by the contracting officer all cases of death, occupational disease, and traumatic injury arising out of, or in the course of performance of this contract.

(2) The contracting officer through the Resident Engineer will notify the contractor in writing of any noncompliance with the foregoing provisions, and the corrective action to be taken.

(3) The contractor shall, after receipt of such notice, immediately correct the conditions to which his attention has been directed. Such notice when served on the contractor or his representative at site of work will be deemed sufficient for the purpose aforesaid.

(4) If the contractor fails or refuses to comply promptly with such notice, the Contracting Officer may issue a written order stopping all or any part of the work, and/or have the corrective action taken, charging the cost thereof to the Contractor.

(5) If any order is issued stopping all or any part of the work because of the Contractor's failure or refusal to take satisfactory corrective action, when such corrective action has been completed, either by the contractor or the Government, a start order will be issued.

(6) No part of time lost, due to any such stop order, shall be made the subject of a claim by the Contractor for an extension of time or for an increase in contract price.

(7) A copy of the "General Safety Requirements" EM 385-1-1 and amendments thereto is available from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Copies are also on file in the offices of the Contracting Officer and the Resident Engineer.

§ 8-7.650-21 Contract changes.

Contract Changes

Clause 3, Changes and Clause 4, Changed Conditions of General Provisions SF 23A are supplemented as follows:

RULES AND REGULATIONS

(a) When requested by the Contracting Officer, the Contractor shall submit proposals for changes in the work to the Resident Engineer. Proposals shall be in a legible form, an original and five copies with an itemized breakdown that will include material, quantities and unit prices, labor costs (separated into trades), construction equipment, etc.

(1) Allowances for overhead and profit and/or the prime Contractor's fee on sub-contracted work will be made on the value of necessary increased labor and material (including value of use of any necessary construction equipment) required for accomplishment of changed work, in the amount not to exceed that stated herein.

(2) Where net increased costs to party performing work appertaining to change does not exceed \$20,000—

To party performing work—Overhead: 10 percent plus 10 percent profit on first \$20,000.

Contractor's fee for work by subcontractors: 10 percent on first \$10,000, plus 7½ percent on next \$10,000.

(3) Where net increased costs plus overhead to the party performing the work appertaining to change exceeds \$20,000, the allowance for profit on the excess over \$20,000 will be based upon a reduced percentage.

(4) Where the net increase of the Subcontractor's proposals (computed in accordance herewith) appertaining to change exceeds \$20,000, the Contractor's fee on the excess over \$20,000 will be based upon a reduced percentage.

(5) Where the Contractor or a Subcontractor's portion of a change involves credit items, such items are to be deducted prior to adding overhead and profit for the party performing the work. The Contractor's fee is limited to the net increase to him of Subcontractor's portions computed in accordance herewith.

(6) The cost of Federal Old Age Benefit (Social Security) tax and of Workmen's Compensation and Public Liability insurances appertaining to changes are allowable. While no percentage will be allowed thereon for overhead or profit, the prime Contractor's fee will be allowed on such items in the Subcontractor's proposals.

(7) Overhead and/or Contractor's fee percentages shall be considered to include insurance other than mentioned herein, field and office supervisors and assistants, use of small tools, incidental job burdens and general and home office expenses, and no separate allowances will be made therefor.

(8) Where the change involves credit items, such items will be net, i.e., overhead, profit, and fee are excluded.

(9) Bond premium adjustment consequent upon changes ordered will be made as elsewhere specified at the time of final settlement under the contract and will not be included in individual change or orders.

§ 8-7.650-22 Removal of debris.

Removal of Debris

When directed by the Resident Engineer, the Contractor shall remove from the station all rubbish and debris accumulated at site of operations, due to work under his contract. When alterations to the existing structures are involved in the contract, the Contractor shall clear away daily, as directed by the Resident Engineer, all rubbish and debris from the interior of the existing structure. Upon completion of the work the Contractor shall deliver all work in a broom-clean condition.

§ 8-7.650-23 Release of claims.

As a part of the final settlement, the Veterans Administration requires the Contractor to furnish the release referred to in Clause 7, SF 23A General

Provisions. This release will be in the following form:

Release Pursuant Clause 7 (SF 23A)

For and in consideration of the payments heretofore made, and payment of the above recited sum now due by reason of performance of the above contract, the undersigned Contractor hereby releases and discharges the United States of America of and from all liabilities, obligations, and claims whatsoever under or arising out of said contract, except the following:

(a) Claims which are the subject of appeal, pending disposition by the Veterans Administration Contract Appeals Board.

(b) Unresolved matters as indicated in the above statement of account.

(c) Other specific claims: (List below. If none, so state.)

All other terms and conditions of the above mentioned contract remain in full force and effect.

In witness whereof, this release has been duly executed this _____ day of _____, 19__

(Contractor)

By: _____
Title: _____

§ 8-7.651 Clauses for fixed price construction contracts estimated to exceed \$2,000 but not to exceed \$10,000.

§ 8-7.651-1 Bond premium adjustment.

Insert the clause set forth in § 8-10-5002.

§ 8-7.651-2 Rights reserved.

Rights Reserved

(a) The Government reserves the following rights: To refuse to permit employment on the work or require dismissal from the work any of the Contractor's employees or agents or Subcontractor's, who, by reason of previous unsatisfactory work on VA projects, or for any other reason, are considered by the Contracting Officer to be incompetent or otherwise objectionable;

(b) To withhold payment until samples, shop drawings, certificates, or such other things as are required by this contract have been properly submitted to the satisfaction of the Contracting Officer.

§ 8-7.651-3 Inspection and acceptance.

Inspection and Acceptance

Final inspection and acceptance of the work shown by the drawings and specifications forming a part of this contract shall not be binding or conclusive upon the United States if it shall subsequently appear that the Contractor has willfully or fraudulently, or through collusion with representatives of the Veterans Administration in charge of work, supplied inferior materials or workmanship, or has departed from terms of the contract; or if defects of any kind should develop during periods that guaranties covering such material and workmanship are in force, the United States shall have the right, notwithstanding such final acceptance and payment, to have work removed and to cause work to be properly performed and satisfactory material supplied to such extent as in the opinion of the Contracting Officer may be necessary to complete work in accordance with the drawings and specifications therefor at the cost and expense of the Contractor and his sureties, and shall have the right to recover against the Contractor and his sureties, the cost of such work, together with such other damages as the United States may suffer because of default of the Contractor in premises, same as though such acceptance and final payment had not been made.

§ 8-7.651-4 Technical industry standards.

Insert the clause set forth in § 8-7-150-8 under the conditions contained therein.

§ 8-7.651-5 Workmen's compensation laws.

Insert the clause set forth in § 8-7-650-19.

§ 8-7.651-6 Protection of property, safety requirements, accident prevention, etc.

Insert the clause set forth in § 8-7-650-20.

§ 8-7.651-7 Contract changes.

Contract Changes

Clause 1, Changes and Changed Conditions, General Provisions, p. 2 SF 19 is supplemented as follows: (Insert the clause in § 8-7.650-21 beginning with paragraph (a).)

§ 8-7.652 Clauses for fixed price construction contracts estimated not to exceed \$2,000.

§ 8-7.652-1 Rights reserved.

Insert the clause set forth in § 8-7-651-2.

§ 8-7.652-2 Technical industry standards.

Insert the clause set forth in § 8-7-150-8 under the conditions contained therein.

§ 8-7.652-3 Workmen's compensation laws.

Insert the clause set forth in § 8-7-650-19.

§ 8-7.652-4 Protection of property, safety requirements, accident prevention, etc.

Insert the clause set forth in § 8-7-650-20.

Subpart 8-7.50—Architect-Engineer Contracts

§ 8-7.5000 Scope of subpart.

This subpart sets forth contract clauses for use in Architect-Engineer contracts.

§ 8-7.5001 Contract clauses.

In addition to the required clauses set forth in this section, contracting officers may include clauses on such other subject matter as may be considered necessary. The use of clauses inconsistent with the required clauses is controlled by the deviation procedure set forth in § 8-1.108, except that in using clauses set forth in FPR, the words "architect engineer" and "Administrator of Veterans Affairs" will be substituted for Contractor and Secretary, respectively, wherever they appear.

§ 8-7.5001-1 Definitions.

DEFINITIONS

The Term Contracting Officer as used herein shall include his duly appointed successor or his authorized representative.

§ 8-7.5001-2 Disputes.

Insert the clause set forth in FPR 1-7.101-12.

§ 8-7.5001-3 Nondiscrimination in employment.

Insert the clause set forth in FPR 1-7.101-18.

§ 8-7.5001-4 Suspension of the project.
Suspension of Project

The Government reserves the right to suspend, effective as of a stated date after service of notice in writing thereof to the architect engineer all or any part of the work provided for hereunder, whenever it is deemed by the Government to be necessary for the purposes or advantage of the work. In the event of any such suspension, the architect engineer shall perform no further services until further notified by the Government. The contract time for completion, as hereinbefore stipulated, in this contract shall, upon the lifting of the suspension order, when the work as a whole is suspended, be extended for a period of time equal to the period of time during which the work was suspended, or in the event of suspension of a part of the work, the contract time for completion shall be extended for a period of time equal to such part of the suspension period as the relationship of the suspended work bears to the whole.

§ 8-7.5001-5 Termination of contract.
Termination of Contract

(a) The Government reserves the right at any time on ten days' notice in writing to the architect engineer, computed from the date of mailing of such notice, to terminate this contract in whole or in part for the convenience of the Government. In the event the contract as a whole is terminated, the Government shall make an equitable adjustment in contract price for the value of all satisfactory services rendered by the architect engineer to the effective date of such termination and all such satisfactory work performed shall thereupon become the sole property of the Government. In the event the contract is terminated in part, the Government shall make an equitable adjustment for the value of all satisfactory services rendered on the part so terminated to the effective date of the partial termination, such work to become the property of the Government, and the contract shall be modified accordingly.

(b) If through any cause the architect engineer shall fail to submit within a reasonable time drawings and other documents meeting the approval of the Government or if the architect engineer shall violate any of the covenants, agreements, or stipulations of this contract, the Government shall thereupon have the right to terminate this contract by giving three days' notice to the architect engineer in writing of the fact and time of such termination. In such event, all finished or unfinished documents prepared by the architect engineer under this contract shall at the option of the Government become the property of the Government, and the architect engineer shall be entitled to just and equitable compensation for any satisfactory work on such documents.

(c) If the parties hereto fail to agree upon the adjustment herein provided for in subsections "a" or "b" hereof, the decision thereon of the Contracting Officer shall govern subject only to appeal by the architect engineer as provided in this contract.

§ 8-7.5001-6 Breach of contract.
Breach of Contract

Notwithstanding the above, the architect engineer shall not be relieved of liability to the Government for damages sustained by the Government by virtue of any breach of the contract by the architect engineer and at the Government's option, the Government may withhold any payments to the architect

engineer for the purpose of set-off until such time as the exact amount of damages due the Government from the architect engineer is determined.

§ 8-7.5001-7 Officials not to benefit.

Insert the clause set forth in FPR 1-7.101-19.

§ 8-7.5001-8 Covenant against contingent fees.

Insert the clause set forth in FPR 1-1.503.

§ 8-7.5001-9 Work-Hours Act of 1962—overtime compensation.

Insert the clause set forth in FPR 1-12.3 as modified by FPR Notice No. 3 dated September 20, 1962.

§ 8-7.5001-10 Assignability.
Assignability

The architect engineer shall not assign or transfer any interest in this contract except that claims for monies due or to become due the architect engineer from the Government under this contract may be assigned to a bank, trust company, or other financial institution as provided by Assignment of Claims Act of 1940, as amended (41 U.S.C. 15). If the architect engineer is a partnership, this contract shall issue to the benefit of the surviving or remaining members of such partnership approved by the Government.

§ 8-7.5001-11 Workmen's compensation laws.

Insert the clause set forth in § 8-7.650-19.

§ 8-7.5001-12 Utilization of small business concerns.

Insert the clause set forth in FPR 1-1.710-3(a) (1) under the conditions set forth in FPR 1-1.710-3(a).

§ 8-7.5001-13 Utilization of concerns in labor surplus areas.

Insert the clause set forth in FPR 1-1.805-2 under the conditions set forth in that subsection.

PART 8-10—BONDS AND INSURANCE

Subpart 8-10.1—Bonds

- Sec. 8-10.102 Bid guarantees in construction contracts.
- 8-10.102-2 Prohibition against use.
- 8-10.102-3 Amount required.
- 8-10.102-50 Safekeeping and return of bid guaranty.

Subpart 8-10.50—Performance and Payment Bonds in Construction Contracts

- 8-10.5000 Prohibition against use.
- 8-10.5001 Amount required.
- 8-10.5002 Bond premium adjustment.

AUTHORITY: §§ 8-10.102 to 8-10.5002 issued under 72 Stat. 1114, sec. 205(c), 63 Stat. 390; 38 U.S.C. 210, 40 U.S.C. 486(c).

Subpart 8-10.1—Bonds

§ 8-10.102 Bid guarantees in construction contracts.

§ 8-10.102-2 Prohibition against use.

(a) Generally where the cost of the project is estimated not to exceed \$10,000, bid guarantees shall not be required.

(b) When in the judgment of the Contracting Officer it is desirable to require

bid guarantees in connection with projects the estimated cost of which is in excess of \$2,000, but not more than \$10,000, the amount of such guarantee shall be not less than 20 percent of the bid price.

§ 8-10.102-3 Amount required.

Bid guarantee in an amount not less than 20 percent of the bid price shall be required in connection with projects estimated to cost in excess of \$10,000. The maximum amount required shall be \$3,000.00.

§ 8-10.102-50 Safekeeping and return of bid guaranty.

(a) Certified checks or other negotiable security furnished as bid security with the three lowest acceptable bids will be retained in a safe. These will be returned by certified mail after contract and bonds have been signed and approved.

(b) Certified checks or other negotiable security furnished in support of other than the three lowest acceptable bids should be returned promptly to the respective bidders by certified mail.

(c) Commercial bid bonds are not returned unless specifically requested by the bidders, and, even if requested by any of the three low bidders, are not returned until contract and bonds have been executed by the successful bidder, or all bids have been rejected.

Subpart 8-10.50—Performance and Payment Bonds in Construction Contracts

§ 8-10.5000 Prohibition against use.

Performance and Payment Bonds will not be required where the amount of the contract does not exceed \$2,000.

§ 8-10.5001 Amount required.

Pursuant to the provisions of 40 U.S.C. 270a, if the amount of the contract is in excess of \$2,000, the contractor will be required to furnish a Performance Bond, U.S. Standard Form 25, and a Payment Bond, U.S. Standard Form 25A, in the penal sums set forth below.

(a) Performance bonds.

Amount of Contract and Penal Sum of Bond
\$2,000 to \$250,000—75 percent of amount of contract.
\$250,000 and over—50 percent of amount of contract.

(b) Payment bonds.

Amount of Contract and Penal Sum of Bond
\$2,000 to \$1,000,000—50 percent of amount of contract.
\$1,000,000 to \$5,000,000—40 percent of amount of contract.
\$5,000,000 and over—\$2,500,000.

§ 8-10.5002 Bond premium adjustment.

When Performance and Payment Bonds are required the contract will contain the following clause:

Bond Premium Adjustment

When net changes in original contract price affect the premium of a Corporate Surety Bond by \$5 or more, the Government in determining basis for final settlement, will provide for bond premium adjustment computed at the rate shown in the bond.

PART 8-11—FEDERAL, STATE, AND LOCAL TAXES

Subpart 8-11.2—Exemptions From Federal Excise Taxes

- Sec.
8-11.205 Exemptions from other Federal taxes.
8-11.206 Tax exemption forms.

Subpart 8-11.3—State and Local Taxes

- 8-11.302 Tax exemption forms.

AUTHORITY: §§ 8-11.205 to 8-11.302 issued under 72 Stat. 1114, sec. 205(c), 63 Stat. 390; 38 U.S.C. 210, 40 U.S.C. 486(c).

Subpart 8-11.2—Exemptions From Federal Excise Taxes

§ 8-11.205 Exemptions from other Federal taxes.

The VA is exempt from the Federal excise taxes imposed on playing cards, filled cheese, tobacco products, whiskey, and alcohol when such items are purchased from factories by the VA for use in its medical care program.

§ 8-11.206 Tax exemption forms.

(a) *Tobacco products.* No tax exemption form or certificate is required for the tax-free purchase of tobacco products. An extra copy of the purchase order will be provided the manufacturer to facilitate his record keeping.

(b) *Whiskey, alcohol, specially denatured alcohol and denatured alcohol.* Authority is hereby delegated to the Chief, Marketing Division for Drugs and Chemicals, VA Supply Depot, Somerville, New Jersey, and in his absence to the employee assigned the duties and responsibilities of this position, to sign application permits, on Treasury Department prescribed forms, which are continuing permits to procure these items tax free from bonded warehouses. Each procurement will be supported by the proper Treasury Department permit form.

(c) *Playing cards and filled cheese.* No tax exemption form is required for the tax free purchase of playing cards or filled cheese. Treasury regulations require that manufacturers be furnished a certification of tax exemption substantially as shown below. Where removals from the same place of manufacture are regular or made frequently, a certificate covering all orders for a specific period not to exceed four quarters may be furnished. Otherwise a separate exemption certificate shall be furnished for each order. Contracting Officers are authorized to sign such certification.

EXEMPTION CERTIFICATE

(To support tax-free removals of filled cheese or playing cards for the use of the United States under provisions of section 7510 of the Internal Revenue Code of 1954.)

-----, 19--
The undersigned hereby certifies that he is a contracting officer of the Veterans Administration; that he is authorized to execute this certificate; and that the article or articles specified in the accompanying order or on the reverse side hereof are purchased from ----- for the

(Name of vendor)
exclusive use of the Veterans Administration of the United States.

It is understood that the exemption from tax in the case of removals of articles under

this exemption certificate for the United States is limited to the removal of articles for its exclusive use. The undersigned understands that if articles purchased tax free under this exemption certificate are used otherwise or are sold to employees or others, such fact will be promptly reported to the manufacturer, producer, or importer of the article or articles covered by this certificate. It is also understood that the fraudulent use of this certificate for the purpose of securing this exemption will subject the undersigned and all guilty parties to a fine of not more than \$10,000, or to imprisonment for not more than 5 years, or both, together with costs of prosecution.

(Signature)

(Address)

Subpart 8-11.3—State and Local Taxes

§ 8-11.302 Tax exemption forms.

(a) SF 1094 will be used by the vendor to claim exemption from payment of the tax, when the vendor sells exclusive of such tax, and by the U.S. Government as the basis for billing the taxing authority for refund of the taxes paid, when the vendor refuses to sell at a price exclusive of such tax

(b) SF 1094 will not be used for cash purchases (imprest funds or petty cash) where the amount of the State or local taxes on any one bill or purchase is \$1 or less. Such taxes will be paid, if claimed by the vendor. Ordinarily the use of Government purchase documents will enable purchases to be made without payment of sales taxes.

(c) A separate certificate must be prepared for each kind of tax involved (State, municipal, local).

PART 8-12—LABOR [RESERVED]

PART 8-15—CONTRACT COST PRINCIPLES AND PROCEDURES [RESERVED]

PART 8-16—PROCUREMENT FORMS

Subpart 8-16.3—Purchase and Delivery Order Forms

- Sec.
8-16.300 Scope of subpart.
8-16.301 Order invoice-voucher forms.
8-16.301-50 Advertising order (SF 1143)
8-16.350 Use of purchase orders.
8-16.350-1 Special forms.

Subpart 8-16.50—Forms for Negotiated Construction Contracts

- 8-16.5000 Scope.
8-16.5001 Forms prescribed.

AUTHORITY: §§ 8-16.300 to 8-16.5001 issued under 72 Stat. 1114, sec. 205(c), 63 Stat. 390; 38 U.S.C. 210, 40 U.S.C. 486(c).

Subpart 8-16.3—Purchase and Delivery Order Forms

§ 8-16.300 Scope of subpart.

This subpart states the policy with respect to use of purchase orders, prescribes forms for use in addition to those prescribed in FPR 1-16.3, and provides instructions for the preparation of purchase orders.

§ 8-16.301 Order invoice-voucher forms.

§ 8-16.301-50 Advertising order (SF 1143).

(a) This form, together with its memo copy 1143a, is a multipurpose order, invoice, voucher form prescribed by 7 GAO 5200 for purchase of advertising services.

(b) Orders for paid advertising may be placed upon written authorization of the Administrator or one of the officials designated in VA Regulations 3 and 4 (38 CFR 2.3 and 2.4). The block in the upper right corner of the form will cite the letter or regulation authorizing advertising. Contracting officers may execute purchase orders based on such written authorizations, and the block in the lower left corner of the form will cite this paragraph as the instrument assigning administrative duties.

§ 8-16.350 Use of purchase orders.

Except for Drop Shipment contracts and as provided in FPR 1-3.6 and § 8-3.6 or in this § 8-16.3, all purchases of supplies, equipment, and services will be by means of one of the purchase forms prescribed in these subparts.

§ 8-16.350-1 Special forms.

Where departmental forms are provided for specific types of purchase, such forms will be used in lieu of those provided in FPR 1-3.6 and § 8-16.3.

Subpart 8-16.50—Forms for Negotiated Construction Contracts

§ 8-16.5000 Scope.

This subpart prescribes forms for use in procuring construction by negotiation.

§ 8-16.5001 Forms prescribed.

Standard forms prescribed in FPR 1-16.4 will be used to procure construction by negotiation.

PART 8-18—CONTRACT FINANCING¹

Subpart 8-18.50—Partial Payments

- Sec.
8-18.5001 Definition.
8-18.5002 Policy.

Subpart 8-18.51—Progress Payments

- 8-18.5101 Definition.
8-18.5102 Policy.
8-18.5103 Statement for invitation for bids or request for quotations.
8-18.5104 Basis for progress payments.
8-18.5105 Progress payments clause requirements.
8-18.5106 Payments to contractors for progress payments to subcontractors.
8-18.5107 Other considerations relative to progress payments.
8-18.5108 Insertion of progress payments clauses.
8-18.5109 Administration of progress payments.
8-18.5110 Progress payments clauses.
8-18.5110-1 Progress payments—Short form clause based on both direct labor and material costs or when limited to either labor or material.

¹ Not yet issued in FPR.

- Sec.
8-18.5110-2 Progress payments—Short form total costs clause.
8-18.5110-3 Progress payments—Short form clause for specific material.
8-18.5110-4 Progress payments—Long form—Total costs clause.
8-18.5110-5 Progress payments—Long form clause—Direct labor and material costs or when limited to either labor or material.

Subpart 8-18.52—Assignment of Claims

- 8-18.5201 Responsibility of contracting officers.
8-18.5202 Restrictions.
8-18.5203 Assignment procedure.

Subpart 8-18.53—Sale, Transfer or Change in Name of Business

- 8-18.5301 Documents necessary.
8-18.5302 Method of obtaining evidence.
8-18.5303 Documents necessary for change of name.

AUTHORITY: §§ 8-18.5001 to 8-18.5303 issued under 72 Stat. 1114, sec. 205(c), 63 Stat. 390; 38 U.S.C. 210, 40 U.S.C. 486(c).

Subpart 8-18.50—Partial Payments

§ 8-18.5001 Definition.

"Partial payments" are payments for invoiced supplies delivered and accepted, or services rendered and approved, where such supplies or services are only a part of the total contract requirement.

§ 8-18.5002 Policy.

Article 7, Payments, of SF 32, General Provisions (Supply Contract) provides for partial payments. A liberal policy will be applied in making partial payments in order to assist business concerns in participating in Government procurement and to minimize the need for contractors to request progress payments.

Subpart 8-18.51—Progress Payments

§ 8-18.5101 Definition.

"Progress payments" are payments made from time to time during the performance of a contract on the basis of costs to the contractor, or percentage of completion or particular stage of completion, in connection with which the Government takes title to property acquired and work performed under the contract.

§ 8-18.5102 Policy.

(a) The need for progress payments will not be treated as a handicap in awarding contracts to concerns which otherwise qualify as reliable, competent, and responsible bidders. Progress payments are an appropriate means of providing needed financial assistance to a contractor in the performance of a contract involving expenditures prior to payment which have a material impact on his working funds.

(b) The policy relative to progress payments is applicable only to fixed price contracts for supplies and nonpersonal services in the amount of \$10,000 or more other than for construction or the Engineering and Architectural contracts pertinent to construction. Progress payments in Construction Contracts are provided for in clauses of the Standard Forms prescribed in FPR 1-16.4.

(c) A statement substantially as shown in § 8-18.5103 will be included in

the invitation for bids or request for proposals/quotations except when:

(1) The administration of the contract is located at a single point and voucher payments are to be made at more than one location or,

(2) It is determined that progress payments are not reasonably necessary.

§ 8-18.5103 Statement for invitation for bids or request for quotations.

The following statement shall be included in the Invitation for Bids or Request for Quotations.

Availability of Progress Payments

The Government will make provision for progress payments in any contract resulting from this Invitation for Bids (or Request for Quotations) by including an appropriate clause in the contract, if:

(a) The period of time between starting performance and delivery of the first end items will exceed 6 months; or, Contract performance is likely to involve expenditures prior to delivery of the first end items, having a material impact on the Contractors' working funds, or, in the case of progress payments first requested subsequent to award, involves expenditures having such impact; and

(b) The bidder (offeror) or contractor makes a written request for progress payments and is found eligible for such payments under applicable regulations.

The need for progress payments on the foregoing basis will not be considered a handicap or an adverse factor in awarding contracts. If a bidder (offeror) desires progress payments, and accompanies his bid (offer) with a written request, the bidder (offeror) shall also check the appropriate block below:

Progress payments are desired but bid (offer) is not conditioned on receiving progress payments.

Bid (offer) is conditioned on receiving progress payments.

NOTES: 1. If bid (offer) is conditioned on the availability of progress payments and bidder (offeror) is found ineligible for progress payments, the bid (offer) will be rejected.

2. Submission of a bid (offer) without requesting progress payments does not preclude the Bidder (offeror) from later requesting progress payments in accordance with applicable regulations prior to or after award of Contract.

§ 8-18.5104 Basis for progress payments.

Where the progress payments availability statement in § 8-18.5103 is included in invitations or requests, and, as a consequence, progress payments are to be authorized, each contract involved shall contain, or provision shall be made after execution of the contract for the use of, an appropriate progress payment clause, providing for progress payments on the basis of:

(a) A percentage (normally not to exceed 90 percent) of direct labor and material (either or both) costs incurred by the contractor for property or services upon which payment is to be made; or

(b) A percentage (normally not to exceed 75 percent) of total costs incurred for work done under the undelivered or invoiced portion of the contract.

§ 8-18.5105 Progress payments clause requirements.

(a) Progress payments clauses must clearly state the basis on which progress payments are to be computed.

(b) All progress payments clauses will provide, in substance, that title to all parts, materials, inventories, work in process, and other property and work, acquired or produced by the contractor for the performance of the contract, shall vest in the Government. This requirement, in addition to the protection afforded by careful exercise of judgment in determining bidders' responsibility, as well as careful contract administration, should be sufficient, except in unusual circumstances, to fully protect the Government's interests. This is not intended in unusual cases, to preclude the use of performance bonds where the right is reserved in the Invitation for Bids to require protection.

(c) Progress payments clauses will specify the manner in which progress payments made will be liquidated by the Government. Subject to the limitations of this section, approved amounts of contractor's invoices for items delivered and accepted and services satisfactorily rendered will be applied against outstanding progress payments.

(d) When based on total costs, progress payments normally will be liquidated at a rate not less than the percentage at which progress payments are made. For example, when progress payments are based on 75 percent of total costs, approved invoices would be reduced by not less than 75 percent.

(e) When based on direct labor and material costs, progress payments normally will be recovered at a rate established in accordance with the following example:

If the basis for progress payments is 90 percent of the cost of direct labor and material, and if estimated costs of direct labor and material are 70 percent of total estimated costs, approved invoices would be reduced by not less than 63 percent (90×70).

(f) Upon request of a contractor or prospective contractor, a rate of recovery lower than specified in subparagraph (d) or (e) above may be authorized to permit the contractor to recover a reasonable amount of profit earned on items delivered and accepted. Such lower rate shall be based on satisfactory cost estimates or cost experience data and estimated future costs furnished by the contractor.

§ 8-18.5106 Payments to contractors for progress payments to subcontractors.

Provision may be made to reimburse the prime contractor for 100 percent or less of unliquidated progress payments to subcontractors for work to which the contractor has acquired title for the Government. The terms and conditions under which a prime contractor is to be reimbursed for progress payments made to subcontractors will be specified in the prime contract. (See §§ 8-18.5109 and 8-18.5110.)

§ 8-18.5107 Other considerations relative to progress payments.

Where appropriate, progress payments clauses should contain appropriate provisions for the following and any other necessary provisions:

(a) Disposition of unliquidated progress payments upon default or termination.

RULES AND REGULATIONS

(b) Allocation of costs by contractor in accordance with generally accepted accounting principles.

(c) Maintenance of accounting system and controls adequate for the proper administration of the payment clause.

(d) Reduction or suspension of progress payments and recovery at a higher percentage than stated in the clause, whenever required by the Government's reasonable need for protection.

(e) Access to contractor's records.

(f) Minimum time interval between progress payments.

§ 8-18.5108 Insertion of progress payments clauses.

Where it has been determined to be practical and reasonably necessary to make progress payments and the statement as to availability has been inserted in the Invitation for Bids or Requests for Proposals, the appropriate progress payments clause may be:

(a) Described in the Invitation for Bids (formal advertising) or Request for Proposals (negotiated procurement); or

(b) Made a part of the contract at time of award; or

(c) Made a part of the contract during contract performance and without a showing of any additional consideration.

NOTE: If the statement of availability of progress payments provided in § 8-18.5103 is not included in the Invitation for Bids (formal advertising) or in the contract (in the case of negotiated procurement), and progress payments are found to be desirable or necessary after award, it will be necessary to formally amend the contract, based on legal consideration for such amendments, prior to the authorization of progress payments.

§ 8-18.5109 Administration of progress payments.

Progress payments will be administered by the contracting officer. In all cases the physical progress of the contractor's work should be evaluated from time to time to assure that such payments are fairly supported by the value of work actually accomplished on the undelivered portion of the contract. The extent of supervision and checks made depends upon the nature of the procurement, amount of Government financing involved, and the character and financial ability of the contractor. Contractors must be required to furnish such information as is necessary to support each request for a progress payment. This should include, among other pertinent data, the cumulative costs incurred from the inception of the contract through the period covered by the invoice, amount of previous progress payments, and amount of additional progress payments requested by the contractor. Such invoices will be supported with a statement by the contracting officer certifying in effect that the invoice is proper for payment in accordance with the provisions of MP-4, Part III.

§ 8-18.5110 Progress payments clauses.

The following clauses are furnished for illustration purposes. The short form clauses in §§ 8-18.5110-1, 8-18.5110-2 and 8-18.5110-3 will suffice for many smaller contracts (\$100,000 or less) which are less complicated. The clauses

shown in §§ 8-18.5110-4 and 8-18.5110-5 contain more detailed requirements and safeguards of a type more likely to be necessary in larger more complicated contracts.

§ 8-18.5110-1 Progress payments—Short form clause based on both direct labor and material costs or when limited to either labor or material.

PROGRESS PAYMENTS BASED ON DIRECT LABOR AND MATERIAL COSTS

(Strike out inapplicable language if limited to a single direct cost)

Upon request of the Contractor, progress payments shall be made to the Contractor from time to time as work progresses, in amounts approved by the contracting officer, upon the following terms and conditions:

(a) *Computation of amounts.* (1) Unless a smaller amount is requested, each progress payment shall be 90 percent of the contractor's cumulative costs of direct labor performed and material acquired (strike out inapplicable language if limited to a single direct cost) for performance of this contract; less the sum of previous progress payments. In no event, however, may the amount of unliquidated progress payments exceed _____ percent of the total contract price of items and services not yet delivered, invoiced to, and accepted by the Government; also, the aggregate amount of progress payments made may not exceed _____ percent of the total contract price. (These percentages shall be the same as in paragraph (b) below.)

(2) Contractor's costs above mentioned must be reasonable, allocable to this contract, and consistent with generally accepted accounting principles.

(b) *Recovery of progress payments.* Except as otherwise provided in this contract, payments by the Government for materials delivered, invoiced to, and accepted by the Government shall be reduced by _____ percent and the amount of the reduction applied against progress payments previously made until such time as the total of all progress payments has been liquidated. (The percentage to be inserted here and in paragraph (a) (1) above should be calculated as those in the following example: If the basis for progress payments is 90 percent of the cost of direct labor and material and if estimated costs of direct labor and material are 70 percent of total estimated cost, liquidation would be at a rate not less than 63 percent (90 × 70) of the contract price of delivered items.)

(c) *Reduction or suspension.* The Government reserves the right to withhold or reduce progress payments and to increase the liquidation rate if in the opinion of the contracting officer the contractor is in such unsatisfactory financial condition or has so failed to make progress as to endanger contract performance and recoupment of progress payments.

(d) *Title to material and work.* When any progress payment is made under this contract, title to material acquired and work performed under this contract shall vest in the Government, and title to all like property thereafter acquired or produced by the contractor and properly chargeable to this contract under generally accepted accounting practices shall vest in the Government. The contractor shall repay to the Government an amount equal to that portion of the unliquidated progress payments allocable to material lost, stolen, destroyed, or damaged. Upon completion of performance of all obligations of the contractor under this contract, title to all property not delivered to and accepted by the Government under this contract and to which title had vested

in the Government under this contract shall vest in the contractor.

(e) *Records and reports.* The contractor shall maintain reasonable controls for proper administration of this clause and shall furnish such statements and information as may reasonably be requested by the contracting officer. The Government shall be afforded reasonable opportunity to examine the contractor's books, records, and accounts.

(f) *Default.* If this contract is terminated for default, the contractor shall, upon demand, pay to the Government the amount of unliquidated progress payments, less any amounts payable to the Contractor in accordance with the default clause.

(g) *Reservation of rights.* The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

§ 8-18.5110-2 Progress payments—Short form total costs clause.

PROGRESS PAYMENTS—TOTAL COSTS

Upon request of the Contractor, progress payments shall be made to the contractor from time to time as work progresses, in amounts approved by the contracting officer upon the following terms and conditions:

(a) *Computation of amounts.* (1) Unless a smaller amount is requested, each progress payment shall be 75 percent of the contractor's cumulative total costs under this contract, less the sum of any previous progress payments. In no event, however, may the aggregate amount of progress payments made exceed 75 percent of the total contract price.

(2) The contractor's costs must be reasonable, allocable to this contract, consistent with sound and generally accepted accounting principles, and may include depreciation or amortization allowance. Such costs shall exclude amounts for materials to which the contractor has not acquired title.

(3) At no time shall unliquidated progress payments exceed 75 percent of the total contract price of the items and services not yet delivered and invoiced to and accepted by the Government.

(b) *Recovery of progress payments.* Except as otherwise provided in this contract, payments by the Government for materials delivered, invoiced, and accepted shall be reduced by 75 percent of the contract price of such items and the amount of the reduction applied against progress payments previously made until such time as the total of all progress payments has been recovered.

(c) *Reduction or suspension.* The Government reserves the right to withhold or reduce progress payments and to increase the liquidation rate if in the opinion of the contracting officer the contractor is in such unsatisfactory financial condition or has so failed to make progress as to endanger contract performance and recoupment of progress payments.

(d) *Title to material and work.* When any progress payment is made under this contract, title to material acquired and work performed under this contract shall vest in the Government, and title to all like property thereafter acquired or produced by the contractor and properly chargeable to this contract under generally accepted accounting principles shall vest in the Government. The contractor shall repay to the Government an amount equal to that portion of the unliquidated progress payments allocable to material lost, stolen, destroyed, or damaged. Upon completion of performance of all obligations of the contractor under this contract, title to all property and work not delivered to and accepted by the Government under this contract and to which title had vested in the Government under this contract shall vest in the contractor.

(e) *Records and reports.* The contractor shall maintain reasonable controls for proper administration of this clause and shall furnish such statements and information as may reasonably be requested by the contracting officer. The Government shall be afforded reasonable opportunity to examine the contractor's books, records, and accounts.

(f) *Default.* If this contract is terminated for default, the contractor shall, upon demand, pay to the Government the amount of unliquidated progress payments, less any amounts payable to the contractor in accordance with the default clause.

(g) *Reservation of rights.* The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

§ 8-18.5110-3 Progress payments—Short form clause for specific material.

PROGRESS PAYMENTS FOR SPECIFIC MATERIAL

Progress payments shall be made whenever the contractor acquires, free of all claims, property necessary for performance of this contract as follows:

Property	Description	Quantity	Estimated cost to contractor	
			\$ Per unit	\$ Total
Material.....				
Purchased parts.....				
Components.....				
Total.....				

(a) *Computation of amounts.* The amount of each progress payment shall be 90 percent of the actual cost of acquisition; less the sum of previous progress payments. Total progress payments shall not exceed 90 percent of the above total estimated costs.

(b) *Title to material.* Upon the making of each progress payment, title to the property affected shall vest in the Government, free of all encumbrances. However, all risks of loss and the obligation to perform this contract shall remain on the contractor as bailee entitled to use the property in performance of this contract, and the Government shall pay for items delivered and accepted (less allocable progress payments) in accordance with the payments clause. Upon fulfillment of all obligations by the contractor, title to material remaining in contractor's possession shall revert to contractor.

(c) *Recovery of progress payments.* The above total estimated costs represent _____ percent of the total contract price. From each invoice except invoices for progress payments, the Government shall deduct _____ percent (1st blank percent plus 5) to liquidate any outstanding progress payments. Any balance of progress payments not recovered by this method shall be paid by the contractor to the Government on demand.

(d) *Reduction or suspension.* The Government reserves the right to withhold or reduce progress payments and to increase the liquidation rate if in the opinion of the contracting officer the contractor is in such unsatisfactory financial condition or has so failed to make progress as to endanger contract performance and liquidation of progress payments.

(e) *Default.* If this contract is terminated by default, the contractor shall, upon demand, pay to the Government the amount of unliquidated progress payments, less any amounts payable to the contractor in accordance with the default clause.

§ 8-18.5110-4 Progress payments—Long form—Total costs clause.

PROGRESS PAYMENTS—TOTAL COSTS

Progress payments shall be made to the contractor as work progresses, from time to time upon request, in amounts approved by the contracting officer upon the following terms and conditions:

(a) *Computation of amounts.* (1) Unless a smaller amount is requested, each progress payment shall be (i) 75 percent of the amount of the contractor's total costs incurred under this contract plus (ii) to the extent if any provided in the schedule, the amount of the progress payments made by the contractor to its subcontractors and remaining unliquidated; all less the sum of previous progress payments.

(2) The contractor's total costs shall be reasonable, allocable to this contract, and consistent with sound and generally accepted accounting principles and practices. However, such costs shall not include (i) any costs incurred by subcontractors or suppliers, or (ii) any payments or amounts payable to subcontractors or suppliers, except for completed work (including partial deliveries) to which the contractor has acquired title, and except for amounts paid or payable under cost-reimbursement or time and material subcontracts for work to which the contractor has acquired title, or (iii) costs ordinarily capitalized and subject to depreciation or amortization except for the properly depreciated or amortized portion of such costs.

(3) The amount of unliquidated progress payments shall not exceed the lesser of (i) 75 percent of the costs mentioned in paragraph (a) (1) (i) above, plus any unliquidated progress payments mentioned in paragraph (a) (1) (ii) above, both of which are applicable only to the supplies and services not yet delivered and invoiced to and accepted by the Government, or (ii) 75 percent of the total contract price of supplies and services not yet delivered and invoiced to and accepted by the Government, less unliquidated advance payments.

(4) The aggregate amount of progress payments made shall not exceed 75 percent of the total contract price.

(5) If at any time a progress payment or the unliquidated progress payments exceed the amount permitted by this paragraph (a), the contractor shall pay the amount of such excess to the Government upon demand.

(b) *Liquidation.* Except as provided in the clause entitled "Termination for Convenience of the Government," all progress payments shall be liquidated by deducting from any payment under this contract, other than advance or progress, the amount of unliquidated progress payments, or 75 percent of the gross amount invoiced, whichever is less. Repayment to the Government required by a retroactive price reduction will be made after recalculating liquidations and payments on past invoices at the reduced prices and adjusting the unliquidated progress payments accordingly.

(c) *Reduction or suspension.* The contracting officer may reduce or suspend progress payments, or liquidate them at a rate higher than the percentage stated in paragraph (b) above, or both, whenever he finds upon substantial evidence that the contractor (i) has failed to comply with any material requirement of this contract, (ii) has so failed to make progress, or is in such unsatisfactory financial condition as to endanger performance of this contract, (iii) has allocated inventory to this contract substantially exceeding reasonable requirements, (iv) is delinquent in payment of the business, (v) has so failed to make progress that the unliquidated progress payments exceed the fair value of the work accomplished on the undelivered portion of this contract, or (vi) is realizing less profit than the esti-

mated profit used for establishing a liquidation percentage in paragraph (b), if that liquidation percentage is less than the percentage stated in paragraph (a) (1).

(d) *Title.* When any progress payment is made under this contract, title to all parts; materials; inventories; work in process; special tooling as defined in the clause of this contract entitled; "Special Tooling"; nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment, and other similar manufacturing aids not included within the definition of special tooling in such "Special Tooling" clause; and drawings and technical data (to the extent delivery thereof to the Government is required by other provisions of this contract); theretofore acquired or produced by the contractor and allocated or properly chargeable to this contract under sound and generally accepted accounting principles and practices shall forthwith vest in the Government; and title to all like property thereafter acquired or produced by the contractor and allocated or properly chargeable to this contract as aforesaid shall forthwith vest in the Government upon said acquisition, production, or allocation. Notwithstanding that title to property is in the Government through the operation of this clause, the handling and disposition of such property shall be determined by the applicable provisions of this contract such as the default clause and paragraph (h) of this clause, the "Termination for Convenience of the Government" clause, and the "Special Tooling" clause. Current production scrap may be sold by the contractor without approval of the contracting officer and the proceeds shall be credited against the costs of contract performance. With the consent of the contracting officer and on terms approved by him, the contractor may acquire or dispose of property to which title is vested in the Government pursuant to this clause, and, in that event, the costs allocable to the property so transferred from this contract shall be eliminated from the costs of contract performance and the contractor shall repay to the Government (by cash or credit memorandum) an amount equal to the unliquidated progress payments allocable to the property so transferred. Upon completion of performance of all the obligations of the contractor under this contract, including liquidation of all progress payments hereunder, title to all property (or the proceeds thereof) which had not been delivered to and accepted by the Government under this contract or which had not been incorporated in supplies delivered to and accepted by the Government under this contract and to which title has vested in the Government under this clause shall vest in the contractor. The provisions of this contract referring to or defining liability for Government-furnished property shall not apply to property to which the Government shall have acquired title solely by virtue of the provisions of this clause.

(e) *Risk of loss.* Except to the extent that the Government shall have otherwise expressly assumed the risk of loss of property title to which vests in the Government pursuant to this clause, in the event of the loss, theft, or destruction of or damage to any such property before its delivery to and acceptance by the Government, the contractor shall bear the risk of loss and shall repay the Government an amount equal to the unliquidated progress payments based on costs allocable to such lost, stolen, destroyed, or damaged property.

(f) *Control of costs and property.* The contractor shall maintain an accounting system and controls adequate for the proper administration of this clause.

(g) *Reports—access to records.* Insofar as pertinent to the administration of this clause, the contractor will (1) furnish promptly such relevant reports, certificates,

financial statements, and other information as may be reasonably requested by the contracting officer, and (ii) give the Government reasonable opportunity to examine and verify its books, records, and accounts.

(h) *Special provisions regarding default.* If this contract is terminated pursuant to the clause entitled "Default," (i) the contractor shall, upon demand, pay to the Government the amount of unliquidated progress payments, and (ii), with respect to all property of which the Government elects not to require delivery under the clause entitled "Default," title shall vest in the contractor upon full liquidation of progress payments, and the Government shall be liable for no payment except as provided by the "Default" clause.

(i) *Reservation of rights.* The rights and remedies of the Government provided in this clause shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this contract. No payment, or vesting of title pursuant to this clause, shall excuse the contractor from performance of its obligations under this contract, nor constitute a waiver of any of the rights and remedies of the parties under this contract. No delay or failure of the Government in exercising any right, power, or privilege under this clause shall affect any such right, power, or privilege, nor shall any single or partial exercise thereof preclude or impair any further exercise thereof or the exercise of any other right, power, or privilege of the Government.

NOTE: Where it has been determined that the contractor shall be reimbursed for unliquidated progress payments made to subcontractors, language substantially as follows shall be inserted in the schedule of the contract:

Progress Payments to Subcontractors

The contractor shall be reimbursed in accordance with the clause entitled "Progress Payments" for all of the progress payments made by the contractor to subcontractors under subcontract progress payment provisions, which:

(1) are substantially similar to and as favorable to the Government as that clause (and no more favorable to the subcontractor than that clause is to the contractor), and (2) make all rights of the subcontractor with respect to all property to which the Government has title pursuant to the subcontract subordinate to the rights of the Government to require delivery of such property to it in the event of default by the contractor under this contract or in the event of the bankruptcy or insolvency of the subcontractor.

The Government agrees that any proceeds received by it from property to which it has acquired title by virtue of such provisions in any subcontract shall be applied to reduce the amount of unliquidated progress payments made by the Government to the contractor under this contract. In the event the contractor fully liquidates such progress payments made by the Government to it hereunder and there are progress payments to any subcontractors which are unliquidated, the contractor shall be subrogated to all the Government's rights by virtue of such provisions in the subcontract or subcontracts involved as if all such rights had been thereupon assigned and transferred to the contractor.

§ 3-18.5110-5 Progress payments—Long form clause—Direct labor and material costs or when limited to either labor or material.

PROGRESS PAYMENTS—DIRECT LABOR AND MATERIALS COSTS
(Strike out inapplicable language if limited to a single direct cost)

Progress payments shall be made to the contractor as work progresses, from time to

time upon request, in amounts approved by the contracting officer upon the following terms and conditions:

(a) *Computation of amounts.* (1) Unless a smaller amount is requested, each progress payment shall be (i) 90 percent of the amount of the contractor's costs incurred of direct labor and material only (strike out "labor and" or "and material" if progress payments are limited to the single direct cost) under this contract plus (ii) to the extent, if any, provided in the schedule, the amount of progress payments made by the contractor to its subcontractors and remaining unliquidated; all less the sum of previous progress payments.

(2) The contractor's total costs shall be reasonable, allocable to this contract, and consistent with sound and generally accepted accounting principles and practices. However, such costs shall not include

(i) any costs incurred by subcontractors or suppliers, or (ii) any payments or amounts payable to subcontractors or suppliers, except for completed work (including partial deliveries) to which the contractor has acquired title, and except for amount paid or payable under cost-reimbursement or time and material subcontracts for work to which the contractor has acquired title, or (iii) costs ordinarily capitalized and subject to depreciation or amortization except for the properly depreciated or amortized portion of such costs.

(3) The amount of unliquidated progress payments shall not exceed the lesser of (i) 90 percent of the costs mentioned in paragraph (a) (1) (i) above, plus any unliquidated progress payments mentioned in paragraph (a) (1) (ii) above, both of which are applicable only to the supplies and services not yet delivered and invoiced to and accepted by the Government, or (ii) ----- percent of the total contract price of supplies and services not yet delivered and invoiced to and accepted by the Government, less unliquidated advance payments. (For percentage here and in paragraph (a) (4), see the parenthetical underlined instruction in paragraph (b) below.)

(4) The aggregate amount of progress payments made shall not exceed ----- percent of the total contract price.

(5) If at any time a progress payment or the unliquidated progress payments exceed the amount permitted by this paragraph (a), the contractor shall pay the amount of such excess to the Government upon demand.

(b) *Liquidation.* Except as provided in the clause entitled "Termination for Convenience of the Government," all progress payments shall be liquidated by deducting from any payment under this contract, other than advance or progress, the amount of unliquidated progress payments or (insert a percentage which is to 90 percent as the amount of estimated costs forming the basis for progress payments is to the amount of the estimated total costs) of the gross amount invoiced, whichever is less. Repayment to the Government required by a retroactive price reduction will be made after recalculating liquidations and payments on past invoices at the reduced prices and adjusting the unliquidated progress payments accordingly.

(c) *Reduction or suspension.* The contracting officer may reduce or suspend progress payments, or liquidate them at a rate higher than the percentage stated in paragraph (b) above, or both, whenever he finds upon substantial evidence that the contractor (i) has failed to comply with any material requirement of this contract (ii) has so failed to make progress, or is in such unsatisfactory financial condition as to endanger performance of this contract, (iii) has allocated inventory to this contract substantially exceeding reasonable requirements, (iv) is incurring costs, whether or not of the kinds eligible for progress payments under para-

graph (a) (1) above, which are higher than the respective estimated costs used for establishing the liquidation percentage in paragraph (b) above, (v) is delinquent in payment of the costs of performance of this contract in the ordinary course of business, or (vi) has so failed to make progress that the unliquidated progress payments exceed the fair value of the work accomplished on the undelivered portion of this contract.

(d) *Title.* When any progress payment is made under this contract, title to all parts; materials; inventories; work in process; special tooling as defined in the clause of this contract entitled "Special Tooling"; nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment, and other similar manufacturing aids not included within the definition of special tooling in such "Special Tooling" clause; and drawings and technical data (to the extent delivery thereof to the Government is required by other provisions of this contract); theretofore acquired or produced by the contractor and allocated or properly chargeable to this contract under sound and generally accepted accounting principles and practices shall forthwith vest in the Government; and title to all like property thereafter acquired or produced by the contractor and allocated or properly chargeable to this contract as aforesaid shall forthwith vest in the Government upon said acquisition, production, or allocation. Notwithstanding that title to property is in the Government through the operation of this clause, the handling and disposition of such property shall be determined by the applicable provisions of this contract such as the default clause and paragraph (h) of this clause, the "Termination for Convenience of the Government" clause, and the "Special Tooling" clause. Current production scrap may be sold by the contractor without approval of the contracting officer and the proceeds shall be credited against the costs of contract performance. With the consent of the contracting officer and on terms approved by him, the contractor may acquire or dispose of property to which title is vested in the Government pursuant to this clause, and, in that event, the costs allocable to the property so transferred from this contract shall be eliminated from the costs of contract performance and the contractor shall repay to the Government (by cash or credit memorandum) an amount equal to the unliquidated progress payments allocable to the property so transferred. Upon completion of performance of all the obligations of the contractor under this contract, including liquidation of all progress payments hereunder, title to all property (or the proceeds thereof) which had not been delivered to and accepted by the Government under this contract or which had not been incorporated in supplies delivered to and accepted by the Government under this contract and to which title has vested in the Government under this clause shall vest in the contractor. The provisions of this contract referring to or defining liability for Government-furnished property shall not apply to property to which the Government shall have acquired title solely by virtue of the provisions of this clause.

(e) *Risk of loss.* Except to the extent that the Government shall have otherwise expressly assumed the risk of loss of property title to which vests in the Government pursuant to this clause, in the event of the loss, theft, or destruction of or damage to any such property before its delivery to and acceptance by the Government, the contractor shall bear the risk of loss and shall repay the Government an amount equal to the unliquidated progress payments based on costs allocable to such lost, stolen, destroyed, or damaged property.

(f) *Control of costs and property.* The contractor shall maintain an accounting sys-

tem and controls adequate for the proper administration of this clause.

(g) *Reports—access to records.* Insofar as pertinent to the administration of this clause, the contractor will (i) furnish promptly such relevant reports, certificates, financial statements, and other information as may be reasonably requested by the contracting officer, and (ii) give the Government reasonable opportunity to examine and verify its books, records, and accounts.

(h) *Special provisions regarding default.* If this contract is terminated pursuant to the clause entitled "Default," (i) the contractor shall, upon demand, pay to the Government the amount of unliquidated progress payments, and (ii), with respect to all property of which the Government elects not to require delivery under the clause entitled "Default," title shall vest in the contractor upon full liquidation of progress payments, and the Government shall be liable for no payment except as provided by the "Default" clause.

(1) *Reservation of rights.* The rights and remedies of the Government provided in this clause shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this contract. No payment, or vesting of title pursuant to this clause, shall excuse the Contractor from performance of its obligations under this contract, nor constitute a waiver of any of the rights and remedies of the parties under this contract. No delay or failure of the Government in exercising any right, power, or privilege under this clause shall affect any such right, power, or privilege, nor shall any single or partial exercise thereof preclude or impair any further exercise thereof or the exercise of any other right, power, or privilege of the Government.

NOTE: Where it has been determined that the contractor shall be reimbursed for unliquidated progress payments made to subcontractors, language substantially as follows shall be inserted in the schedule of the contract:

Progress Payments to Subcontractors

The contractor shall be reimbursed in accordance with the clause entitled "Progress Payments" for all of the progress payments made by the contractor to subcontractors under subcontract progress payment provisions, which (1) are substantially similar to and as favorable to the Government as that clause (and no more favorable to the subcontractor than that clause is to the contractor), and (2) make all rights of the subcontractor with respect to all property to which the Government has title pursuant to the subcontract subordinate to the rights of the Government to require delivery of such property to it in the event of default by the contractor under this contract or in the event of the bankruptcy or insolvency of the subcontractor.

The Government agrees that any proceeds received by it from property to which it has acquired title by virtue of such provisions in any subcontract shall be applied to reduce the amount of unliquidated progress payments made by the Government to the contractor under this contract. In the event the contractor fully liquidates such progress payments made by the Government to it hereunder and there are progress payments to any subcontractors which are unliquidated, the contractor shall be subrogated to all the Government's rights by virtue of such provisions in the subcontract or subcontracts involved as if all such rights had been thereupon assigned and transferred to the contractor.

Subpart 8-18.52—Assignment of Claims

§ 8-18.5201 Responsibility of contracting officers.

Contracting officers will recognize and give effect to valid assignment of claims for \$1,000 or more to financing institutions for moneys due under contracts executed by them or their predecessors in office (Assignment of Claims Act of 1940, as amended, 41 U.S.C. 15).

§ 8-18.5202 Restrictions.

(a) Assignment of performance of a contract is not permitted.

(b) Except when otherwise expressly permitted by the provisions of the contract, no assignment purporting to apply to a portion of payments to be made under a contract, or purporting to be revocable at the instance of either or both parties thereto, will be recognized by any VA contracting officer.

§ 8-18.5203 Assignment procedure.

(a) The assignment of claims for moneys due or to become due under contracts accepted on behalf of the Government by contracting officers will be carried out in accordance with the "Instructions" on the reverse of VA Form 1241, Notice of Assignment (moneys due or to become due).

(b) The contracting officer will file the retained copy of VA Form 1241 and the certified true copy or other acceptable copy of the original instrument of assignment with his copy of the contract. The contracting officer will prepare and forward to the Fiscal Division a certified true copy of the original instrument of assignment.

(c) Contracting officers will notify field stations of any recognized assignment of payments under contracts executed in Central Office or by the Marketing Divisions in all cases where payments for articles and services under such contracts are certified and approved for payment in the field.

Subpart 8-18.53—Sale, Transfer or Change in Name of Business

§ 8-18.5301 Documents necessary.

To support a change of contractor through sale of business, or in the case of a public utility or service corporation furnishing a number of kinds of service, such as gas, electricity or water, the transfer to another corporation of the entire portion of its business as it pertains to the kind of service covered by the contract with the Government, the following evidence should be furnished:

(a) Statement over the signature of the new owner or corporation that he or it undertakes and agrees to furnish the services or supplies in accordance with the original agreement.

(b) Statement over the signature of the original contractor waiving all rights under the contract as against the United States.

(c) Evidence of the sale or transfer. Distribution of these documents will be the same as for the original contract.

§ 8-18.5302 Method of obtaining evidence.

In the case of a corporation, a certified copy of the minutes of the meeting of the Board of Directors at which the sale was effected or authorized will be secured. In all cases, a certified copy of the recorded instrument of sale or a certificate from the Clerk of the Court where the sale is recorded setting forth the principal facts of the transaction and a statement that it has been made a matter of record will be secured. Where no formal instrument of sale has been exchanged or recorded, a signed statement by former and new owner will be obtained. A statement by only one of the parties that he has sold or bought the business is not considered sufficient evidence.

§ 8-18.5303 Documents necessary for change of name.

Where only the name of the firm has been changed, a statement to that effect will be secured over the signature of the owner, all partners or a recognized officer of the corporation, whichever is applicable. Distribution of the statement will be the same as for the contract.

PART 8-75—Delegations of Authority

Sec.

8-75.000 Scope of part.

SUBPART 8-75.1—GENERAL DELEGATIONS

8-75.101 Delegation.

Subpart 8-75.2—Special and Limited Delegations

8-75.201 Delegations.

8-75.201-1 Personal and non-personal services.

8-75.201-2 Architectural and engineering service and construction—Assistant Administrator for Construction.

8-75.201-3 Architectural and Engineering services.

8-75.201-4 Construction contracts; central office.

8-75.201-5 Construction contracts; field stations.

8-75.201-6 Printing and binding.

8-75.201-7 Issue of Government bills of lading—Transportation of remains deceased beneficiaries.

8-75.201-8 Issue of Government bills of lading—Transportation of property.

8-75.201-9 Issue of Government bills of lading—Transportation of property.

AUTHORITY: §§ 8-75.1 through 8-75.2 issued under General Services Administration, Delegation No. 410 dated 3-30-62.

§ 8-75.000 Scope of part.

This part sets forth general and limited delegations of authority to execute, award and administer contracts, purchase orders and other contractual agreements.

Subpart 8-75.1—General Delegations

§ 8-75.101 Delegation.

(a) Except as otherwise provided for by law, VA Regulations and these pro-

curement regulations, the authority vested in the Administrator to execute, award and administer contracts, purchase orders and other agreements for the expenditure of funds involved in the acquisition of personal property, or services (excluding construction and architect engineer service), and for the sale of personal property, is hereby delegated to those employees of the VA appointed or designated to the following positions:

- (1) Chief Medical Director.
- (2) Manager, Administrative Services, Central Office.
- (3) Director, Supply Service, Department of Medicine and Surgery.
- (4) Assistant Director, Supply Service for VA Supply Depots.
- (5) Chief, Purchase and Contract Division, Department of Medicine and Surgery.
- (6) Director or Manager, VA Field Station (Note: Directors or Managers of field stations receiving supply support from another VA station will exercise this authority only in an extreme emergency or when normal supply channels cannot be utilized.)
- (7) Chief, Supply Division, VA Field station.
- (8) Chief, Central Office Building and Supply Division.
- (9) Chief, Marketing Division.

(b) The Contracting Officers named in paragraph (a) of this section may designate one or more of their subordinates engaged in procurement activities, and authority is hereby delegated to such subordinates, to execute, award and administer contracts, purchase orders and other agreements for the acquisition of supplies, equipment and services and for the sale of personal property. Designations will be in writing and will specifically state the scope and limitations of the designee's contractual authority.

(c) When exercising the authority contained in these subparts, the designated employee is identified as the Contracting Officer and will function within the limits prescribed by law, VA Procurement Regulations and the Federal Procurement Regulations.

Subpart 8-75.2—Special and Limited Delegations

§ 8-75.201 Delegations.

The authority vested in the Administrator to execute, award and administer contracts, purchase orders and other agreements for the expenditure of funds involved in the acquisition of the specific services set forth in this subpart is hereby delegated to those employees appointed or designated to the positions specified in this subpart.

§ 8-75.201-1 Personal and non-personal services.

(a) Authority to execute, award and administer contracts, involving the expenditure of funds, for the acquisition of personal and non-personal services such as, but not limited to, management or systems surveys, for his department, is delegated to the Chief Benefits Director.

(b) Authority to execute, award and administer contracts, involving the expenditure of funds, for the acquisition of personal and non-personal services such

as, but not limited to, management or systems surveys, for his department, is delegated to the Chief Insurance Director.

§ 8-75.201-2 Architectural and engineering service and construction—Assistant Administrator for Construction.

Authority to execute, award and administer contracts and related documents, involving the expenditure of funds, for the acquisition of architectural and engineering services and construction, is delegated to the Assistant Administrator for Construction.

§ 8-75.201-3 Architectural and engineering services.

Authority to execute, award and administer contracts and related documents, involving the expenditure of funds, for the acquisition of architectural and engineering services, is delegated to the Architect Engineer Contracting Officer or person acting in that capacity.

§ 8-75.201-4 Construction contracts; central office.

Authority to execute, award and administer contracts and related documents, involving the expenditure of funds, for the acquisition of construction, is delegated to the construction Contracting Officer, or in his absence to the Director, Construction Service.

§ 8-75.201-5 Construction contracts; field stations.

The Chief, Supply Division at a field station is authorized to execute, award and administer construction contracts for construction projects, when such projects are assigned to the station for accomplishment. The Chief, Supply Division, in executing, awarding and administering construction contracts, including those for Maintenance and Repair Projects, will be guided by Federal Procurement Regulations, VA Procurement Regulations and procedures established by the Assistant Administrator for Construction.

§ 8-75.201-6 Printing and binding.

Authority to execute, award and administer contracts, purchase orders and agreements, involving the expenditure of funds, for the acquisition of printing and binding is delegated to the Chief, Publications Division, Office of the Manager, Administrative Services, Central Office.

§ 8-75.201-7 Issue of Government bills of lading—Transportation of remains deceased beneficiaries.

The Chief, Registrar Division at a VA hospital, or the person acting in that capacity, is delegated authority to issue and to sign as "Issuing Officer," Government bills of lading for the shipment of the remains of beneficiaries expiring in a VA hospital.

§ 8-75.201-8 Issue of Government bills of lading—Transportation of Property.

The Chief, Transportation Section at a VA Supply Depot or person acting in that capacity is delegated authority to issue and to sign as "Issuing Officer,"

Government bills of lading for the transportation of supplies, materials and equipment.

§ 8-75.201-9 Issue of Government bills of lading—Transportation of Property.

The Chief, Traffic Management Section, Department of Medicine and Surgery, Central Office, or person acting in that capacity is delegated authority to issue and to sign as "Issuing Officer," Government bills of lading for the transportation of supplies, materials and equipment.

[F.R. Doc. 63-2597; Filed., Mar. 11, 1963; 8:49 a.m.]

Chapter 9—Atomic Energy Commission

PART 9-7—CONTRACT CLAUSES

PART 9-12—LABOR

Miscellaneous Amendments

Part 9-7—Contract Clauses is amended as follows:

§ 9-7.5006-6 [Amendment]

In 9-7.5006-6 *Contractor's organization*, a note is added to (c) *Control of employees*, as follows:

NOTE: In contracts identified in 9-12.5401 (b) the following paragraph shall be substituted for (c) above:

(c) The contractor shall be responsible for maintaining satisfactory standards of employee competency, conduct and integrity and shall be responsible for taking such disciplinary action with respect to his employees as may be necessary. The contractor shall establish such standards and procedures as are necessary to implement effectively the provisions set forth in Atomic Energy Commission Procurement Regulations 9-12.54, and such standards and procedures shall be subject to the approval of the Contracting Officer.

§ 9-7.5006-9 [Amendment]

In 9-7.5006-9 *Allowable costs and fixed fee (CPFF operating and construction contracts)*:

1. Add to paragraph (e) new subparagraph (27):

(27) Salary or other compensation (and expenses related thereto) of any individual employed under this contract as a consultant or in another comparable employment capacity who is an employee of another organization and concurrently performing work on a full-time annual basis for that organization under a cost-type contract with the Commission, except to the extent that cash payment therefor is required pursuant to the provisions of this contract or procedure of the Commission applicable to the borrowing of such an individual from another cost-type contractor.

2. Add at the end of subparagraph (3) of paragraph (d): "except as made unallowable by paragraph (e)(27)."

§ 9-7.5006-10 [Amendment]

In 9-7.5006-10 *Allowable costs and fixed fee (supply contracts and research and development contracts with commercial concerns)*:

1. Add to paragraph (e) new subparagraph (24):

(24) Salary or other compensation (and expenses related thereto) of any individual employed under this contract as a consultant or in another comparable employment capacity who is an employee of another organization and concurrently performing work on a full-time annual basis for that organization under a cost-type contract with the Commission, except to the extent that cash payment therefor is required pursuant to the provisions of this contract or procedures of the Commission applicable to the borrowing of such an individual from another cost-type contractor.

2. Add at the end of subparagraph (3) of paragraph (d): " , except as made unallowable by paragraph (e) (24) ."

§ 9-7.5006-11 [Amendment]

In 9-7.5006-11 *Allowable costs (research and development contracts with educational institutions)*, add the following new paragraph:

In addition to other costs declared to be unallowable, the salary or other compensation (and expenses related thereto) of any individual employed under the contract as a consultant or in another comparable employment capacity who is an employee of another organization and concurrently performing work on a full-time annual basis for that organization under a cost-type contract with the Commission shall be unallowable, except to the extent that cash payment therefor is required pursuant to the provisions of the contract or procedures of the Commission applicable to the borrowing of such an individual from another cost-type contractor.

§ 9-7.5006-12 [Amendment]

In 9-7.5006-12 *Allowable costs and fixed fee (architect-engineer contracts)*:

1. Add at the end of subparagraph (3) of paragraph (d): " , except as made unallowable by paragraph (e) (25) ."

2. Add to paragraph (e) new subparagraph (25):

(25) Salary or other compensation (and expenses related thereto) of any individual employed under this contract as a consultant or in another comparable employment capacity who is an employee of another organization and concurrently performing work on a full-time annual basis for that organization under a cost-type contract with the Commission, except to the extent that cash payment therefor is required pursuant to the provisions of this contract or procedures of the Commission applicable to the borrowing of such an individual from another cost-type contractor.

Section 9-7.5006-45 is added as follows:

§ 9-7.5006-45 *Consultant or other comparable employment services of contractor employees.*

(a) The following clause shall be included in all cost-type contracts identified in AECPR 9-12.5401(c):

The contractor shall require all employees who are employed full-time (an individual who performs work under the cost-type contract on a full-time annual basis) or part-time (50 percent or more of regular annual compensation received under terms of a contract with the Commission) on the contract work to disclose to the contractor all consultant or other comparable employment services which the employees propose to undertake for others. The contractor shall transmit to the Contracting Officer all information obtained from such dis-

closures. The contractor will require any employee who will be employed full-time on the contract work to agree, as a condition of his participation in such work, that he will not perform consultant or other comparable employment services for another Commission cost-type contractor under its contract with the Commission except with the prior approval of the contractor.

(b) The following clause shall be included in all cost-type contracts identified in AECPR 9-12.5401(d):

The contractor shall require all employees who are employed full-time (an individual who performs work under the cost-type contract on a full-time annual basis) or part-time (50 percent or more of regular annual compensation received under terms of a contract with the Commission) on the contract work to disclose to the contractor all consultant or other comparable employment services which the employees propose to undertake for others. The contractor shall transmit to the Contracting Officer all information obtained from such disclosures. The contractor will require any employee who will be employed full-time on the contract work to agree, as a condition of his participation in such work, that he will not perform consultant or other comparable employment services for another Commission cost-type contractor or in the atomic energy field for another organization except with the prior approval of the contractor. If the contractor believes, with respect to any employee who is employed full-time on the contract work, that any proposed consultant or other comparable employment service for an organization in the atomic energy field other than a Commission cost-type contractor may involve a rate of remuneration significantly in excess of the employee's regular rate of remuneration or a significant question concerning possible conflict with the Commission's policies regarding conduct of employees of the Commission's contractors, the contractor's responsibility to report fully and promptly to the Commission all significant research and development information or the patent provisions of the contractor's contract with the Commission, the contractor shall obtain the prior approval of the Contracting Officer for such consultant or other comparable employment service.

(Sec. 161, 70 Stat. 1069; 42 U.S.C. 2201. Implement and supplement sec. 205, 63 Stat. 390; 40 U.S.C. 486)

In Part 9-12—Labor, Subpart 9-12.54 is added to read as follows:

Subpart 9-12.54—*Conduct of Employees and Consultants of AEC Cost-Type Contractors and Certain Other Contractors*

- Sec.
- 9-12.5400 Scope of subpart.
- 9-12.5401 Applicability.
- 9-12.5402 Gratuities.
- 9-12.5403 Use of privileged information.
- 9-12.5404 Outside employment of contractor employees.
- 9-12.5405 Information statement concerning consultant or other employment service.
- 9-12.5406 Allowable and unallowable costs.
- 9-12.5407 Incompatibility between regular duties and private interests.
- 9-12.5408 Participation of employee working under AEC contract in related private activities of employer.
- 9-12.5409 Assignment of responsibilities.

AUTHORITY: §§ 9-12.5400 to 9-12.5409 issued under sec. 161, 42 U.S.C. 2201; sec. 205; 63 Stat. 390; 40 U.S.C. 486.

Subpart 9-12.54—*Conduct of Employees and Consultants of AEC Cost-Type Contractors and Certain Other Contractors*

§ 9-12.5400 *Scope of subpart.*

This subpart establishes the policies of the Atomic Energy Commission concerned with maintaining satisfactory standards of conduct on the part of employees and consultants employed on AEC contract work by its cost-type contractors and certain other contractors specified in § 9-12.5401.

§ 9-12.5401 *Applicability.*

(a) The policies set forth in this subpart are applicable to AEC contractors to the extent that (1) their contracts with the Atomic Energy Commission contain provisions making this subpart applicable; or (2) instructions have been issued under appropriate provisions of their contracts with the Atomic Energy Commission by duly authorized AEC representatives directing compliance with this subpart.

(b) The contract clause contained in the note to AECPR 9-7.5006-6(c) requiring the contractor to establish such procedures as are necessary to implement effectively the provisions of this subpart, subject to the approval of the contracting officer, shall be included in

(1) All new AEC cost-type contracts, and

(2) Other AEC contracts (including time and materials contracts) with respect to which the General Manager or a Manager of a Field Office, as appropriate, determines that the nature of the work to be performed and the duration of the contract make the application of the policies set forth in this subpart necessary in the public interest, and

(3) Major modifications (involving change in scope or other significant substantive changes) or extensions of existing contracts within the foregoing categories,

except that such contract clause will be excluded from all contracts of less than \$250,000.

(c) The contract clause contained in AECPR 9-7.5006-45(a) concerning necessary approvals to be obtained by contractor employees before performing consultant or similar services for another AEC cost-type contractor, shall be included in

(1) All new AEC cost-type contracts except those identified in paragraph (d) below, and

(2) Major modifications (involving change in scope or other significant substantive changes) or extensions of existing contracts within the foregoing category.

(d) The contract clause contained in AECPR 9-7.5006-45(b) concerning necessary approvals to be obtained by contractor employees before performing consultant or similar services for another AEC cost-type contractor, or in the atomic energy field for another organization, shall be included in

(1) All new AEC cost-type contracts for the design or construction of Gov-

ernment-owned facilities or for research or operations where a substantial portion of the land or buildings used for such research or in such operations is owned or controlled by the Government, and

(2) Major modifications (involving change in scope or other significant substantive changes) or extensions of existing contracts within the foregoing category.

(c) Exceptions to the requirements of paragraphs (b), (c), and (d) of this section will be permitted only with the approval of the General Manager.

§ 9-12.5402 Gratuities.

The Commission prohibits its employees from using their official position for personal financial gain, or from accepting any personal advantage from anyone under circumstances which might reasonably be interpreted as an attempt to influence the recipients in the conduct of their official duties. A contractor or his employees or consultants shall not, under circumstances which might reasonably be interpreted as an attempt to influence the recipients in the conduct of their duties, extend any gratuity or special favor to employees of the Commission and shall not accept any gratuity or special favor from individuals or organizations with whom the contractor is doing business, or proposing to do business, in accomplishing work under the contract. Reference also should be made to the provisions of 41 U.S.C. 51-54.

§ 9-12.5403 Use of privileged information.

Employees and consultants of a contractor shall not use for personal gain or make other improper use of privileged information which is acquired in connection with their employment on the contract work. In this connection, the term "privileged information" includes, but is not limited to, unpublished information relating to technological and scientific developments, medical, personnel or security records of individuals; anticipated materials requirements or pricing actions; possible new sites for AEC program operations; and knowledge of selections of contractors or subcontractors in advance of official announcement.

§ 9-12.5404 Outside employment of contractor employees.

Employees of a contractor are entitled to the same rights and privileges with respect to outside employment as other citizens. Therefore, there is no general prohibition against employees having outside employment. However, no employee of a contractor performing work on a full-time basis under an AEC contract shall engage in employment outside his official hours of duty or while on leave if such employment will

(a) In any manner interfere with the proper and effective performance of the duties of his position;

(b) Appear to create a conflict of interests situation, or

(c) Appear to subject the AEC or the contractor to public criticism or embarrassment.

§ 9-12.5405 Information statement concerning consultant or other employment service.

If the consultant or other outside employment service of the employee involves the use of information in the area of the employee's contract employment, the contractor will be responsible for requiring that the employee file with the contractor an information statement containing such information concerning the outside employment as the contractor may prescribe. As a minimum, the information statement shall include a description of any patent agreements that may be involved and the following certificate:

I acknowledge that I have read and am familiar with the published policy of the Atomic Energy Commission contained in

(a) AECPR 9-12.54, Conduct of Employees and Consultants of AEC Cost-Type Contractors and Certain Other Contractors, and

(b) AEC Manual Chapter 3202, "Reporting and Dissemination of Information Resulting from AEC Research and Development Activities" which relates to the reporting and dissemination of scientific and technical information resulting from research and development work in the course of a contract with the AEC, and states in part that all research and development activities which are productive of significant information shall be promptly and fully reported to the AEC.

In accordance with this policy, I agree not to withhold, or delay reporting, information acquired through my employment with _____ in favor of _____ with whom I have made or am contemplating making a consulting agreement. I have also read and am familiar with the requirements of my employer's contract with the Commission relating to patents. To the best of my knowledge or belief, the activities to be performed under this consulting agreement will not conflict with the policy set forth in AECPR 9-12.54, the patent provisions of my employer's contract with the Commission or with the responsibility of my employer to report fully and promptly to the AEC all significant research and development information. If in the course of my activities under this consulting arrangement it appears that such a conflict may arise, I will promptly notify and consult with my primary employer _____ concerning such possible conflict.

§ 9-12.5406 Allowable and unallowable costs.

Reference should be made to AECPR 9-7.5006-9 (d) (3) and (e) (27), AECPR 9-7.5006-10 (d) (3) and (e) (24), AECPR 9-7.5006-11 and AECPR 9-7.5006-12 (d) (3) and (e) (25) for additional contract provisions concerning allowable and unallowable costs in connection with obtaining consultant services.

§ 9-12.5407 Incompatibility between regular duties and private interests.

Employees and consultants of a contractor shall not be permitted to make or influence any decisions on behalf of the contractor which directly or indirectly affect the interest of the Government if the employees' or consultants' personal concern in the matter may be incompatible with the interest of the Government. For example, (a) an employee or consultant of a contractor will not negotiate, or influence the letting of,

a subcontract with a company in which he has an employment relationship or significant financial interest; and (b) an employee or consultant of a contractor will not be assigned the preparation of an evaluation for the Commission or for a Commission contractor of some technical aspect of the work of another organization with which he has an employment relationship or significant financial interest or which is a competitor of an organization (other than the contractor who is his regular employer) in which he has an employment relationship or significant financial interest. The contractor shall be responsible for informing employees and consultants that they are expected to disclose any incompatibilities between duties performed for the contractor and their private interests and to refer doubtful questions to the contractor.

§ 9-12.5408 Participation of employee working under AEC contract in related private activities of employer.

Situations may arise in which the AEC solicits the performance of private, commercial services identical or related to those being performed under an AEC cost-type contract. In such a situation a cost-type contractor may wish to enter into a separate contract with the AEC to perform such services. For purposes of preparing proposals or bids the cost-type contractor may wish to utilize the services of its employee(s) working under the cost-type contract. The cost-type contractor shall inform the contracting officer of all such situations and appropriate steps shall be taken by the AEC to preclude the possibility that the cost-type contractor would have a preferential position in relation to other organizations interested in participating in the Government contract. For purposes of this section, the term "cost-type contractor" shall include affiliated companies, parent organizations, or wholly-owned subsidiaries. It shall be the responsibility of Directors of Division and Offices, Headquarters, and Managers of Field Offices to assure that no preferential treatment results, in accordance with the following general principles:

(a) No part of plans, specifications, cost estimates or other data which are being used in AEC work related to an AEC program shall be used in the industrial participation program, except as such information may be made available by the AEC to all interested industrial firms.

(b) All available information shall be released under AEC sponsorship through the media of published technical reports, technical meetings, preproposal conferences and regularly scheduled consulting conferences. The contractor shall cooperate with the AEC in providing all available information for such release.

(c) Except as otherwise directed by the Contracting Officer consistent with the purpose of this section, an AEC representative must be present in any meeting at which information is transmitted by employees of the contractor working

under the cost-type contract to other representatives of the contractor for the purpose of assisting in the preparation of a commercial proposal or bid.

(d) No cost-type contractor employee performing AEC work under a cost-type contract may be used to assist in the preparation of a proposal or bid for the performance of private commercial services identical or related to those being performed in the AEC cost-type contract unless such employee has been separated, with AEC approval, from performance of work under the AEC cost-type contract for such period as the Contracting Officer shall direct consistent with the purpose of this section.

§ 9-12.5409 Assignment of responsibilities.

In discharging their assigned responsibilities, Directors of Divisions and Offices, Headquarters, and Managers of Field Offices shall

(a) Assure that the requirements of § 9-12.5401 (b), (c) and (d), with respect to the inclusion of certain contract clauses referred to therein, are fulfilled.

(b) Assure the issuance of appropriate instructions consistent with § 9-12.5401 (a) (2).

(c) Review the policies and practices of contractors in carrying out their responsibilities to assure compliance with the policies set forth in this subpart.

(d) Take corrective action where appropriate.

Effective date. These regulations are effective forty-five (45) days following the date of publication in the FEDERAL REGISTER, but may be observed earlier.

Dated at Germantown, Md., this 4th day of March 1963.

For the U.S. Atomic Energy Commission.

JOHN V. VINCIGUERRA,
Director,
Division of Contracts.

[F.R. Doc. 63-2546; Filed, Mar. 11, 1963; 8:45 a.m.]

Title 7—AGRICULTURE

Chapter IV—Federal Crop Insurance Corporation, Department of Agriculture

[Amdt. 1]

PART 404—APPLE CROP INSURANCE

Subpart—Regulations for the 1963 and Succeeding Crop Years

AMOUNT OF LOSS AND PROOF OF LOSS

Pursuant to the authority contained in the Federal Crop Insurance Act, as amended, the above-identified regulations are amended effective beginning with the 1963 crop year in the following respects:

Section 14 of the application and the policy shown in § 404.6 of this chapter is amended effective beginning with the 1963 crop year by adding a new subsection (d) thereto to read as follows:

14. Amount of loss and proof of loss. * * *

(d) Notwithstanding the provisions of paragraph (c) of this section, where damage, due directly and solely to a cause or causes insured against, results in a reduction in grade, a percentage of the production so reduced in grade shall be counted as production lost. Such percentage shall be:

Extra fancy reduced to:	Percent
Fancy -----	30
"C" Grade -----	80
Culls -----	100
Fancy reduced to:	
"C" Grade -----	50
Culls -----	70
"C" Grade reduced to:	
Culls -----	20

In applying the provisions of this paragraph, the Corporation shall make grade determinations on the basis of standards established by the duly authorized agency of the State in which the insured crop is located, except that color shall be disregarded as a grade factor if the determinations are made prior to the time color fully develops.

(Secs. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U.S.C. 1506, 1516)

Adopted by the Board of Directors on March 7, 1963.

[SEAL] EARLL H. NIKKEL,
Secretary,
Federal Crop Insurance Corporation.

Approved: March 7, 1963.

JOHN P. DUNCAN, Jr.,
Assistant Secretary.

[F.R. Doc. 63-2590; Filed, Mar. 11, 1963; 8:49 a.m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Tree Nuts), Department of Agriculture

PART 908—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Early Maturity Allotments

Notice is hereby given of the approval of an amendment, as hereinafter set forth, of the rules and regulations (7 CFR Part 908.100 et seq.; Subpart—Rules and Regulations) currently in effect pursuant to the amended marketing agreement and Order No. 908, as amended (7 CFR Part 908; 27 F.R. 10089), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674).

It is hereby found and determined that the said amendment of the rules and regulations, which was submitted for approval by the Valencia Orange Administrative Committee, established pursuant to the amended marketing agreement and order as the agency to administer the provisions thereof, is in accordance with the provisions of the said amended marketing agreement and order and will tend to effectuate the declared purposes of the Agricultural Marketing Agreement Act of 1937, as amended, and the said rules and regulations are hereby amended as follows:

Paragraph (a) of § 908.113 *Early maturity allotments* is deleted and the following substituted in lieu thereof:

§ 908.113 Early maturity allotments.

(a) *Applications to be filed.* On or before 12 o'clock noon of the day preceding the regular weekly meeting of the committee any handler controlling early maturity oranges who desires to receive allotment therefor for use during the following week must file with the committee at any of its designated offices an application on V.O.A.C. Form No. 9. Such application shall show the name and address of the applicant, the general location of early maturity oranges for which he desires allotment, the number of cartons of allotment desired, and such other information as the committee may from time to time request.

(b) *Transfer of allotment.* Any handler who transfers early maturity allotment to another handler to whom early maturity allotment is issued must notify the committee of such transfer on or before 12 o'clock noon of the Monday following the week for which such allotment was issued. Unless such notification is received by the committee within the time prescribed the allotment shall be charged to the handler to whom it was issued and failure to ship the allotment shall be the responsibility of such handler. The committee shall confirm all qualifying transfers by memorandum addressed to the parties concerned, which memorandum shall be deemed to satisfy the requirements of this section.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

It is hereby further found that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date hereof until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 1001-1011) in that (1) an amendment of the said marketing agreement and order, effective October 15, 1962, changed the provisions relating to early maturity allotments; (2) the change in the rules and regulations makes such rules and regulations conform to the provisions of the said amended marketing agreement and order; (3) the changes effectuated by such amendment of the rules and regulations will not require any special preparation which cannot be completed prior to the effective time hereof; (4) limited shipments of Valencia oranges are now being made; and (5) provisions relating to early maturity allotment are generally applicable to the early shipments from each district. Therefore, to be of maximum benefits this amendment should be made effective as soon as possible.

Dated, March 6, 1963, to become effective upon publication in the FEDERAL REGISTER.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 63-2562; Filed, Mar. 11, 1963; 8:47 a.m.]

[Lemon Reg. 52, Amdt. 1]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910; 27 F.R. 8346), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, and this amendment relieves restriction on the handling of lemons grown in California and Arizona.

Order, as amended. The provisions in paragraph (b)(1)(ii) of § 910.352 (Lemon Regulation 52, 28 F.R. 2024) are hereby amended to read as follows:

(ii) District 2: 255,750 cartons.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: March 7, 1963.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 63-2561; Filed, Mar. 11, 1963; 8:47 a.m.]

Chapter X—Agricultural Marketing Service (Marketing Agreements and Orders; Milk), Department of Agriculture

[Milk Order 73]

PART 1073—MILK IN WICHITA, KANS., MARKETING AREA

Order Suspending Certain Provision

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and of the order regulating the handling of milk in the Wichita, Kansas marketing area (7 CFR Part 1073), it is hereby found and determined that:

(a) The following provisions of the order do not tend to effectuate the declared policy of the Act during any month in which a "pool plant" as defined in § 1073.10(d) is also qualified as a "pool plant" under another order is-

sued pursuant to the Act because it moved 50 percent or more of its dairy farm supply of Grade A milk to plants which qualified as pool plants under such other order, except that this suspension order shall not be effective for any month in which any "pool plant" which would be qualified under § 1073.10(d) is not also qualified as a "pool plant" under another order issued pursuant to the Act because it moved 50 percent or more of its dairy farm supply of Grade A milk to plants which qualified as pool plants under such other order:

1. All of § 1073.10(d).

2. That part of § 1073.61 which reads "or 1073.10(d)".

(b) Notice of proposed rule making, public procedure thereon, and 30 day's notice of effective date hereof are impractical, unnecessary, and contrary to the public interest in that:

(1) This suspension order does not require of persons affected substantial or extensive preparation prior to the effective date.

(2) This suspension order is necessary to reflect current marketing conditions and to maintain orderly marketing conditions in the marketing area pending the opportunity to hold a hearing.

(3) This suspension order would relieve plants from regulation as pool plants under § 1073.10(d) in any month in which all such plants qualify as pool plants under another order issued pursuant to the Act because each moved 50 percent or more of its dairy farm supply of Grade A milk to plants which qualified as pool plants under such other order.

(4) A plant which qualified as a pool plant under § 1073.10(d) during January 1963 also qualified as a pool plant under the terms of § 1138.10(b) of the order regulating the handling of milk in the Rio Grande Valley marketing area.

(5) The regulation of the plant as a pool plant under both the Rio Grande Valley order and the Wichita order would impose an obligation on the plant operator which was not contemplated in the application of either order.

(6) Pool plant status under § 1073.10(d) is intended to apply to a plant which handles reserve supplies of milk for the Wichita, Kansas, market. In any month in which the shipments of milk from this plant to plants regulated under another order are 50 percent or more of its dairy farm receipts, its function is more associated with the other market than with the Wichita, Kansas, marketing area.

Therefore, good cause exists for making this suspension order effective January 1, 1963.

It is therefore ordered. That the aforesaid provisions of the order are hereby suspended effective January 1, 1963, and to continue in effect until further order, except that this suspension order shall not be effective for any month in which any "pool plant" which would be qualified under § 1073.10(d) is not also qualified as a "pool plant" under another order issued pursuant to the Act because it moved 50 percent or more of its dairy farm supply of Grade A milk to plants which qualified as pool plants under such other order.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Effective date: January 1, 1963.

Signed at Washington, D.C., on March 7, 1963.

JOHN P. DUNCAN, JR.,
Assistant Secretary.

[F.R. Doc. 63-2588; Filed, Mar. 11, 1963; 8:49 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

SUBCHAPTER A—CIVIL AIR REGULATIONS

[Reg. Docket No. 531; Supp. 60-35]

PART 60—AIR TRAFFIC RULES

Fairbanks Airport Traffic Area Rules; Revocation

Section 60.18-6 of Civil Aeronautics Manual (CAM) 60 was adopted, effective July 14, 1951, to prescribe traffic patterns for the Fairbanks International Airport and the Chena River Landing Area. These patterns in CAM 60.18-6 no longer appear necessary.

Effective December 26, 1961, Amendment 60-24 revised § 60.18 of the Civil Air Regulations (CAR), governing operations on and in the vicinity of all airports. Amendment 60-24 established several air traffic rules to standardize flight procedures at all controlled airports and, to the extent practicable, provide for uniform traffic pattern rules. The provisions of CAM 60.18-6 were thus either duplicated in the amended CAR 60.18 or later made obsolete by the locally developed procedures. Accordingly, no further requirement exists for the retention of CAM 60.18-6.

Inasmuch as this action is editorial in nature and imposes no additional burden on any person, compliance with the notice, public procedure and effective date requirements of the Administrative Procedure Act is unnecessary.

In consideration of the foregoing, § 60.18-6 of Civil Aeronautics Manual 60 is hereby rescinded.

This revocation shall become effective on March 12, 1963.

(Sec. 307, Federal Aviation Act of 1958, 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on March 6, 1963.

N. E. HALABY,
Administrator.

[F.R. Doc. 63-2547; Filed, Mar. 11, 1963; 8:45 a.m.]

SUBCHAPTER E—AIRSPACE [NEW]

[Airspace Docket No. 63-EA-11]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS [NEW]

PART 73—SPECIAL USE AIRSPACE [NEW]

Alteration of Restricted Area and Continental Control Area

The purpose of these amendments to §§ 73.58 [New] and 71.151 [New] of the

Federal Aviation Regulations is to reduce the maximum designated altitude of Indiantown Gap, Pa., Restricted Area R-5802 from 18,000 feet MSL to 13,000 feet MSL, and, therefore, remove it from the Continental Control Area.

The Department of the Army has stated that their activities in this restricted area can be conducted below 13,000 feet MSL. Therefore, action is taken herein to reduce the maximum designated altitude to 13,000 feet MSL, and to remove R-5802 from the Continental Control Area.

Since these amendments reduce the burden on the public, compliance with the notice, public procedure, and effective date requirements of section 4 of the Administrative Procedures Act is unnecessary and they may be made effective upon publication.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator (25 F.R. 12582), the following actions are taken:

1. In § 73.58 (23 F.R. 19-40, January 26, 1963, 28 F.R. 485) R-5802, Indiantown Gap, Pa., is amended to read:

R-5802 Indiantown Gap, Pa.

Boundaries. Beginning at latitude 40°-28'45" N., longitude 76°35'30" W.; to latitude 40°26'05" N., longitude 76°35'30" W.; to latitude 40°24'55" N., longitude 76°36'55" W.; to latitude 40°23'45" N., longitude 76°-43'11" W.; to latitude 40°24'20" N., longitude 76°44'40" W.; to latitude 40°28'45" N., longitude 76°37'40" W.; to the point of beginning.

Designated altitudes. Surface to 13,000 feet MSL.

Time of designation. Continuous June 1 through August 31; 0800 to 1800 e.s.t. Saturday and Sunday March 1 through May 31; and 0800 to 1800 e.s.t. Saturday and Sunday September 1 through November 30.

Controlling agency. Federal Aviation Agency, New York ARTC Center.

Using agency. Commanding General, Second United States Army, Fort Meade, Maryland.

2. In the text of § 71.151 (27 F.R. 220-54, November 10, 1962) the following is deleted: R-5802 Indiantown Gap, Pa.

This amendment shall become effective upon the date of publication in the FEDERAL REGISTER.

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

Issued in Washington, D.C., on March 5, 1963.

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

[F.R. Doc. 63-2549; Filed, Mar. 11, 1963; 8:46 a.m.]

[Airspace Docket No. 63-SW-11]

PART 73—SPECIAL USE AIRSPACE [NEW]

Alteration of Restricted Area

The purpose of this amendment to § 73.63 [New] of the Federal Aviation Regulations is to alter the designated altitudes of the Corpus Christi, Tex., Restricted Area R-6301 from "surface to flight level 450" to "surface to 23,000 feet MSL."

The Department of Navy has requested a change in designated altitudes to pro-

vide for the establishment of a new jet route structure in the positive control area which will overlie this restricted area as contained in Airspace Docket No. 63-SW-12. Such action is taken herein effective concurrently with the effective date of Airspace Docket No. 63-SW-12 in order to eliminate any impairment to the Navy training activity in the Corpus Christi, Tex., area.

Since this amendment does not add any burden on the public, compliance with the Notice, public procedure and effective date requirements of section 4 of the Administrative Procedure Act is unnecessary.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (25 F.R. 12582), § 73.63 Texas (28 F.R. 19-41, January 26, 1963), is amended as follows: In R-6301 Corpus Christi, Tex., "Designated altitudes. Surface to flight level is 450" is deleted and "Designated altitudes. Surface to 23,000 feet MSL." is substituted therefor.

This amendment shall become effective 0001 e.s.t. April 4, 1963.

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

Issued in Washington, D.C., on March 5, 1963.

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

[F.R. Doc. 63-2548; Filed, Mar. 11, 1963; 8:45 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. 8052]

PART 13—PROHIBITED TRADE PRACTICES

Inland Rubber Corp.

Subpart—Discriminating in price under section 2, Clayton Act—Price Discrimination under 2(a): § 13.730 *Customer classification*; § 13.736 *Group buying organizations*; § 13.770 *Quantity rebates or discounts*.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 2, 49 Stat. 1526; 15 U.S.C. 13) [Cease and desist order, Inland Rubber Corporation, Mansfield, Ohio, Docket 8052, Feb. 25, 1963]

Consent order requiring manufacturers in Mansfield, Ohio, to cease discriminating in price in violation of section 2(a) of the Clayton Act in the sale of its automobile tires and tubes and repair materials by (1) granting rebates in price based on the annual volume of sales; (2) using a volume discount plan which provided that customers purchasing in lots of 5,000 tubes received the largest discount and granting the lowest price to some customers but not others—in both cases allowing various combinations of quantities of products to be made which resulted in differing prices; and (3) charging some customers classified as "Warehouse Distributors" and in-

cluding "group buyers", prices as much as 18 percent lower than it charged competing purchasers.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondent, Inland Rubber Corporation, a corporation, and its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the sale and distribution of tire and tube repair materials and valve products, in commerce, as "commerce" is defined in the Clayton Act, as amended, do forthwith cease and desist from discriminating in price by selling such products of like grade and quality to any purchaser at net prices higher than those granted to any other purchaser, who in fact competes with the purchaser paying the higher price in the resale and distribution of such products;

It is further ordered, That respondent, Inland Rubber Corporation, a corporation, and its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the sale and distribution of automobile tire tubes in commerce, as "commerce" is defined in the Clayton Act, do forthwith cease and desist from discriminating in price by selling such products of like grade and quality to any purchaser at net prices higher than those granted to other competing purchasers, who are permitted to combine their purchases with those of other purchasers and are thereby granted lower prices.

For the purposes of determining "net price" under the terms of this order, there shall be taken into account discounts, rebates, allowances, deductions or other terms and conditions of sale by which net prices are effected.

It is further ordered, That the respondent herein shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with this order.

Issued: February 25, 1963.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 63-2550; Filed, Mar. 11, 1963; 8:46 a.m.]

Title 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 141—SHIPPER'S EXPORT DECLARATION

PART 142—COMMERCE DEPARTMENT REGULATIONS (COMMODITIES AND TECHNICAL DATA)

General Licenses for Gifts and Baggage

I. The regulations of the Post Office Department in § 142.2 *General licenses*

are amended as follows to include new Commerce Department requirements governing the use of general licenses "Gift and Baggage".

A. Amend paragraph (c) to read as follows:

(c) *General license Gift.* (1) This license covers gift packages mailed by or on behalf of an individual sender to an individual addressee for the personal use of the latter or his family or to a religious, charitable, or educational organization. The contents are limited to items normally sent as gifts, such as food, clothing (except military clothing to any country named in paragraph (b) of this section), medicinals, and drugs.

(2) A parcel exported under this license may not contain any article included in the Commerce Department's "Positive List of Commodities". That list, comprising all the articles and materials subject to specific export controls, includes no items normally sent as gifts except for sporting rifles, certain medicinal and pharmaceutical products, and certain types of transistors for television and radio receivers. Copies of the list are not available for public distribution, and postal employees should not attempt to advise patrons whether their articles are included in the list. When in doubt, mailers should inquire of the Bureau of International Commerce, Department of Commerce, Washington 25, D.C., or any Commerce Department field office as to whether specific articles are exportable.

(3) The value of the contents of a package is limited to \$100.

(4) Not more than one gift package may be mailed per week to one addressee under this general license.

NOTE: The corresponding Postal Manual section is 252.23.

B. Amend paragraph (h) to read as follows:

(h) *General license baggage.* General license baggage may be used to mail unaccompanied baggage of travelers, consisting of personal and household effects not intended for sale. No article included in the Commerce Department's "Positive List of Commodities" (see paragraph (c) (2) of this section) may be sent under this license to any country named in paragraph (b) of this section or to Poland.

NOTE: The corresponding Postal Manual section is 252.28.

II. In the following sections, strike out "Bureau of International Programs" where it appears therein and insert in lieu thereof "Bureau of International Commerce": §§ 141.1(c), 141.5(b), 142.1(a), 142.2(a) and (f) (2), and 142.3(a), (d), and (e).

(R.S. 161, as amended; 5 U.S.C. 22, 39 U.S.C. 501, 505)

LOUIS J. DOYLE,
General Counsel.

[F.R. Doc. 63-2556; Filed, Mar. 11, 1963;
8:46 a.m.]

Title 45—PUBLIC WELFARE

Chapter III—Bureau of Federal Credit Unions, Social Security Administration, Department of Health, Education, and Welfare

PART 310—VOLUNTARY LIQUIDATION OF FEDERAL CREDIT UNIONS

Miscellaneous Amendments

Notice of proposed rule making, public procedures thereon, and delay in the effective date in the issuance of the following additions and revisions have been omitted because of the following findings and reasons:

Part 310—Voluntary Liquidation of Federal Credit Unions, is revised to authorize a Federal credit union in voluntary liquidation and in the process of winding up its affairs to pay to the State in which it is located instead of to trust accounts in the Federal Treasury the amounts in dormant share accounts which are subject to the escheat or abandoned property laws of the State. Unpaid claims not so subject at final distribution will continue to be paid into Federal trust accounts.

In addition, the revisions omit reference to certain specific forms and substitute therefor a reference to use of an "official form."

Since distribution to the State under its laws enables the Federal credit union to discharge its obligations to its members, and since the Federal government asserts no interest in such accounts other than to hold them in trust for the benefit of the owners, and in view of the technical nature of the other amendments and revisions, the Director finds that advance notice and public procedure thereon are impracticable, unnecessary, and contrary to the public interest.

The proposed additions and revisions are to be issued under authority contained in section 21 of the Federal Credit Union Act. (73 Stat. 635; 12 U.S.C. 1766)

Dated: February 21, 1963.

[SEAL] J. DEANE GANNON,
Director, Bureau of
Federal Credit Unions.

Approved: February 26, 1963.

ROBERT M. BALL,
Commissioner of Social Security.

Approved: March 5, 1963.

ANTHONY J. CELEBREZZE,
Secretary of Health, Education,
and Welfare.

Sections 310.11, 310.12, 310.14 and 310.15, Part 310, Chapter III, Title 45 of the Code of Federal Regulations are revised as follows:

§ 310.11 [Amendment]

Section 310.11 *Distribution of assets* is amended by adding the following sentence at the end of § 310.11: "Unclaimed

share accounts which have been dormant for the period which makes them subject to the escheat or abandoned property laws of the State in which the Federal credit union is located, shall be paid to the State as required by such laws."

Section 310.12 *Final report* is amended to read as follows:

§ 310.12 Final report.

Within 120 days after the final distribution to members is started, the Federal credit union shall furnish to the regional office the following:

(a) A schedule on an official form of unpaid claims, if any, due members who failed to surrender their passbooks or confirm their balances in writing during liquidation whose share accounts are not payable to the State under applicable escheat or abandoned property laws, and of unpaid claims, if any, due members or creditors who failed to cash final distribution checks within the said 120 days; this schedule shall be accompanied by a certified check or money order payable to the Bureau of Federal Credit Unions in the exact amount of the total of these unpaid claims. The Bureau will deposit said funds in a special account with the Chief Disbursing Office of the Treasury of the United States where they will be held for the account of the individuals named on said schedule. Each such individual, or any authorized person on his behalf, may submit to the Bureau a written claim for the amount of such funds held for him.

(b) A schedule on an official form showing the name, book number, share balance at the commencement of liquidation, pro-rata share of gain or loss, and the amount of each unclaimed share account paid to the State under applicable escheat or abandoned property laws. The check number and date of payment to the State should be included in the schedule.

(c) A schedule on an official form showing the name, book number, share balance at the commencement of liquidation, pro-rata share of gain or loss, and the amount distributed to each member.

(d) A summary report on liquidation in duplicate on an official form.

(e) The Certificate of Dissolution and Liquidation on an official form signed under oath by the board of directors or agent who conducted the liquidation and made the final distribution of assets to the members.

(f) The name and address of the custodian of the Federal credit union's records.

(g) The charter of the Federal credit union.

Section 310.14 *Cancellation of charter* is amended to read as follows:

§ 310.14 Cancellation of charter.

On proof that distribution of assets has been made to members and within one year after receipt of the Certificate of Dissolution and Liquidation, the Director shall cancel the charter of the Federal credit union concerned.

§ 310.15 Further instructions and information.

Section 310.15 *Further instructions and information* is amended to read as follows:

Further detailed instructions, information, and official forms pertaining to voluntary liquidations may be obtained from the Washington or Regional Offices of the Bureau.

[F.R. Doc. 63-2576; Filed, Mar. 11, 1963; 8:48 a.m.]

Title 50—WILDLIFE AND FISHERIES

Chapter I—Bureau of Sport Fisheries and Wildlife, Fish and Wildlife Service, Department of the Interior

PART 32—HUNTING

Kentucky Woodlands National Wildlife Refuge, Kentucky

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 32.22 Special regulations; upland game; for individual wildlife refuge areas.

KENTUCKY

KENTUCKY WOODLANDS NATIONAL WILDLIFE REFUGE

Public hunting of upland game on the Kentucky Woodlands National Wildlife Refuge, Kentucky, is permitted only on the area designated by signs as open to

hunting. This open area, comprising 25,000 acres or 38 percent of the total area of the refuge, is delineated on a map available at the refuge headquarters and from the office of the Regional Director, Bureau of Sport Fisheries and Wildlife, Peachtree-Seventh Building, Atlanta 23, Georgia. Hunting shall be subject to the following conditions:

(a) Species permitted to be taken: Wild turkeys, gobblers only. The hunting of upland game species, as may be otherwise authorized by Kentucky State regulations, is prohibited.

(b) Open season: April 22, 24, and 26, 1963. Hunters will be permitted to enter the open area at 5:00 a.m. Check-out time is 11:00 a.m. (c.s.t.). Total season kill limited to 25 gobblers.

(c) Daily bag limits: One wild turkey gobbler per hunter for the season. A successful hunter cannot assist any other hunter in taking a turkey.

(d) Method of hunting: Shotguns only, not larger than 12 gauge. Slugs prohibited.

(e) Other provisions:
1. The provisions of this special regulation supplement the regulations which govern hunting on wildlife refuge areas generally which are set forth in Title 50, Code of Federal Regulations, Part 32.

2. During the open season hours specified in (b) above, bobcats, woodchucks, grey foxes, crows and feral cats, which are not protected by State regulations, may be taken without limit on the area designated as open to hunting.

3. Hunters, upon entering or leaving the hunting area, must report at such checking stations as may be established for regulating the hunt. Checking sta-

tions will be open at 4:30 a.m. and check-out time is 11:00 a.m. (c.s.t.).

4. A Federal permit is required to enter the public hunting area. Permits will be issued at the checking stations on the days of the open season.

5. The provisions of this special regulation are effective to April 27, 1963.

WALTER A. GRESH,
Regional Director, Bureau of Sport Fisheries and Wildlife.

MARCH 5, 1963.

[F.R. Doc. 63-2553; Filed, Mar. 11, 1963; 8:46 a.m.]

PART 33—SPORT FISHING

Santee National Wildlife Refuge, South Carolina

The special regulation permitting sport fishing on the Santee National Wildlife Refuge, South Carolina, in § 33.5, published February 7, 1963, in the FEDERAL REGISTER, Volume 28, No. 27, page 1225, is amended as follows:

(c) Daily creel limits:
Largemouth bass, black bass, striped bass, white bass—no more than an aggregate of 10. Not more than 25 game fish other than bass.

The provisions of this amended special regulation are effective to December 31, 1963.

WALTER A. GRESH,
Regional Director, Bureau of Sport Fisheries and Wildlife.

MARCH 1, 1963.

[F.R. Doc. 63-2554; Filed, Mar. 11, 1963; 8:46 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 1048]

[Docket No. AO-325-A2]

MILK IN GREATER YOUNGSTOWN-WARREN, OHIO, MARKETING AREA

Notice of Recommended Decision and Opportunity To File Written Exceptions on Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended decision with respect to proposed amendments to the tentative marketing agreement and order regulating the handling of milk in the Greater Youngstown-Warren, Ohio, marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D.C., not later than the close of business the 10th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate.

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order as amended, were formulated, was conducted at Youngstown, Ohio, on December 11, 1962, pursuant to notice thereof which was issued November 28, 1962 (27 F.R. 11955).

The material issues on the record of the hearing relate to:

1. The Class I price;
2. Reporting of diverted milk;
3. A Class II allowance for products disposed of for livestock feed or dumped; and
4. Shrinkage allowance on cream transferred in bulk tank lots.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. *Class I price.* The present Class I price of 10 cents over the Northeastern Ohio Class I price should be continued.

The present Class I price provision, originally effective only through January 31, 1963, was continued at its present level by suspension action pending amendments as a result of this hearing.

Cooperative associations serving the market proposed that the order be amended to continue the present Class I pricing indefinitely. Handlers proposed that the Class I price be reduced

10 cents to the level of the Class I price in the Northeastern Ohio order.

The Greater Youngstown-Warren order became effective, in part, on July 1, 1961, and in its entirety on August 1, 1961. The Class I price was made effective only through January 31, 1963, in order to provide an opportunity to re-view marketing conditions and to re-evaluate the price level after a period of actual order experience.

During the first 16 months of order operation (August 1961-November 1962) 80 percent of producer receipts were classified as Class I and total producer receipts were about 25 percent greater than gross Class I utilization. During the 4-month period of August through November for which comparable data were available for 1961 and 1962, the average proportion of producer milk used in Class I increased from 85 percent in 1961 to 88 percent in 1962. In the same period, total receipts of producer milk exceeded gross Class I utilization by 18 percent in 1961 and 14 percent in 1962. It is apparent that at the present level of Class I pricing, while an adequate supply of milk for the fluid needs of the market has been forthcoming, production has experienced a slight decrease relative to Class I utilization.

Handlers in proposing a 10-cent reduction in Class I pricing cited the higher blend price received by Youngstown producers relative to blend prices received by Northeastern Ohio producers as evidence that the Class I price should be lowered.

Utilization since the inception of the Youngstown-Warren order has been considerably above the utilization of the Northeastern Ohio market and consequently the blend prices to producers under the Youngstown order have been higher. The milk supply of the Youngstown market is received from producers whose farms are intermingled with those of dairy farmers whose milk is received and utilized by handlers under the Northeastern Ohio order as well as dairy farmers whose milk is received at unregulated plants located in Pennsylvania. In spite of the higher return available under the Youngstown order there is no indication that any substantial number of new producers have been attracted to the pool. In fact, there was a net decrease in the number of producers on the market from 1,208 in August of 1961 to 1,025 in November 1962. It is of primary importance to producers that their milk be utilized in the highest use class whenever possible. The improvement in the utilization of the Youngstown market should rightly be reflected in returns to producers who provide the regular and dependable supply of milk for this market.

In addition, handlers pointed to the increase in Class I sales made in the Youngstown-Warren marketing area by handlers regulated under the Northeastern Ohio order as an indication that the

Northeastern Ohio handlers enjoyed a competitive advantage on sales made in this area and that, therefore, the Youngstown Class I price should be reduced.

Class I sales in adjoining markets by handlers regulated under another order are often the result of improved highways and other technologies in the processing and distribution of milk. Such factors have contributed to increases in sales by Youngstown handlers in the Northeastern Ohio marketing area since the inception of the Youngstown order. One handler who previously operated a Northeastern Ohio regulated plant in the city of Akron, Ohio, presently serves Akron and adjoining areas of the Northeastern Ohio market from his regulated Youngstown plant. Still another with plants regulated under both orders, serves the Ashtabula area of the Northeastern Ohio market from the Youngstown plant. In these circumstances, it cannot be concluded that Youngstown-Warren handlers have suffered a competitive disadvantage as a result of a Class I price 10 cents over the Northeastern Ohio price.

The Class I price herein recommended is an appropriate reflection of the cost of moving milk from plants regulated under the Northeastern Ohio order to the Youngstown market. On a few occasions Youngstown handlers have procured supplemental milk from the Northeastern Ohio pool. While no specific data were presented regarding the transportation cost on such milk, an additional charge was incurred by the receiving handlers and the prices paid at Youngstown plants for the milk were at least equal to the Youngstown-Warren Class I price.

On the basis of present evidence, it appears that the Class I price herein recommended is necessary to maintain an adequate but not excessive supply of milk for the Youngstown market and at the same time maintain appropriate price alignment between Youngstown and surrounding markets.

The method used in computing the Class I butterfat differential should be clarified.

As a result of an amendment to the Northeastern Ohio order, the Class I price and Class I butterfat differential of that order are based on data for the preceding month. To assure proper price alignment between the two orders, the order should clearly indicate that Chicago butter quotations for the preceding month are to be used in computing the Class I butterfat differential.

2. Proposal No. 2 as it appeared in the notice of hearing was abandoned by its proponent at the hearing and no testimony or evidence was presented by any interested party. Consequently, no further reference is made herein to proposal No. 2.

3. The order should be amended to make it clear that both the butterfat

and skim milk in milk products disposed of for livestock feed should be classified as Class II. The butterfat contained in dairy products dumped should also be classified as Class II.

A major handler proposed a Class II classification for both the butterfat and skim milk portions of dumped products. He further proposed that only dumped raw products, as distinguished from dumped finished products, be subject to prior notification and inspection by the market administrator (at his discretion) in order to receive Class II classification. This latter proposal should not be adopted.

Allowing Class II classification for the butterfat as well as the skim milk in dumped products will recognize that butterfat in dairy products is generally salvageable only when fairly substantial quantities are involved. When significant quantities of such products are accumulated, adequate outlets are available for utilizing such butterfat in manufactured dairy products. The day-to-day route returns of packaged fluid milk products and other dairy products, however, are often too insignificant for a handler to attempt to recover the butterfat portion for sale as cream. In some items such as flavored milk and milk drinks recovery is impossible.

Allowing Class II classification for both the butterfat and skim in dumped products will accommodate the disposition of route returns and other items from which the recovery of butterfat and skim milk is not possible or practicable.

It is not necessary to distinguish between fully processed and semi-processed fluid milk products which may be dumped. Class II classification may be claimed for the skim milk and butterfat portions of milk products found necessary to be dumped at any stage of processing. The market administrator should continue to be notified prior to any dumping and be afforded the opportunity to verify such dumping if he should deem it necessary. To provide otherwise would make it possible for a handler to claim unlimited dumping of products. This would open the door to possible abuses which could seriously affect the effectiveness of the order.

4. The order should be amended to allow a transferor handler to claim up to the full two percent shrinkage associated with the butterfat in bulk tank lots of cream transferred to another plant.

A handler objected to the present shrinkage allowance of one-half of one percent for the transferor handler on bulk cream transfers. He stated that this allowance was insufficient to cover the butterfat loss incurred in handling cream through the separating process. He proposed, therefore, that the allowance be shifted to give the full two percent to the transferor handler and that the transferee handler receiving such bulk cream be allowed no shrinkage.

The present allowance of one-half of one percent was designed to reflect the loss incurred by the transferor when milk is simply received from producers, assembled and transhipped. It ap-

pears to be insufficient to cover the additional loss of butterfat involved in the process of separating whole milk and transferring the cream.

The major problem encountered by the proponent handler in handling cream is the excess loss of butterfat in his plant operation. While he could not specifically relate such losses to the process of separating whole milk into cream and skim, he was nevertheless certain that the separating process contributed significantly to the loss and that the one-half of one percent allowance did not adequately cover such loss.

Cream is generally transferred by this handler to nonpool plants for manufacturing. Thus, allowing the transferor handler up to two percent shrinkage on such cream will have no effect on an unregulated plant operator receiving such bulk cream. Although, regulated transferee handlers would receive no shrinkage allowance on bulk tank lots of cream they receive, there is no indication that they will be greatly disadvantaged. No testimony was presented at the hearing in opposition to the proposed shifting of shrinkage or to the proponent handler's contention that the separating of skim milk and butterfat was as much a processing operation as the packaging of fluid milk products.

Although the division of allowable shrinkage between the transferor and transferee handlers is revised, the maximum allowable shrinkage in total would continue to be two percent. This has been found to be a reasonable loss factor and is widely employed in a number of Federal orders.

Another proposal, also made by the above handler, would allow the transferor up to two percent shrinkage on skim milk transferred in bulk tank lots. This proposal should not be adopted. The skim milk portion of separated whole milk is utilized for the most part by the proponent handler in his own plant for the manufacture of cottage cheese. Thus, when the total operation is considered, he is presently allowed up to two percent shrinkage. There was no indication that the handler has incurred excess skim losses or that the present one-half of one percent allowance is insufficient to cover the loss in transferring bulk skim milk after separation. The present allowance is adequate since loss of skim milk in the separating process is proportionately much less than the loss of butterfat.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously

made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

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

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

Recommended marketing agreement and order amending the order. The following order amending the order as amended regulating the handling of milk in the Greater Youngstown-Warren, Ohio, marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

1. Section 1048.41(b)(4) and (b)(6)(ii) and (iv) are revised to read as follows:

§ 1048.41 Classes of utilization.

* * * * *

(b) * * * * *
(4) Disposed of for livestock feed, and contained in products dumped subject to prior notification of and inspection (at his discretion) by the market administrator;

* * * * *

(6) * * * * *
(ii) One and one-half percent of that received from pool plants of other handlers in bulk tank lots (except that in cream), plus

* * * * *

(iv) One and one-half percent of that disposed of in bulk tank lots to other plants (except that in cream and that diverted to a nonpool plant); and

2. Section 1048.51(a) is revised to read as follows:

§ 1048.51 Class prices.

(a) *Class I milk price.* The Class I milk price each month shall be 10 cents

more than the Northeastern Ohio Federal milk order (Part 1036 of this chapter) Class I price for the same month.

3. Section 1048.52(a) is revised to read as follows:

§ 1048.52 Butterfat differentials to handlers.

(a) *Class I price.* Multiply the Chicago butter price for the preceding month by 0.13; and

Signed at Washington, D.C., on March 7, 1963.

JOHN P. DUNCAN, JR.,
Assistant Secretary.

[F.R. Doc. 63-2589; Filed, Mar. 11, 1963;
8:49 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

[42 CFR Part 71]

Public Health Service

FOREIGN QUARANTINE

Chickenpox and Hemolytic Streptococcal Infections; Proposed Changes in Lists of Communicable Diseases

Notice is hereby given that the Surgeon General, with the approval of the Secretary of Health, Education, and Welfare, proposes to amend §§ 71.31(a), 71.46(b)(2)(i), 71.47(a), and 71.68(c) of the Public Health Service Regulations (42 CFR Part 71) to include "chickenpox" as a communicable disease, to substitute "hemolytic streptococcal infections" for "scarlet fever" and "strepto-

coccal sore throat" on the lists of communicable diseases, and to amend the references to the Armed Forces regulations.

Inquiries may be addressed, and data, views and arguments may be presented by interested parties, in writing in triplicate, to the Surgeon General, Public Health Service, Washington 25, D.C. All relevant material received not later than 30 days after the publication of this notice in the FEDERAL REGISTER will be considered.

Section 71.31(a) will be amended to read as follows:

(a) The master of a vessel destined for a port under the control of the United States shall report promptly by radio to the medical officer in charge at the port of entry and wherever practicable not less than four hours before the expected arrival of the ship, the occurrence or suspected occurrence of any of the following communicable diseases: Anthrax, chancroid, chickenpox, cholera, dengue, diphtheria, favus, gonorrhoea, granuloma inguinale, hemolytic streptococcal infections, impetigo contagiosa, infectious encephalitis, leprosy, lymphogranuloma venereum, measles, meningococcus meningitis, plague, poliomyelitis, psittacosis, relapsing fever, ringworm of the scalp, smallpox, syphilis, trachoma, tuberculosis, typhoid fever, typhus, yellow fever, or other diseases characterized by fever or skin rash.

Section 71.46(b)(2)(i) will be amended to read as follows:

(i) It has on board, or during the current voyage has had on board, a person infected or suspected of being infected with anthrax, chickenpox, cholera, dengue, diphtheria, hemolytic streptococcal infection, infectious encephalitis, measles, meningococcus meningitis, plague,

poliomyelitis, psittacosis, relapsing fever, smallpox, typhoid fever, typhus, or yellow fever, or.

Section 71.47(a) will be amended to read as follows:

(a) Vessels and aircraft belonging to or operated by the Armed Services of the United States may be exempted from quarantine inspection if the medical officer in charge is satisfied that they have complied with regulations of such armed services meeting the requirements of the regulations in this part. (For applicable regulations of the Armed Forces see Army Regulations No. 40-12; Navy General Order No. 20; Air Force Regulation No. 161-4.)

Section 71.68(c) will be amended to read as follows:

(c) The communicable diseases authorizing the application of sanitary and quarantine measures under paragraphs (a) and (b) of this section are: Anthrax, chancroid, chickenpox, dengue, diphtheria, favus, gonorrhoea, granuloma inguinale, hemolytic streptococcal infections, infectious encephalitis, leprosy, lymphogranuloma venereum, meningococcus meningitis, poliomyelitis, psittacosis, ringworm of the scalp, syphilis, trachoma, tuberculosis, typhoid fever. (Sec. 215, 58 Stat. 690, as amended; 42 U.S.C. 216. Interpret or apply secs. 361-369, 58 Stat. 703-706, 42 U.S.C. 264-272; Executive Order 11070, December 12, 1962, 27 F.R. 12393.)

Dated: February 26, 1963.

[SEAL] LUTHER L. TERRY,
Surgeon General.

Approved: March 5, 1963.

ANTHONY J. CELABREZZE,
Secretary.

[F.R. Doc. 63-2575; Filed, Mar. 11, 1963;
8:48 a.m.]

Notices

POST OFFICE DEPARTMENT

REGIONAL ORGANIZATION

Office of Regional Management; Transfer and Change of Title

The following is the text of Headquarters Circular No. 62-45; signed by the Postmaster General:

I. *Purpose.* To change the organizational title "Office of Regional Management" to "Office of Regional Administration" and to place the Office of Regional Administration directly under the Postmaster General.

II. *Transfer of functions.* Effective on the date of this circular, the Office of Regional Management will become the "Office of Regional Administration". The latter office will perform all the functions heretofore performed by the Office of Regional Management and will function as a part of the Office of the Postmaster General.

(R.S. 161, as amended; 5 U.S.C. 22, 39 U.S.C. 309, 501, 509)

LOUIS J. DOYLE,
General Counsel.

[F.R. Doc. 63-2555; Filed, Mar. 11, 1963;
8:46 a.m.]

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

MARCH 1963 MONTHLY SALES LIST

Sales of Certain Commodities

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.

These prices at which Commodity Credit Corporation commodity holdings are available for sale during March 1963 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), cottonseed oil, wheat, corn, oats, barley, rye, grain sorghum, soybeans, peanuts (farmers' stocks), and gum turpentine.

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.

The realignment of functions within the Commodity Offices of the Agricultural Stabilization and Conservation Service announced in January (press re-

lease USDA 119-A-63) is about completed.

On March 1, the functions of the Dallas ASCS Commodity Office will be consolidated with those in the Kansas City Commodity Office. Grain sales activities are continuing at Minneapolis and Portland through small Branch offices. The Minneapolis office is a branch of the Evanston ASCS Commodity Office. The Portland office is a branch of the Kansas City ASCS Commodity Office. These Branch offices will handle sales of CCC-owned grains in the same States as included in the areas of the former Commodity offices. The Berkeley Branch Office is continuing operations generally as in the past, but as a branch activity of the Kansas City Commodity Office.

All processed commodity activities have been consolidated at a recently established ASCS Commodity Office in Minneapolis.

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, Procurement and Sales Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington 25, D.C.

All commodities currently offered for sale by CCC, plus tobacco from CCC loan stocks, are available for export sale under the CCC Export Credit Sales Program. The following commodities are currently available for barter: Nonfat dry milk, butter, cheddar cheese, tobacco, wheat, corn, rye, barley, and grain sorghum. This list is subject to change from time to time.

Interest rates per annum under the CCC Export Credit Sales Program for March 1963 are 3½ percent for periods up to 12 months, and 4 percent for periods from over 12 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 stocks 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.

NOTICES

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 area 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 reexport 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 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 the CCC the original purchaser should inform the exporter in writing of the requirements for obtaining the signed acknowledgment from the foreign purchaser.

For all exportations, one of the destination control statements specified in Commerce Department Regulations (Comprehensive Export Schedule, 15 CFR § 379.10(c)) is required to be placed on all copies of the shipper's export declaration, all copies of the bill of lading, and all copies of the commercial invoices. For additional information as to which destination control statement to use, the exporter should communicate with the Bureau of International Programs or one of the field offices of the Department of Commerce.

Exporters should consult the applicable Commerce Department regulations for more detailed information if desired and for any changes that may be made therein.

Commodity	Sales price or method of sale																																			
Dairy products.....	Sales are in carlots only in store at storage location of products. Submission of offers: Submit offers to the Minneapolis ASCS Commodity Office.																																			
Butter.....	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 Minneapolis 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.																																			
Nonfat dry milk.....	Domestic, unrestricted use: Announced prices, under LD-29, as amended: Spray process, U.S. Extra Grade, 17.40 cents per pound. Export: Competitive bid under LD-33, as amended, pursuant to invitations to bid to be issued by Minneapolis ASCS Commodity Office. 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. Under both LD-33, as amended, and LD-35, CCC will offer nonfat dry milk in redemption of payment-in-kind certificates earned under SM-7.																																			
Cheddar cheese (standard moisture basis).	Domestic, unrestricted use: Announced prices under LD-26, 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 Minneapolis 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.																																			
Cotton, upland.....	Domestic, unrestricted use: Competitive bid under the terms and conditions of Announcement NO-C-16, as amended (sale of Upland Cotton for Unrestricted Use). Under this Announcement, upland cotton acquired under price support programs 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 for such cotton plus reasonable carrying charges or (b) the market price for such cotton as determined by CCC. Export, CCC Export Sales: Competitive bid under the terms and conditions of Announcements CN-EX-16 (1962-63 Cotton Export Program—Sales) and NO-C-19 (sale of Upland Cotton, Cotton Export Program—1962-63 Marketing Year).																																			
Cotton, extra long staple.....	Domestic or export, unrestricted use: Competitive bid 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 at less than the higher of (a) 115 percent of the current support price for such cotton plus reasonable carrying charges, or (b) the domestic market price for such cotton as determined by CCC.																																			
Catalogs.....	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.																																			
Cottonseed oil, refined, BPSY (bulk).	Domestic, unrestricted use: Cottonseed oil will be sold under terms and conditions of Announcement NO-CS-4, as amended, at the higher of 13.4 cents per pound or the market price as determined by CCC. Available: At Abilene, Texas through New Orleans ASCS Commodity Office.																																			
Wheat, bulk.....	Domestic, unrestricted use: Market price basis in store, ¹ but not less than 105 percent of the applicable 1962 support price ² for the class, grade, and quality of the wheat plus the amount shown below applicable to the type of carrier involved. If delivery is outside the area of production applicable freight will be added.																																			
Wheat.....	<table border="1"> <thead> <tr> <th rowspan="2">Unit</th> <th colspan="2">Received by—</th> <th colspan="3">Examples of Minimum prices (exrall or barge)</th> </tr> <tr> <th>Truck</th> <th>Rail or barge</th> <th>Terminal</th> <th>Class and grade</th> <th>Price</th> </tr> </thead> <tbody> <tr> <td>Bushel.....</td> <td>Cents 14</td> <td>Cents 8</td> <td>Chicago.....</td> <td>No. 1 RW.....</td> <td>\$2.48</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Minneapolis.....</td> <td>No. 1 DNS.....</td> <td>2.55</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Kansas City.....</td> <td>No. 1 HW.....</td> <td>2.48</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Portland.....</td> <td>No. 1 SW.....</td> <td>2.37</td> </tr> </tbody> </table>	Unit	Received by—		Examples of Minimum prices (exrall or barge)			Truck	Rail or barge	Terminal	Class and grade	Price	Bushel.....	Cents 14	Cents 8	Chicago.....	No. 1 RW.....	\$2.48				Minneapolis.....	No. 1 DNS.....	2.55				Kansas City.....	No. 1 HW.....	2.48				Portland.....	No. 1 SW.....	2.37
Unit	Received by—		Examples of Minimum prices (exrall or barge)																																	
	Truck	Rail or barge	Terminal	Class and grade	Price																															
Bushel.....	Cents 14	Cents 8	Chicago.....	No. 1 RW.....	\$2.48																															
			Minneapolis.....	No. 1 DNS.....	2.55																															
			Kansas City.....	No. 1 HW.....	2.48																															
			Portland.....	No. 1 SW.....	2.37																															

Available: At bin sites through ASCS county offices. At other locations through the Evanston, Kansas City, Minneapolis, and Portland ASCS Offices.

Export:
(1) Under Announcement GR-345 (revised July 13, 1962), 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 Announcement GR-262 (revision 2, Jan. 9, 1961), for application under arrangements for barter which permits exportation of wheat as flour and approved CCC credit sales only at prices determined daily. Sales under the above announcements are made at the applicable export market price, as determined by CCC; export payment-in-kind rates are deducted from credit and barter sales.
Available: Evanston, Kansas City, Minneapolis, and Portland ASCS Offices. (At Portland ASCS Office hard red winter wheat with 12.0 percent or less protein will be available for barter or Title I, Public Law 480 transactions for export to Korea, Okinawa and Formosa only.)

See footnotes at end of table.

Commodity	Sales price or method of sale											
	Domestic and export	Examples of minimum prices										
Grain sorghums, bulk (continued)	<p>Received by—</p> <table border="1"> <tr> <td>Truck</td> <td>Rail or barge</td> <td>Terminal</td> <td>Class and grade</td> <td>Price</td> </tr> <tr> <td>Cents 27</td> <td>Cents 16</td> <td></td> <td></td> <td>No. 2 or better..... \$2.56</td> </tr> </table> <p>Unit: Hundredweight.....</p>	Truck	Rail or barge	Terminal	Class and grade	Price	Cents 27	Cents 16			No. 2 or better..... \$2.56	<p>Available: For information on the availability of such grain sorghums from bin sites, contact ASCS State or county offices. For information on the availability of such grain sorghums from other locations, contact the Evanson, Kansas City, Minneapolis and Portland ASCS Offices. 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 grain offices listed below under Soybeans.</p> <p>Export announcement sales: 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 CCC credit and emergency sales. CCC stocks of grain sorghums held in California export terminals are the only grain sorghums stored in California available for sale under these export announcements, except that such sorghums shall not be eligible for application to Title I, Public Law 480 purchase authorizations or for barter. CCC reserves the right to determine the class, grade, quality, and quantity to be made available for export under the announcements. The statutory minimum price for such sorghums is 105 percent of the applicable support price plus the adjustments referred to in subparagraph B above. Sale is made at the applicable export market price, as determined by CCC; export payment-in-kind rates are deducted from credit and barter sales.</p> <p>Available: Evanson, Kansas City, Minneapolis, and Portland ASCS Offices.</p>
Truck	Rail or barge	Terminal	Class and grade	Price								
Cents 27	Cents 16			No. 2 or better..... \$2.56								
Grain sorghums	<p>Received by—</p> <table border="1"> <tr> <td>Truck</td> <td>Rail or barge</td> <td>Terminal</td> <td>Class and grade</td> <td>Price</td> </tr> <tr> <td>Cents 27</td> <td>Cents 16</td> <td></td> <td></td> <td>No. 2 or better..... \$2.56</td> </tr> </table> <p>Unit: Hundredweight.....</p>	Truck	Rail or barge	Terminal	Class and grade	Price	Cents 27	Cents 16			No. 2 or better..... \$2.56	<p>Available: For information on the availability of such grain sorghums from bin sites, contact ASCS State or county offices. For information on the availability of such grain sorghums from other locations, contact the Evanson, Kansas City, Minneapolis and Portland ASCS Offices. 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 grain offices listed below under Soybeans.</p> <p>Export announcement sales: 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 CCC credit and emergency sales. CCC stocks of grain sorghums held in California export terminals are the only grain sorghums stored in California available for sale under these export announcements, except that such sorghums shall not be eligible for application to Title I, Public Law 480 purchase authorizations or for barter. CCC reserves the right to determine the class, grade, quality, and quantity to be made available for export under the announcements. The statutory minimum price for such sorghums is 105 percent of the applicable support price plus the adjustments referred to in subparagraph B above. Sale is made at the applicable export market price, as determined by CCC; export payment-in-kind rates are deducted from credit and barter sales.</p> <p>Available: Evanson, Kansas City, Minneapolis, and Portland ASCS Offices.</p>
Truck	Rail or barge	Terminal	Class and grade	Price								
Cents 27	Cents 16			No. 2 or better..... \$2.56								
Soybeans, bulk (as available)		<p>Domestic or export: Market price basis in store,¹ but not less than the 1962 basic loan rate for No. 2 grade, basis point of production plus 19 cents per bushel. Market discounts for quality factors will be applied to the basic price to determine actual minimum sales prices. If delivery is outside the area of production applicable freight and out-elevation charges at country loading point and in elevation charges at subterminal or terminal storage point will be added to the above price.</p> <p>Available: At bin sites through ASCS county offices. At other locations through the Evanson, Kansas City, and Minneapolis ASCS Offices.</p> <p>Domestic for crushing or export: Competitive bid under CCC Peanut Announcement 1 (revised Jan. 4, 1962), as amended.</p> <p>Domestic, unrestricted use: Competitive offers for unrestricted use, bulk in storage tanks, subject to Announcement TB-21-61 and supplements thereto.</p> <p>Available through Naval Stores Branch, Farmer Programs Division, ASCS, U.S. Department of Agriculture.</p>										
Peanuts, shelled or unshelled (farmers' stock)		<p>Domestic or export: Market price basis in store,¹ but not less than the 1962 basic loan rate for No. 2 grade, basis point of production plus 19 cents per bushel. Market discounts for quality factors will be applied to the basic price to determine actual minimum sales prices. If delivery is outside the area of production applicable freight and out-elevation charges at country loading point and in elevation charges at subterminal or terminal storage point will be added to the above price.</p> <p>Available: At bin sites through ASCS county offices. At other locations through the Evanson, Kansas City, and Minneapolis ASCS Offices.</p> <p>Domestic for crushing or export: Competitive bid under CCC Peanut Announcement 1 (revised Jan. 4, 1962), as amended.</p> <p>Domestic, unrestricted use: Competitive offers for unrestricted use, bulk in storage tanks, subject to Announcement TB-21-61 and supplements thereto.</p> <p>Available through Naval Stores Branch, Farmer Programs Division, ASCS, U.S. Department of Agriculture.</p>										
Gum turpentine		<p>Domestic or export: Market price basis in store,¹ but not less than the 1962 basic loan rate for No. 2 grade, basis point of production plus 19 cents per bushel. Market discounts for quality factors will be applied to the basic price to determine actual minimum sales prices. If delivery is outside the area of production applicable freight and out-elevation charges at country loading point and in elevation charges at subterminal or terminal storage point will be added to the above price.</p> <p>Available: At bin sites through ASCS county offices. At other locations through the Evanson, Kansas City, and Minneapolis ASCS Offices.</p> <p>Domestic for crushing or export: Competitive bid under CCC Peanut Announcement 1 (revised Jan. 4, 1962), as amended.</p> <p>Domestic, unrestricted use: Competitive offers for unrestricted use, bulk in storage tanks, subject to Announcement TB-21-61 and supplements thereto.</p> <p>Available through Naval Stores Branch, Farmer Programs Division, ASCS, U.S. Department of Agriculture.</p>										
On bin site sales such delivery basis shall be l.o.b. buyer's conveyance at the bin site.		<p>¹ 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. Such support price shall include the loan bid-in premium for applicable sedimentation value, if the wheat is sold on a sedimentation basis. If it is not sold on a sedimentation basis such support price shall be increased by market premiums for applicable protein content, but not in excess of 25% per bushel.</p> <p>² 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.</p> <p>³ Such dispositions shall be for unrestricted use or for export.</p> <p>⁴ 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.</p> <p>⁵ Woodford County, Illinois, origin.</p>										

¹ On bin site sales such delivery basis shall be l.o.b. buyer's conveyance at the bin site.
² 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. Such support price shall include the loan bid-in premium for applicable sedimentation value, if the wheat is sold on a sedimentation basis. If it is not sold on a sedimentation basis such support price shall be increased by market premiums for applicable protein content, but not in excess of 25% per bushel.
³ 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.
⁴ Such dispositions shall be for unrestricted use or for export.
⁵ 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.
⁶ Woodford County, Illinois, origin.

Commodity	Sales price or method of sale											
	Domestic and export	Examples of minimum prices										
Oats, bulk	<p>Received by—</p> <table border="1"> <tr> <td>Point of production</td> <td>Other point</td> <td>Terminal</td> <td>Class and grade</td> <td>Price</td> </tr> <tr> <td>Cents 8</td> <td>Cents 11</td> <td>Chicago¹</td> <td></td> <td>No. 2 or better..... \$0.89½</td> </tr> </table> <p>Unit: Bushel.....</p>	Point of production	Other point	Terminal	Class and grade	Price	Cents 8	Cents 11	Chicago ¹		No. 2 or better..... \$0.89½	<p>Available: For information on the availability of such oats from bin sites, contact ASCS State or county offices. For information on the availability of such oats from other locations, contact the Evanson, Kansas City, Minneapolis and Portland ASCS Offices. Nonstorable (as available); At not less than the market price as determined by CCC. At bin sites through ASCS county offices. At other locations through the ASCS grain offices listed below under Soybeans.</p> <p>Export announcement sales: 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 CCC credit and emergency sales. CCC stocks of grain sorghums held in California export terminals are the only grain sorghums stored in California available for sale under these export announcements, except that such sorghums shall not be eligible for application to Title I, Public Law 480 purchase authorizations or for barter. CCC reserves the right to determine the class, grade, quality, and quantity to be made available for export under the announcements. The statutory minimum price for such sorghums is 105 percent of the applicable support price plus the adjustments referred to in subparagraph B above. Sale is made at the applicable export market price, as determined by CCC; export payment-in-kind rates are deducted from credit and barter sales.</p> <p>Available: Evanson, Kansas City, Minneapolis and Portland ASCS Offices.</p>
Point of production	Other point	Terminal	Class and grade	Price								
Cents 8	Cents 11	Chicago ¹		No. 2 or better..... \$0.89½								
Grain sorghums, bulk	<p>Received by—</p> <table border="1"> <tr> <td>Point of production</td> <td>Other point</td> <td>Terminal</td> <td>Class and grade</td> <td>Price</td> </tr> <tr> <td>Cents 8</td> <td>Cents 11</td> <td>Chicago¹</td> <td></td> <td>No. 2 or better..... \$0.89½</td> </tr> </table> <p>Unit: Bushel.....</p>	Point of production	Other point	Terminal	Class and grade	Price	Cents 8	Cents 11	Chicago ¹		No. 2 or better..... \$0.89½	<p>Available: For information on the availability of such oats from bin sites, contact ASCS State or county offices. For information on the availability of such oats from other locations, contact the Evanson, Kansas City, Minneapolis and Portland ASCS Offices. Nonstorable (as available); At not less than the market price as determined by CCC. At bin sites through ASCS county offices. At other locations through the ASCS grain offices listed below under Soybeans.</p> <p>Export announcement sales: 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 CCC credit and emergency sales. CCC stocks of grain sorghums held in California export terminals are the only grain sorghums stored in California available for sale under these export announcements, except that such sorghums shall not be eligible for application to Title I, Public Law 480 purchase authorizations or for barter. CCC reserves the right to determine the class, grade, quality, and quantity to be made available for export under the announcements. The statutory minimum price for such sorghums is 105 percent of the applicable support price plus the adjustments referred to in subparagraph B above. Sale is made at the applicable export market price, as determined by CCC; export payment-in-kind rates are deducted from credit and barter sales.</p> <p>Available: Evanson, Kansas City, Minneapolis and Portland ASCS Offices.</p>
Point of production	Other point	Terminal	Class and grade	Price								
Cents 8	Cents 11	Chicago ¹		No. 2 or better..... \$0.89½								

¹ On bin site sales such delivery basis shall be l.o.b. buyer's conveyance at the bin site.
² 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. Such support price shall include the loan bid-in premium for applicable sedimentation value, if the wheat is sold on a sedimentation basis. If it is not sold on a sedimentation basis such support price shall be increased by market premiums for applicable protein content, but not in excess of 25% per bushel.
³ 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.
⁴ Such dispositions shall be for unrestricted use or for export.
⁵ 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.
⁶ Woodford County, Illinois, origin.

USDA AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE OFFICES

GRAIN OFFICES

Evanston ASCS Commodity Office, 2201 Howard Street, Evanston, Ill. Telephone: Long distance—University 9-0600 (Evanston exchange). Local—Rogers Park 1-5000 (Chicago, Ill.).
 Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia, Vermont, and West Va.
 Branch Office—Minneapolis ASCS Branch Office, 6400 France Avenue South, Minneapolis 10, Minn. Telephone: Walnut 7-7311.

Minnesota, Montana, North Dakota, South Dakota, and Wisconsin.

Kansas City ASCS Commodity Office, 8930 Ward Parkway (P.O. Box 205) Kansas City 41, Mo. Telephone: Emerson 1-0860.

Alabama, Arkansas, Colorado, Kansas, Louisiana, Mississippi, Missouri, Nebraska, New Mexico, Oklahoma, Texas, and Wyoming.

Branch Office—Portland ASCS Branch Office, 1218 Southwest Washington Street, Portland 5, Ore. Telephone: Capitol 6-3361.

Alaska, Hawaii, Idaho, Nevada, Oregon, Utah, and Washington, Arizona, and California (export sales only).

Branch Office—Berkeley ASCS Branch Office, 2020 Milvia Street, Berkeley 4, Calif. Telephone: Thornwall 1-5121.
 Arizona and California (domestic sales only).

PROCESSED COMMODITIES OFFICE (ALL STATES)
 Minneapolis ASCS Commodity Office, 6400 France Avenue, South Minneapolis 10, Minn. Telephone: Walnut 7-7311.

COTTON OFFICES (ALL STATES)
 New Orleans ASCS Commodity Office, Wirth Building, 120 Marais Street, New Orleans 16, La. Telephone: 529-2411.
 Cotton Products and Export Operations Office, 80 Lafayette Street, New York 13, N.Y. Telephone: Rector 2-8000.
Representative of General Sales Manager, New York Area: Joseph Reidinger, 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. 1066; 7 U.S.C. 1427)

Signed at Washington, D.C., on March 1, 1963.

H. D. GODFREY,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 63-2540; Filed, Mar. 11, 1963; 8:45 a.m.]

DEPARTMENT OF STATE

Agency for International Development
 [Delegation of Authority 24]

ADMINISTRATION OF A.I.D. PROGRAM IN CERTAIN AFRICAN COUNTRIES

Delegation of Authority
 Pursuant to the authority delegated to me by Delegation of Authority No. 104 from the Secretary of State of November 3, 1961 (26 F.R. 10608), I hereby delegate to the principal diplomatic officer of the United States in Malagasy Republic and Senegal, with respect to the administration of the foreign assistance program within the country to which he is accredited, the authorities delegated to Directors of Missions of the Agency for International Development (A.I.D.) in the following delegations, subject to the limitations applicable to the exercise of such authorities by A.I.D. Mission Directors:

(1) Unpublished Delegation of Authority of January 10, 1955;
 (2) Delegation of Authority of November 26, 1954, as amended (19 F.R. 8049);
 (3) Paragraphs 4 and 5 of Delegation of Authority of September 28, 1960 (25 F.R. 9927).

In addition to the foregoing, there is hereby delegated to the aforesaid diplomatic officers the authorities delegated to A.I.D. Mission Directors in existing A.I.D. manual orders, regulations (published or otherwise) policy directives, policy determinations, memoranda and other instructions.

Actions within the scope of this delegation heretofore taken by the officials designated herein or pursuant to their authorization are hereby ratified and confirmed.

This delegation of authority is effective immediately.

Dated: February 28, 1963.

DAVID E. BELL,
Administrator.

[F.R. Doc. 63-2551; Filed, Mar. 11, 1963; 8:46 a.m.]

[Delegation of Authority 25]

ADMINISTRATION OF A.I.D. PROGRAM IN ALGERIA

Delegation of Authority

Pursuant to the authority delegated to me by Delegation of Authority No. 104 from the Secretary of State of November 3, 1961 (26 F.R. 10608), I hereby delegate to the principal diplomatic officer of the United States in Algeria, with respect to the administration of the foreign assistance program within the country to which he is accredited, the authorities delegated to Directors of Missions of the Agency for International Development (A.I.D.) in the following delegations, subject to the limitations applicable to the exercise of such authorities by A.I.D. Mission Directors:

(1) Unpublished Delegation of Authority of January 10, 1955;
 (2) Delegation of Authority of November 26, 1954, as amended (19 F.R. 8049);
 (3) Paragraphs 4 and 5 of Delegation of Authority of September 28, 1960 (25 F.R. 9927).

In addition to the foregoing, there is hereby delegated to the aforesaid diplomatic officer the authorities delegated to A.I.D. Mission Directors in existing A.I.D. manual orders, regulations (published or otherwise) policy directives, policy determinations, memoranda and other instructions.

Actions within the scope of this delegation heretofore taken by the official designated herein or pursuant to his authorization are hereby ratified and confirmed.

This delegation of authority is effective immediately.

Dated: March 2, 1963.

DAVID E. BELL,
Administrator.
 [F.R. Doc. 63-2552; Filed, Mar. 11, 1963; 8:46 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

COLORADO

Notice of Proposed Withdrawal and Reservation of Lands

MARCH 5, 1963.

The Bureau of Reclamation of the Department of the Interior has filed an application, Serial Number Colorado 0102712, for the withdrawal from all forms of appropriation under the public land laws, including mining, but not the mineral leasing laws as provided by section 3 of the Act of June 17, 1902 (32 Stat. 388), the public lands described below.

The applicant desires the land for reclamation purposes in connection with the Paonia Project.

For a period of thirty days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the Land Office Manager of the Bureau of Land Management, Department of the Interior, Colorado Land Office, Gas and Electric Building, 910 15th Street, Denver 2, Colorado.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands affected are:

6TH PRINCIPAL MERIDIAN, COLORADO
 T. 12 S., R. 89 W.,
 Sec. 28: SW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$;
 Sec. 33: W $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ E $\frac{1}{2}$ SE $\frac{1}{4}$.

The above-described area aggregates 70.00 acres.

W. F. MEEK,
Manager, Land Office, Denver.

[F.R. Doc. 63-2582; Filed, Mar. 11, 1963; 8:49 a.m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

RICHMOND LEWIS

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Pro-

duction Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the past six months:

- A. Deletions: None.
B. Additions: None.

This statement is made as of February 27, 1963.

RICHMOND LEWIS.

FEBRUARY 27, 1963.

[F.R. Doc. 63-2573; Filed, Mar. 11, 1963; 8:47 a.m.]

MARGUERITE M. SAUERS

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the past six months:

- A. Deletions: No change.
B. Additions: No change.

This statement is made as of February 28, 1963.

MARGUERITE M. SAUERS.

FEBRUARY 28, 1963.

[F.R. Doc. 63-2574; Filed, Mar. 11, 1963; 8:48 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-200]

BABCOCK & WILCOX CO.

Notice of Issuance of Amendment to Construction Permit

Please take notice that pursuant to a Memorandum and Order of the Atomic Energy Commission dated February 13, 1963, the Director of the Division of Licensing and Regulation has issued Amendment No. 1 to Construction Permit No. CPTR-4 to the Babcock and Wilcox Company. The amendment adds Appendix "A" to Construction Permit No. CPTR-4 and redesignates a reference in condition F of the construction permit from "Column (6) and (7)" to "Column (3)". The construction permit concerns the 6 MWT pool type test reactor which will be built on the Company's site in Campbell County, Virginia, located approximately four miles east of Lynchburg, Virginia.

Dated at Germantown, Md., this 1st day of March 1963.

For the Atomic Energy Commission.

EDSON G. CASE,
*Acting Director, Division
of Licensing and Regulation.*

[F.R. Doc. 63-2543; Filed, Mar. 11, 1963; 8:45 a.m.]

[Docket No. 50-187]

NORTHROP CORP.

Notice of Issuance of Facility License

Please take notice that no request for a formal hearing having been filed following publication of notice of the proposed action in the FEDERAL REGISTER, the Atomic Energy Commission has issued Facility License No. R-90 to the Northrop Corporation, authorizing operation of the Northrop TRIGA Mark F type nuclear reactor located on the grounds of Northrop's plant located in Hawthorne, California.

The license, as issued, is substantially as set forth in the notice of proposed issuance of facility license published in the FEDERAL REGISTER on January 24, 1963, 28 F.R. 653, except that it has been changed pursuant to amendments dated January 15, 1963 and February 13, 1963, filed by the Northrop Corporation as part of its application. These amendments provided new information concerning (1) a startup fission chamber to be used in the startup control channel of the reactor, (2) a request for exemption from the requirements of AEC Regulation 10 CFR 70.24, (3) details of fuel storage facilities, (4) a Polonium-Beryllium neutron source of up to 20 curies for reactor startup, (5) changed control rod length dimensions, (6) reactivity adjustments to the transient rod, and (7) a clarification of the meaning of the terms "operational excess reactivity" and "operational rod worth."

The Commission has found that:

(1) Operation of the reactor in accordance with the application, as amended, will not present undue hazard to the health and safety of the public and will not be inimical to the common defense and security;

(2) The application, as amended, complies with the requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations set forth in 10 CFR Ch. I;

(3) Prior public notice of proposed issuance of this license, issued substantially as set forth in 28 F.R. 653, is not necessary in the public interest since operation of the reactor in accordance with the application, as amended, will not present any substantial change in the hazards to the health and safety of the public from those considered and evaluated in connection with the previously approved application.

In view of the changes in the license from that which was published on January 24, 1963, 28 F.R. 653, the Commission will, in accordance with its rules of practice (10 CFR Part 2), direct the holding of a hearing on the matter of the issuance of the License No. R-90 upon receipt of a request therefore from the licensee or a petition to intervene within fifteen (15) days from the date of publication of this notice in the FEDERAL REGISTER.

A request for a hearing and petitions to intervene shall be filed in accordance

with the provisions of the Commission's regulations (10 CFR Part 2). If a request for a hearing or a petition for leave to intervene is filed within the time prescribed in this notice, the Commission will issue a notice of hearing or an appropriate order.

For further details with respect to the new information see (1) the application amendments dated January 15, 1963 and February 13, 1963, and (2) a supplemental hazards analysis by the Test and Power Reactor Safety Branch of the Division of Licensing and Regulation, all of which are available for public inspection at the Commission's Public Document Room 1717 H Street NW., Washington, D.C. A copy of item (2) above may be obtained at the Commission's Public Document Room, or upon request addressed to the Atomic Energy Commission, Washington 25, D.C., Attention: Director, Division of Licensing and Regulation.

Dated at Germantown, Md., this 4th day of March 1963.

For the Atomic Energy Commission.

SAUL LEVINE,
*Chief, Test and Power Reactor
Safety Branch, Division of
Licensing and Regulation.*

[F.R. Doc. 63-2544; Filed, Mar. 11, 1963; 8:45 a.m.]

[Docket No. 50-142]

REGENTS OF THE UNIVERSITY OF CALIFORNIA

Notice of Issuance of Facility License Amendment

Please take notice that the Atomic Energy Commission has issued, effective as of the date of issuance, Amendment No. 3, set forth below, to Facility License No. R-71, as amended. The license authorizes the Regents of the University of California to operate its Argonaut-type nuclear reactor at power levels up to 10 kilowatts (thermal) on the University's campus at Los Angeles, California. The amendment authorizes the regents of the University of California to operate the University's Argonaut-type nuclear reactor located on the campus in Los Angeles, California, at power levels up to 100 kilowatts (thermal), as described in the application for license amendment dated November 26, 1962 and supplemental letter dated January 17, 1963.

The Commission has found that:

(1) Operation of the reactor in accordance with the license as amended will not present undue hazard to the health and safety of the public and will not be inimical to the common defense and security;

(2) The application for amendment complies with the requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations set forth in 10 CFR Ch. I;

(3) Prior public notice of proposed issuance of this amendment is not necessary in the public interest since operation of the reactor in accordance with the license, as amended, will not present any substantial change in the hazards to the health and safety of the public from those considered and evaluated in connection with the previously approved operation.

Within fifteen (15) days from the date of publication of this notice in the FEDERAL REGISTER, the applicant may file a request for a hearing, and any person whose interest may be affected by this proceeding may file a petition for leave to intervene. Requests for a hearing and petitions to intervene shall be filed in accordance with the provisions of the Commission's regulation (10 CFR Part 2). If a request for a hearing or a petition for leave to intervene is filed within the time prescribed in this notice, the Commission will issue a notice of hearing or an appropriate order.

For further details with respect to this amendment, see (1) a related hazards analysis prepared by the Test and Power Reactor Safety Branch of the Division of Licensing and Regulation and (2) the licensee's application for license amendment dated November 26, 1962 and supplemental letter dated January 17, 1963, all of which are available for public inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C. A copy of item (1) above may be obtained at the Commission's Public Document Room, or upon request, addressed to the Atomic Energy Commission, Washington, D.C., Attention: Director, Division of Licensing and Regulation.

Dated at Germantown, Md., this 4th day of March 1963.

For the Atomic Energy Commission.

SAUL LEVINE,
Chief, Test and Power Reactor
Safety Branch, Division of Licensing and Regulation.

[License No. R-71, Amdt. No. 3]

License No. R-71, as amended, issued to the Regents of the University of California, is hereby amended in the following respects:

In addition to the activities previously authorized by the Commission in License No. R-71, as amended, the Regents of the University of California is authorized to operate the University's Argonaut-type nuclear reactor located on the campus in Los Angeles, California, at power levels up to 100 kilowatts (thermal), as described in the application amendment dated November 26, 1962 and supplemental letter dated January 17, 1963.

This amendment is effective as of the date of issuance.

Date of issuance: March 4, 1963.

For the Atomic Energy Commission.

SAUL LEVINE,
Chief, Test and Power Reactor
Safety Branch, Division of Licensing and Regulation.

[F.R. Doc. 63-2545; Filed, Mar. 11, 1963; 8:45 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 14340; Order No. E-19354]

DELTA AIR LINES, INC., AND EASTERN AIR LINES, INC.

Proposed No-Reservation Fares Between Houston and New Orleans; Order Vacating Order of Suspension

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 6th day of March 1963.

By order E-19334 of February 28, 1963, the Board ordered an investigation, inter alia, and suspended certain provisions of proposed tariffs filed by Eastern Air Lines, Inc.,¹ and Delta Air Lines, Inc.² The provisions in question are described in the Appendix hereto.^{3a} Thereafter, Eastern filed a Petition for Reconsideration and Motion to Vacate Suspension.³ This petition alleges that Eastern's original tariff filing specifically provided that "Walk-On" fares would not be applicable to first-class jet service, but that Eastern had amended this tariff as a competitive measure to provide such service in response to a similar filing by Delta. Eastern urges the Board to reconsider its decision not to permit the fare to apply to first-class propeller aircraft and contends, in support of this request, that adequate frequencies are necessary to the success of its proposal and that this will necessitate three Electric flights per day in an entirely first-class configuration. The carrier further states that exclusion of these three propeller flights, in first-class configuration, from the service would severely penalize the carrier that created the walk-on concept.

Delta also filed a Petition for Reconsideration and National filed an answer on March 4, 1963, to both petitions for reconsideration. Both Delta and National question the economic soundness and legality of Eastern's no-reservation tariff. National asserts, as it did in its complaint, that all the New Orleans-Houston no-reservation fares should be canceled, and argues that in any event the suspension order now outstanding should not be vacated. While endorsing National's position, Delta urges, alternatively, that if the Board now should permit the no-reservation fares to apply to first-class service, it should do so for the tariffs both of Eastern and Delta.⁴

¹ Eastern Air Lines, Inc., Local No-Reservation Tariff, C.A.B. No. 118.

² Delta Air Lines, Inc., Local No-Reservation Tariff, C.A.B. No. 71.

^{3a} Appendix filed as part of original document.

³ By letter received by the Board on March 1, 1963, Eastern requested that its letter be accepted as a Petition for Reconsideration and Motion to Vacate Suspension. Eastern justified its letter-petition with the suggestion of "serious and immediate problems" as a result of learning of the Board's Order at 5:00 p.m. of the day preceding the morning scheduled for inauguration of the new service.

⁴ Delta has only jet service in the New Orleans-Houston market.

The applicability of the walk-on fare to the first-class compartment of the jet aircraft would be only of a "spill-over" nature, viz. only in those instances in which there are stand-by passengers left after the walk-on passengers have been accommodated in the coach compartment. This feature appears to mitigate the discriminatory aspects of the proposed tariffs. Furthermore, it appears that the no-reservation fares for first-class service in the Houston-New Orleans market differ only in degree from the no-reservation fares in first-class service which the Board has permitted to become effective in other markets.⁵

In view of all the foregoing considerations and the fact that these fares will be of limited applicability, the Board will vacate the suspension ordered by Order E-19334 and permit the no-reservation fares of Eastern and Delta to go into effect.

Accordingly, pursuant to the Federal Aviation Act of 1958, particularly sections 204(a), 403, 404, and 1002 thereof, it is ordered,

1. That ordering paragraph 2 of Order E-19334, which suspends certain tariff provisions described in Appendix A thereto, is hereby vacated.

2. That copies of this order be filed with the aforesaid tariffs and be served upon National Airlines, Inc., Eastern Air Lines, Inc. and Delta Air Lines, Inc.

This Order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 63-2583; Filed, Mar. 11, 1963; 8:49 a.m.]

[Docket No. 14036]

INTERAMERICAN FORWARDING CORP.

Notice of Hearing

In the matter of an application for a foreign air carrier permit.

Notice is hereby given, pursuant to the Federal Aviation Act of 1958, as amended, particularly sections 102, 204, and 402 thereof, that the above-entitled proceeding is hereby assigned for hearing on March 12, 1963, at 10 a.m., in room 1029, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Ralph L. Wiser.

Without limiting the scope of the issues raised by the pleadings in this proceeding, particular attention will be directed to the following matters:

⁵ No-reservation fares proposed by Eastern Air Lines, Inc. and Northeast Airlines, Inc., Order E-19090, Dec. 12, 1962. Excursion fares proposed by Eastern Air Lines, Inc., Order E-19065, Dec. 5, 1962. "Bus-type" fares proposed by United Air Lines, Inc., Order E-19059, Dec. 4, 1962. The Pittsburgh-Philadelphia No-Reservation Fare Investigation, Dockets 10900 and 10969, Order E-17771, Nov. 27, 1961, and Order E-17971, Jan. 30, 1962. No-reservation fares between Philadelphia and Providence/Boston proposed by Allegheny, Order E-18230, Apr. 18, 1962.

(1) Is the applicant fit, willing, and able properly to perform the air transportation proposed in its application and to conform to the provisions of the Federal Aviation Act of 1958, as amended, and the rules, regulations, and requirements of the Board thereunder?

(2) Will the air transportation proposed in the application be in the public interest?

(3) Is substantial ownership and effective control of the applicant vested in nationals of Switzerland?

(4) If the application is granted, what should be the duration of the permit and what terms, conditions, and limitations, if any, should be attached thereto?

For further details with respect to the issues involved in this proceeding, interested persons are referred to the orders and notices entered herein, the documents filed by the parties, and the examiner's report of prehearing conference, served February 7, 1963, all of which are on file with the Docket Section of the Civil Aeronautics Board.

Dated at Washington, D.C., March 7, 1963.

[SEAL] RALPH L. WISER, Hearing Examiner.

[F.R. Doc. 63-2584; Filed, Mar. 11, 1963; 8:49 a.m.]

[Docket No. 9523, etc.]

REOPENED PUERTO RICO THIRD-CLASS PASSENGER FARE INVESTIGATION

Notice of Postponement of Oral Argument

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that, at the request of counsel for the Commonwealth of Puerto Rico, oral argument in the above-entitled matter now assigned to be heard on March 20, 1963, is postponed to April 10, 1963, 10:00 a.m., e.s.t., Room 1027, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before the Board.

Dated at Washington, D.C., March 7, 1963.

[SEAL] FRANCIS W. BROWN, Chief Examiner.

[F.R. Doc. 63-2585; Filed, Mar. 11, 1963; 8:49 a.m.]

[Docket No. 12029 etc.]

SAN FRANCISCO AND OAKLAND HELICOPTER AIRLINES

Notice of Hearing

In the matter of helicopter air transportation in the San Francisco-Oakland area:

Notice is hereby given, pursuant to the Federal Aviation Act of 1958, as amended, that the hearing in the above-entitled proceeding will be held April 9, 1963, at 10:00 a.m., P.s.t., in Conference Room 1608-D, U.S. Appraisers Building, 630 Sansome Street, San Francisco, California, before the undersigned Examiner.

For further information regarding the issues involved herein interested persons may refer to the pertinent applications, orders of the Board, and the prehearing conference report, all of which are in the docket of this proceeding on file in the Docket Section of the Civil Aeronautics Board.

Dated at Washington, D.C., March 6, 1963.

[SEAL] HERBERT K. BRYAN, Hearing Examiner.

[F.R. Doc. 63-2586; Filed, Mar. 11, 1963; 8:49 a.m.]

[Docket No. 14248]

NORTH-SOUTH SERVICE AT SAVANNAH

Notice of Postponement of Prehearing Conference

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that a prehearing conference in the above-entitled proceeding, now assigned to be held on March 12, 1963, is hereby postponed to March 22, 1963, at 10:00 a.m., e.s.t., in Room 911 Universal Building, 1825 Connecticut Avenue NW., Washington, D.C., before the undersigned examiner.

Dated at Washington, D.C., March 7, 1963.

[SEAL] JOSEPH L. FITZMAURICE, Hearing Examiner.

[F.D. Doc 63-2614; Filed, Mar. 11, 1963; 8:49 a.m.]

FEDERAL MARITIME COMMISSION

EUROPE-PUERTO RICO/VIRGIN ISLANDS CONFERENCE

Notice of Agreement Filed for Approval

Notice is hereby given that the following described agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733; 75 Stat. 763; 46 U.S.C. 814):

Agreement 8790, between ten common carriers by water, operating regularly in the trade from European ports to ports in Puerto Rico and the Virgin Islands (St. Thomas and St. Croix) covers an arrangement whereby the parties associate themselves in a Conference to be known as Europe-Puerto Rico/Virgin Islands Conference, to carry cargo from all ports in the United Kingdom, Sweden, Denmark, Norway, Germany, Holland, Belgium and Portugal, from all ports in the Baltic Sea and from Atlantic Coast ports of France and Spain to ports in Puerto Rico and the Virgin Islands (St. Thomas and St. Croix), in order to provide cooperation among themselves and to maintain an adequate and frequent service at reasonable rates of freight.

The agreement provides conditions for admission and withdrawal of members, the scheduling of meetings, a requirement for unanimity of decisions, establishment of an exclusive patronage (dual-rate) system if members desire,

appointment of a Secretary, apportionment of expenses, establishment of membership fees, and a method for handling shippers' requests and complaints.

Interested parties may inspect this agreement and obtain copies thereof at the Bureau of Foreign Regulation, Federal Maritime Commission, Washington 25, D.C., or may inspect a copy at the offices of the District Managers of the Commission in New York, N.Y., New Orleans, La., and San Francisco, Calif., and may submit to the Secretary, Federal Maritime Commission, Washington, 25, D.C., within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with a request for hearing should such hearing be desired.

Dated: March 6, 1963.

By order of the Federal Maritime Commission.

THOMAS LISI, Secretary.

[F.R. Doc. 63-2563; Filed, Mar. 11, 1963; 8:47 a.m.]

EXPRESS FORWARDING & STORAGE CO., INC., AND VAIRON CO.

Notice of Agreement Filed for Approval

Notice is hereby given that the following agreement has been filed with the Federal Maritime Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended. Both parties were registered under our former General Order 72, have applied for licenses pursuant to section 44 of the Shipping Act, 1916, and are therefore eligible to operate as independent ocean freight forwarders.

Agreement No. 9156 between Express Forwarding & Storage Co., Inc., of New York, and Vairon Company of Houston, is a nonexclusive, cooperative working arrangement under which the parties may perform freight forwarding services for each other. Forwarding fees and ocean freight brokerage are to be divided as agreed on each transaction.

Interested persons may inspect this agreement and obtain copies thereof at the Bureau of Domestic Regulation, Federal Maritime Commission, Washington, D.C., or at the Commission's field offices at:

45 Broadway, New York 4, N.Y.

Room 333, Federal Office Building, South, 600 South Street, New Orleans 12, La.

Mail address: P.O. Box 30550, Lafayette Station, New Orleans 30, La.

180 New Montgomery Street, San Francisco, Calif.

They may submit to the Secretary, Federal Maritime Commission, Washington, D.C., within twenty days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their approval, disapproval, or modification, to-

gether with request for hearing should such hearing be desired.

Dated: March 6, 1963.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 63-2564; Filed, Mar. 11, 1963; 8:47 a.m.]

KULUKUNDIS LINES, LTD., ET AL.
Notice of Agreement Filed for Approval

Notice is hereby given that the following described agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733; 75 Stat. 763; 46 U.S.C. 814):

Agreement 9030, between Kulukundis Lines, Ltd., of Monrovia, Liberia, Jayanti Shipping Company (Private) Ltd., of New Delhi, India and Kulukundis Maritime Industries, Inc., of New York, New York, establishes a joint service in the following trades:

(A) Between the Pacific Coast ports of United States and Canada and Japan, Korea, Taiwan (Formosa), Siberia, Manchuria, China, Hong Kong, Indo-China, Thailand, and the Republic of the Philippines; and

(B) Between Hong Kong and ports in China south of and including Foochow, and Taiwan and Cambodia and Viet Nam and Thailand to Hawaii, and United States and Canadian ports on the Pacific Coast of North America; and,

(C) Between Pacific Coast ports of the United States and Canada and ports in the Colony of Singapore, Federation of Malaya, Colony of Sarawak, Colony of British North Borneo, including Labuan, and the British protected State of Brunei.

The agreement provides, that operations in these trades shall not include transportation within the purview of the Coastwise Laws of the United States, that operations will not be performed during any period when the United States Government, or any other government having jurisdiction in the premises, prohibits the conduct of common carrier service or commercial trading between the United States and any of the above-mentioned countries, that joint service shall be conducted under the trade name "Kulukundis Lines," that bills of lading and passenger tickets shall show for whose account a particular vessel is being operated, that specimens of such papers shall be filed with the Commission, that each company shall be responsible for, and share the profits and losses in connection with, only the vessels it furnishes to the joint service, that the parties may join, withdraw or resign from any lawful conference, pooling arrangement, etc., that the parties shall act as a single member in such agreements, that the parties may establish and maintain reasonable rates, charges and practices, and tariffs thereof shall be filed as required by statute, that not before the elapse of five months after the approval of the agreement by the Commission, the parties thereto may terminate their membership therein upon thirty days notice, that in event of war or government requisition service shall be suspended during such period or interruption or impossibility of performance, that the agreement shall not become effective before Commission approval of the modification of the trade description set forth in Article 2 of F.M.C. Agreement No. 8910.

Interested parties may inspect this agreement and obtain copies thereof at the Bureau of Foreign Regulation, Federal Maritime Commission, Washington 25, D.C., or may inspect a copy at the offices of the District Managers of the Commission in New York, N.Y., New Orleans, La., and San Francisco, Calif., and may submit to the Secretary, Federal Maritime Commission, Washington 25, D.C., within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with a request for hearing should such hearing be desired.

Dated: March 6, 1963.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 63-2565; Filed, Mar. 11, 1963; 8:47 a.m.]

WM. H. MULLER SHIPPING CORP.
ET AL.

Notice of Agreements Filed for Approval

Notice is hereby given that the following agreements have been filed with the Federal Maritime Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended. All parties involved were registered under our former General Order 72, have applied for licenses pursuant to section 44 of the Shipping Act, 1916, and are therefore eligible to operate as independent ocean freight forwarders.

Wm. H. Muller Shipping Corporation of New York is party to each of the fourteen agreements, whose terms are identical. The other parties are:

Guy B. Barham Co., Los Angeles, Calif.....	No. 9085
T. J. Hanson, Inc., Beaumont, Tex.....	No. 9113
John A. Merritt & Co., Pensacola, Fla.....	No. 9139
Richard Murray & Co., Mobile, Ala.....	No. 9141
Waters Shipping Co., Wilmington, N.C.....	No. 9142
Milton G. West, Baton Rouge, La.....	No. 9143
H. S. Thielen, Inc., Lake Charles, La.....	No. 9144
Geo. S. Bush & Co., Inc., Seattle, Wash.....	No. 9145
B. H. Loveless & Co., San Francisco, Calif.....	No. 9146
Judson Sheldon International Corp., New York, N.Y.....	No. 9147
Al G. Wichterich & Co., New Orleans, La.....	No. 9161
Geo. S. Bush & Co., Inc., Portland, Oreg.....	No. 9162
Stone Forwarding Co., Inc., Houston, Tex.....	No. 9164
Perryman, Mojonier Co., Los Angeles, Calif.....	No. 9165

The agreements are nonexclusive, cooperative working arrangements under which the parties may perform freight forwarder services for each other, dividing forwarding fees and ocean freight brokerage as agreed on each transaction.

Interested persons may inspect these agreements and obtain copies thereof at the Bureau of Domestic Regulation, Federal Maritime Commission, Washington, D.C., or at the Commission's field offices at:

45 Broadway,
New York 4, N.Y.

Room 333, Federal Office Building, South,
600 South Street,
New Orleans 12, La.

Mail address: P.O. Box 30550, Lafayette Station, New Orleans 30, La.

180 New Montgomery Street,
San Francisco, California.

They may submit to the Secretary, Federal Maritime Commission, Washington, D.C., within twenty days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: March 6, 1963.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 63-2566; Filed, Mar. 11, 1963; 8:47 a.m.]

NORTH PACIFIC COAST-EUROPE PASSENGER CONFERENCE

Notice of Agreement Filed for Approval

Notice is hereby given that the following described agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733; 75 Stat. 763; 46 U.S.C. 814):

Agreement 8460-1, between the member lines of the North Pacific Coast-Europe Passenger Conference modifies the rules and regulations appended to and incorporated in the basic agreement which was approved December 5, 1960, and which agreement provides for the handling of passenger traffic and sale of passenger tickets in the United States and the Dominion of Canada. The purpose of the modification of the conference's rules and regulations is (1) to provide for the transfer of passenger tickets from one member line to another; (2) to change the maximum percentage of reduction in fares available to sub-agents, sub-agent's responsible clerk, family of a sub-agent or of his clerk from 25 percent to 75 percent of the minimum rate of the class of the ship by which they travel; (3) to amend the language with respect to "Party Organizers"; and (4) to include a provision entitled "Tour Promotion" which defines and details such activities.

Interested parties may inspect this agreement and obtain copies thereof at the Bureau of Foreign Regulation, Fed-

eral Maritime Commission, Washington, D.C., or may inspect a copy at the offices of the District Managers of the Commission in New York, N.Y., New Orleans, La., and San Francisco, Calif., and may submit to the Secretary, Federal Maritime Commission, Washington 25, D.C., within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their positions as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: March 6, 1963.

By order of the Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 63-2567; Filed, Mar. 11, 1963;
8:47 a.m.]

STONE FORWARDING CO., INC., ET AL.

Notice of Agreements Filed for Approval

Notice is hereby given that the following agreements have been filed with the Federal Maritime Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended. All of the parties involved were registered under our former General Order 72, have applied for licenses pursuant to section 44 of the Shipping Act, 1916, and are therefore eligible to operate as independent ocean freight forwarders.

Stone Forwarding Company, Inc. of Galveston, Texas is party to each agreement. The other parties are:

Frontier Freight Forwarders, Inc.,
Miami, Fla. No. 8915
Alltransport, Inc., New York, N.Y. No. 9022

Both agreements are identical as to terms. They are nonexclusive, cooperative working arrangements under which the parties may perform freight forwarding services for each other. Ocean freight brokerage and forwarding fees will be divided as agreed on each transaction.

Interested persons may inspect these agreements and obtain copies thereof at the Bureau of Domestic Regulation, Federal Maritime Commission, Washington, D.C., or at the Commission's field offices at:

45 Broadway,
New York 4, N.Y.

Room 333, Federal Office Building, South,
600 South Street,
New Orleans 12, La.

Mail address: P.O. Box 30550, Lafayette Station, New Orleans 30, La.

130 New Montgomery Street,
San Francisco, Calif.

They may submit to the Secretary, Federal Maritime Commission, Washington, D.C., within twenty days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreements and their approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: March 6, 1963.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 63-2568; Filed, Mar. 11, 1963;
8:47 a.m.]

DANIEL F. YOUNG, INC., ET AL.

Notice of Agreements Filed for Approval

Notice is hereby given that the following agreements have been filed with the Federal Maritime Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended. All parties involved were registered under our former General Order 72, have applied for licenses pursuant to section 44 of the Shipping Act, 1916, and are therefore eligible to operate as independent ocean freight forwarders.

Agreement No. 9063 between Daniel F. Young, Inc., New York, and Loretz & Co., Los Angeles.

Agreement No. 9089 between P. F. Hoxter, New Orleans, and G. A. Lopez Forwarding & Shipping Co., New York.

Agreement No. 9205 between Karr, Ellis & Co., Inc., New York, and The F. H. Shallus Co., Baltimore.

Agreement No. 9265 between Adolf Blum & Popper, Inc., New York, and Marine Forwarding & Shipping Co., Inc., New Orleans.

All four agreements are nonexclusive, cooperative working arrangements under which the parties may perform freight forwarder services for each other. Agreements 9063, 9205, and 9265 provide that forwarding fees and ocean freight brokerage shall be divided as agreed on each transaction. Agreement No. 9089—the Hoxter/Lopez agreement—specifies the amount of the service fees which the party performing the service is to receive, and provides for the equal division of ocean freight brokerage.

Interested persons may inspect these agreements and obtain copies thereof at the Bureau of Domestic Regulation, Federal Maritime Commission, Washington, D.C., or at the Commission's field offices at:

45 Broadway,
New York 4, N.Y.

Room 333, Federal Office Building, South,
600 South Street,
New Orleans 12, La.

Mail address: P.O. Box 30550, Lafayette Station,
New Orleans 30, La.

180 New Montgomery Street,
San Francisco, Calif.

They may submit to the Secretary, Federal Maritime Commission, Washington, D.C., within twenty days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreements and their approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: March 6, 1963.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 63-2569; Filed, Mar. 11, 1963;
8:47 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 812-1568]

ELECTRIC BOND AND SHARE COMPANY AND UNITED GAS CORP.

Notice of Filing of Application for Order Exempting Transaction Between Affiliates

MARCH 6, 1963.

Notice is hereby given that Electric Bond and Share Company ("Bond and Share"), 2 Rector Street, New York 6, New York, a New York corporation and a registered closed-end non-diversified management investment company, and United Gas Corporation ("United"), 1525 Fairfield Avenue, Shreveport, Louisiana, a Delaware corporation, have filed a joint application under section 17(b) of the Investment Company Act of 1940 ("Act") for an order exempting from the provisions of section 17(a) of the Act the proposed sale of certain securities to Bond and Share by United. All interested persons are referred to the application, filed with the Commission for a full statement of applicants' representations which are summarized below.

Bond and Share and United each own 50 percent of each class of outstanding securities of Escambia Chemical Corporation ("Escambia"), a Delaware corporation. The proposed sales agreement provides that United will sell to Bond and Share, for \$21,000,000 in cash, United's entire interest in Escambia, consisting of the following securities of Escambia: (a) \$4,062,750 principal amount of 4 percent notes due October 1, 1966, (b) \$5,000,000 principal amount of 5½ percent Convertible Notes due December 31, 1967, and (c) 5,000 shares of Common Stock, \$1 par value. Bond and Share will also pay accrued interest at the date of delivery on the notes purchased by it and, if any of the notes should be retired prior to that date, the purchase price is to be adjusted accordingly. The principal products of Escambia and its subsidiaries are anhydrous ammonia, nitric acid, ammonium nitrate, ammonium nitrate solutions, urea and urea solutions, polyvinyl chloride and speciality resins, methanol, and methylamines. Escambia's natural gas requirements are supplied by a subsidiary of United under long-term contracts.

Bond and Share owns 2.21 percent of the outstanding shares of United and states it does not control United. Bond and Share and United do not have any common directors or officers. The application states that the proposed transaction is the culmination of negotiations over a six-month period, during which Bond and Share rejected an offer by United to purchase Bond and Share's interest in Escambia for \$19,000,000 and United rejected an offer by Bond and Share of \$20,000,000 and made a counteroffer to purchase Bond and Share's interest for \$21,000,000.

Escambia operated at a loss during its initial operating years 1956 through 1958, and earned a small profit in 1959.

For the three calendar years 1960 through 1962, it reported consolidated net income of approximately \$866,000 (after reflecting a write-down in investments of approximately \$457,000), \$1,697,000, and \$1,827,000 (likewise after reflecting a write-down in investments of \$80,000 in the latter year). By virtue of operating tax loss carryovers, it paid no Federal income taxes in 1960; in 1961 it again paid no Federal income tax, but provided \$58,500 for deferred Federal income taxes; and in 1962 it provided \$315,300 for Federal income taxes and \$930,250 for deferred Federal income taxes. For the calendar years 1963 through 1965, Escambia has projected consolidated net income of \$1,601,000, \$2,407,000, and \$2,572,000, respectively. Each of these amounts reflects a provision of \$500,000 for deferred Federal income taxes, and varying provisions for current Federal income taxes.

A valuation of Escambia was made on behalf of Bond and Share by Ebasco Services, Incorporated, a management consulting firm and wholly-owned subsidiary of Bond and Share. Ebasco estimated the near-term level of consolidated net income applicable to the common stock of Escambia at \$1,700,000 and, on the basis of a comparison of price-earnings ratios applicable to the outstanding common stocks of other chemical companies, considered it appropriate to apply a price-earnings ratio of 14 to such estimated earnings, resulting in a valuation of \$23,800,000 for all the outstanding stock of Escambia. Adding to this the principal amount of outstanding debt securities of \$18,125,000, it arrived at a valuation of Escambia of \$41,925,000 or \$20,962,500 for a one-half interest in the enterprise.

Escambia is an affiliate of Bond and Share and of United, and the latter two companies are affiliates of Escambia, as a result of their holdings of the common stock of Escambia. Section 17(a) of the Act, as here pertinent, prohibits an affiliated person of a registered investment company, or an affiliated person of such a person, from selling to, or purchasing from, such registered company or any company controlled by such company securities or property, unless the Commission upon application pursuant to section 17(b), grants an exemption from section 17(a) upon a finding that the terms of the proposed transaction, including the consideration to be paid, are reasonable and fair and do not involve overreaching on the part of any person concerned, that the proposed transaction is consistent with the policy of each registered investment company concerned, as recited in its registration statement and reports filed under the Act, and is consistent with the general purposes of the Act.

Notice is further given that any interested person may, not later than March 28, 1963, at 5:30 p.m. submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order

a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon applicants at the address set forth above. Proof of such service (by affidavit or in case of an attorney-at-law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the showing contained in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 63-2557; Filed, Mar. 11, 1963;
8:47 a.m.]

[File No. 37-63]

MIDDLE SOUTH SERVICES, INC., AND MIDDLE SOUTH UTILITIES, INC.

Notice of Filing of Application-Declaration Regarding Proposed Organization and Conduct of Business of Subsidiary Service Company and Related Transactions

MARCH 6, 1963.

Notice is hereby given that Middle South Utilities, Inc. ("Middle South"), a registered holding company, and Middle South Services, Inc. ("Service Company"), No. 2 Broadway, New York 4, N.Y., a corporation recently organized by Middle South, have filed a joint application-declaration and an amendment thereto regarding the proposed organization and conduct of business of Service Company as a subsidiary service company in the holding-company system of Middle South and related sales and acquisitions of securities and other assets. Applicants-declarants designate sections 6, 7, 9(a), 10, 12 and 13(b) of the Public Utility Holding Company Act of 1935 and Rules 40(b), 43, 44 and 88 promulgated thereunder as being applicable to the proposed transactions.

All interested persons are referred to the said amended application-declaration on file in the office of the Commission for a statement of the proposals contained therein which are summarized below.

Middle South owns all of the voting stocks of Arkansas Power & Light Company ("Arkansas"), Louisiana Power & Light Company ("Louisiana"), and Mississippi Power & Light Company ("Mississippi"), which provide electric utility service in the States of Arkansas, Louisiana, and Mississippi, respectively. Middle South also owns all of the voting stock of New Orleans Public Service Inc. ("NOPSI") which furnishes electric and natural gas utility services and transit service in the City of New Orleans,

Louisiana, and transit service in two small adjacent areas. The Middle South System had consolidated assets of approximately \$863 million as of November 30, 1962, and consolidated gross operating revenues of approximately \$240 million for the 12 months ended that date.

The services presently required by operating subsidiary companies of the Middle South System, in addition to functions performed by their personnel, are obtained from Middle South and from several nonaffiliated service companies and consultants ("outside suppliers"). The 25 officers and employees of Middle South, whose annual compensation aggregates approximately \$385,000, furnish subsidiary companies with consultation and assistance without charge principally in connection with System planning, coordination and financing. Outside suppliers furnish various services to System companies, and operating subsidiary companies were billed a total of \$628,970 for the 12 months ended November 30, 1962 for approximately 72 types of such services, exclusive of engineering services in connection with major power plant projects, and advertising, architectural, independent auditing, and legal services. The major outside supplier, Ebasco Services Incorporated, billed the subsidiary companies \$564,188 for the same period for approximately 56 types of services.

Service Company was incorporated in Delaware, and will have its principal office in New Orleans, Louisiana. The company proposes to perform services at cost solely for associate companies in the Middle South System commencing on April 1, 1963, or as soon as practicable thereafter. During the first year of its operations, Service Company will perform most of the services now being performed by personnel of Middle South and certain of the services presently being purchased from outside suppliers. Such services will include System coordination and long-range planning, management and supervisory, budgeting, financial planning and assistance, service area development and industrial promotion, insurance, accounting and statistical, tax advice and preparation of all Federal and State tax returns, regulatory matters, and engineering and area mapping services. In subsequent years, Service Company will provide additional services for associate companies as soon as practicable, and these will include rates, sales, advertising, personnel and public relations, economic and industrial research, safety, additional engineering, mortgage and indenture, electronic data processing services, and such other services as may be rendered advantageously by the company.

It is anticipated that System companies will, with the advice and assistance of Service Company, continue to purchase certain of these services from outside suppliers until Service Company has reached its proposed level of capability, at which time System companies will purchase only those services which are beyond the available time or competency of their employees and those of Service Company. In this connection, Middle South undertakes to cause Service Company to take over as many of the

services now performed by outside suppliers as is feasible, with the ultimate objective of making the System as self-sufficient and independent as possible as promptly as possible. Middle South also undertakes to assure that any future commitments for service, sales, or construction contracts by System companies, including Service Company, with outside suppliers will be entered into under competitive conditions to the maximum extent practicable. Whenever it is deemed feasible, System companies, in selecting outside suppliers, will invite proposals from two or more competing suppliers for those services as to which such procedure is appropriate.

Initially the staff of Service Company will be supplied primarily by transfers of personnel from Middle South, and Middle South will transfer to Service Company functions estimated to cost approximately \$358,000 per annum. Additional personnel will be transferred to Service Company from operating subsidiary companies, if available, or hired from outside sources as needed. At the end of its first year of operations, Service Company expects to have 4 officers and 22 employees, 16 of whom will be performing the functions now being performed by personnel of Middle South. It is also contemplated that Service Company may from time to time engage on a part-time or temporary basis, officers or employees of operating subsidiary companies who possess special qualifications for System work, and in these instances Service Company proposes to pay additional compensation to the officers or employees so selected. The salary of the President of Service Company, who will hold the same office in Middle South, will be apportioned between these two companies, and the salary to be paid to him by Service Company will be charged out to System companies, including Middle South, on the basis of time records. Service Company estimates that its operating expenses for the first year of its operations will amount to approximately \$820,000, and that of this amount \$706,000, or 86 percent, will be billed to operating subsidiary companies and the balance of \$114,000, or 14 percent, will be charged to Middle South.

After giving effect to the organization of Service Company and certain other changes, Middle South will continue to have 5 full-time officers and employees on its payroll who will perform its corporate and fiscal functions. It is estimated that Middle South's expenses during the first year of operations of Service Company will total approximately \$933,000, including the aforesaid service charges of \$114,000.

It is further proposed that Service Company in selecting its officers, and Middle South, as the sole stockholder of Service Company, in selecting the directors of Service Company, be permitted to make such selections upon the basis of availability of qualified personnel regardless of whether these result in interlocking positions between Service Company, Middle South, and/or the operating subsidiary companies.

Service Company will have authorized capital stock of 50,000 shares of \$10 par

value per share. The company proposes to issue and sell for \$20,000 cash, and Middle South proposes to acquire, 2,000 shares of such stock. Service Company also proposes to issue and sell at the principal amount thereof, and Middle South proposes to acquire for cash, \$230,000 principal amount of unsecured notes which mature in 25 years and may be prepaid by Service Company at any time without penalty. Such notes will bear the prevailing prime rate of interest with adjustments to be made within 30 days when changes in the prime rate occur. Middle South proposes to sell at not more than the depreciated value thereof (for tax purposes) of approximately \$30,300, and Service Company proposes to acquire, the furniture, equipment, and like property now used by Middle South. Service Company also proposes to acquire from nonaffiliated persons additional furniture and equipment at the cost thereof of \$36,700, and to expend \$46,100 for leasehold improvements. After giving effect to these transactions, Service Company will have initial capital of \$250,000, of which approximately \$113,000 will be invested in fixed assets and the remainder of about \$137,000 will be available for working capital.

In anticipation of its planned expansion of operations, applicants-declarants request further authorization for Service Company to issue and sell for cash at the principal amount thereof, and for Middle South to acquire, during a period of five years from the date of the Commission's order granting and permitting the said amended application-declaration to become effective, not more than \$500,000 additional principal amount of unsecured notes carrying the same terms and provisions as the notes proposed to be initially issued as aforesaid. The applicants-declarants represent that Service Company will at all times maintain its total capital at a level equivalent to approximately the sum of the company's depreciated fixed assets plus working capital sufficient for 2-months operating expenses.

Service Company proposes to execute with each associate company a form of service contract, a copy of which has been filed as a part of the amended application-declaration. This contract sets forth the categories of expenses to be included in the costs of services rendered and the methods to be employed by Service Company in allocating these costs among associate companies.

The amended application-declaration states that the operating subsidiary companies of the Middle South System are subject to the jurisdiction of the Federal Power Commission in respect of the transmission and sale at wholesale of electric energy in interstate commerce. Louisiana and Mississippi are subject to the jurisdiction of the public-utility commissions of the States in which they operate with respect to rates and other matters, and NOPSI is subject to similar regulatory jurisdiction of the City of New Orleans, Louisiana. Arkansas is subject to regulation by the Arkansas Public Service Commission, which has original jurisdiction with re-

spect to rates and other matters, and by municipalities of that State which have concurrent original jurisdiction in such matters, subject to appellate review by the Public Service Commission. Applicants-declarants represent that no consent or approval of any municipality, State or Federal commission, other than this Commission, is required in respect of the proposed transactions.

In support of their filing, the applicants-declarants represent: (1) That most of the services now performed by personnel of Middle South are of direct benefit to the operating subsidiary companies which should bear their fair and equitable share of the costs of such services; (2) that the operation of Service Company will result in increased efficiencies and savings through improved System planning and coordination of operations, elimination of duplicate functions, and more effective use of System personnel; and (3) that the performance by Service Company of services heretofore required to be purchased from outside suppliers will make the System more self-sufficient, and will result in further economies. Service Company further represents that the proposed modifications will not, in and of themselves, result in, or be the basis for, any application or filing to increase the present rates of any operating subsidiary company, although the proposed service charges to the operating subsidiary companies will be reflected in their respective costs of utility service in any future rate proceedings.

The applicants-declarants request that the application-declaration, as amended, be granted and permitted to become effective forthwith, so as to allow temporary authority for the proposed organization and conduct of business of Service Company and other proposed transactions for a period of 30 months, or such longer period as the Commission may determine, subject to further order of the Commission. Service Company agrees that, if the requested authorizations are allowed, the company will furnish the Commission during the period of temporary authority with such information as the Commission may request with respect to the organization and conduct of business of Service Company.

Notice is further given that any interested person may, not later than March 27, 1963, request in writing that a hearing be held in respect of such matters, stating the nature of his interest, the reasons for such request, and the issues of fact or law which he desires to controvert; or he may request that he be notified should the Commission order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon applicants-declarants, and proof of service (by affidavit or, in case of an attorney-at-law, by certificate) should be filed contemporaneously with the request. At any time after said date, the application-declara-

tion, as amended, or as it may be further amended, may be granted and permitted to become effective in the manner provided by Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rule as provided by Rules 20(a) and 100 thereof, or take such other action as it may deem appropriate.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 63-2558; Filed, Mar. 11, 1963;
8:47 a.m.]

FEDERAL POWER COMMISSION

[Docket No. CP63-232]

CARNEGIE NATURAL GAS CO.

Notice of Application and Date of Hearing

MARCH 5, 1963.

Take notice that on February 15, 1963, Carnegie Natural Gas Company (Applicant), 3904 Main Street, Munhall, Pennsylvania, filed in Docket No. CP63-232 an application pursuant to section 7(b) of the Natural Gas Act for permission and approval of the Commission to abandon the sale and delivery of natural gas to Hope Natural Gas Company (Hope) in Union District, Ritchie County, West Virginia, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The application states that deliveries by Carnegie to Hope have declined to a point where service is no longer economical. No gas has been sold to Hope at this location since December 1962. The termination of service at this point will require the abandonment of any facilities by Applicant.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on April 29, 1963 at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests on petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before

April 11, 1963. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-2577; Filed, Mar. 11, 1963;
8:48 a.m.]

[Docket No. CP63-216]

CITIES SERVICE GAS CO.

Notice of Application and Date of Hearing

MARCH 5, 1963.

Take notice that on January 31, 1963, Cities Service Gas Company, with its principal place of business in the First National Building, Oklahoma City 1, Oklahoma, filed in Docket No. CP63-216, an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of metering and regulation equipment on an existing transmission pipeline, and the sale of natural gas for resale, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to tap its existing Kansas-Hugoton 26-inch main gas pipeline and construct and install a meter setting with appurtenant regulator equipment in the Northwest corner of section 33, Township 21 South, Range 1 East, Marion County, Kansas, and sell gas to The Gas Service Company for resale in and about the City of Goessel, Kansas. Since the estimated total annual demands of the inhabitants of the City of Goessel are relatively small, the effect of these demands on Applicant's existing gas supplies will be negligible.

Applicant estimates that the proposed facilities will cost \$3,520 to be financed out of the company treasury.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on April 18, 1963, at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Com-

mission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before April 2, 1963. Failure of any party to appear at and participate in the hearing shall be construed as waiver of concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-2598; Filed, Mar. 11, 1963;
8:48 a.m.]

[Docket No. CP62-233]

EL PASO NATURAL GAS CO.

Notice of Application To Amend

MARCH 5, 1963.

Take notice that on February 1, 1963, El Paso Natural Gas Company (Applicant), P.O. Box 1492, El Paso, Texas, filed in Docket No. CP62-233 an application to amend the Commission's order, issued August 28, 1962, in Docket No. CP62-233 to authorize certain changes in the facilities authorized by said order,¹ all as more fully set forth in the application on file with the Commission and open to public inspection.

The order of August 28, 1962, issued a certificate of public convenience and necessity authorizing Applicant to sell and deliver natural gas to Nevada Northern Gas Company (Nevada Northern) and to construct and operate, among other things, 98.3 miles of 16-inch o.d. x 0.219-inch w.t. pipeline, a check meter station at the upstream terminus of said pipeline and a sales measuring and regulating station at the downstream terminus of said pipeline.

Applicant states that actual construction mileage for the proposed pipeline was 96.73 miles rather than 98.3 miles as estimated, and that 0.229-inch w.t. pipe was installed in lieu of 0.219-inch w.t. pipe, at no additional cost to Applicant. Applicant states further that it does not now propose to construct the check meter station, but that Nevada Northern will construct check metering facilities on its transmission facilities, 100 miles downstream of the terminus of Applicant's pipeline. Additionally, in order to provide necessary accessibility and because of rough terrain, the location of the authorized sales measuring and regulating station has been changed from the downstream terminus of Applicant's pipeline to the upstream terminus of said line.

Accordingly, Applicant requests that the subject order be amended to reflect the foregoing changes.

Protests, petitions to intervene or requests for hearing in this proceeding may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure

¹ Applicant also requested an extension of time to Apr. 15, 1963, within which to construct and to place in actual operation the facilities authorized by said order. By notice of Feb. 27, 1963, the requested extension was granted.

(18 CFR 1.8 or 1.10) on or before March 29, 1963.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-2579; Filed, Mar. 11, 1963;
8:48 a.m.]

[Docket No. CI60-330 etc.]

GRARIDGE CORP. ET AL.

Notice of Applications and Date of Hearing

MARCH 5, 1963.

Graridge Corporation (a Delaware corporation), Docket No. CI60-330, Docket No. CI60-331, Docket No. CI61-1106, Docket No. CI61-1107, Docket No. CI61-1108, Docket No. CI61-1109, Docket No. CI61-1110, Docket No. CI61-1586, Docket No. CI61-1700; Graridge Corporation (a Texas corporation) [Successor to Graridge Corporation (a Delaware corporation)], Docket No. CI62-489, Docket No. CI62-490, Docket No. CI62-491.

Take notice that the above Applicants have filed applications pursuant to section 7(c) of the Natural Gas Act for Certificates of public convenience and necessity authorizing the continuation of sales of natural gas in interstate commerce previously authorized to a predecessor in interest. These sales, as represented in the respective applications, amendments, and supplements thereto, on file with the Commission and open to public inspection, are proposed to be continued by the assignee Applicants in accordance with the terms of the original basic contracts, amendments, and supplements thereto, which have been accepted for filing and are subject to appropriate redesignation.

Graridge Corporation, a Delaware corporation hereinafter referred to as "Graridge Delaware," on October 2, 1961, was merged into The Ibex Company, Inc., a Texas corporation, and the name of The Ibex Company, Inc., was changed to Graridge Corporation, hereinafter referred to as "Graridge Texas."

Graridge Delaware proposed in Docket Nos. CI60-330, CI60-331, CI61-1106 through CI61-1110, CI61-1586, and CI61-1700 to continue the services previously rendered by certain other parties pursuant to appropriate certificate authorizations, all as more fully set forth in Appendix I hereto. On October 30, 1961, Graridge Texas filed amendments to the applications in the subject dockets which amendments requested that Graridge Texas be substituted as Applicant in lieu of Graridge Delaware.

Graridge Texas proposes in Docket Nos. CI62-489, CI62-490, and CI62-491 to continue the services previously rendered by Graridge Delaware pursuant to appropriate certificate authorizations, in Docket Nos. G-19245, CI61-519, and CI60-290, respectively.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the

Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on April 11, 1963, at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before April 1, 1963. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made: *Provided, further*, that if a protest, petition to intervene, or notice of intervention be timely filed in any of the above dockets, the above hearing date as to that docket will be vacated and a new date for hearing will be fixed as provided in § 1.20(m) (2) of the rules of practice and procedure.

JOSEPH H. GUTRIDE,
Secretary.

APPENDIX I

Docket No. of Succession Application; Predecessor in Interest; Docket No. of Predecessor's Certificate Authorization

CI60-330; Judarth Corp. (successor in interest to Tex-Penn Oil & Gas Corp.);¹ G-15164, G-2741.
CI60-331; Judarth Corp. (successor in interest to Tex-Penn Oil & Gas Corp.); G-15165.
CI61-1106; Honaker-Davis Drilling Co. (Operator); G-10965.
CI61-1107; Honaker-Davis Drilling Co. (Operator); G-11738.
CI61-1108; Honaker-Davis Drilling Co. (Operator); G-12395.
CI61-1109; Honaker-Davis Drilling Co. (Operator); G-12450.
CI61-1110; Honaker-Davis Drilling Co. (Operator); G-13342.
CI61-1586; Carnes W. Weaver; G-2678, G-11209, G-11748.
CI61-1700; Estate of J. P. Petkes (Operator) et al.; CI60-635.

[F.R. Doc. 63-2580; Filed, Mar. 11, 1963;
8:48 a.m.]

[Docket No. CP63-57]

VILLAGE OF DUPO, ILLINOIS

Notice of Application

MARCH 5, 1963.

Take notice that on September 7, 1962, the Village of Dupo, Illinois (Applicant)

¹The application in Docket No. CI60-330 is a request for authorization to continue service previously rendered by Judarth Corp. under temporary authorization issued in Docket No. G-15164. Judarth Corp. succeeded to the interest of Tex-Penn Oil & Gas Corp. Tex-Penn was authorized to sell the subject gas in Docket No. G-2741.

filed in Docket No. CP63-57 an application pursuant to section 7(a) of the Natural Gas Act for an order directing Mississippi River Fuel Corporation (Mississippi) to increase Applicant's stated demand from the present 675 Mcf of natural gas per day to 775 Mcf per day, all as more fully set forth in the application on file with the Commission and open to public inspection.

Applicant states that the additional gas is necessary to enable it to render unsatisfied requests for natural gas service and to enable it to meet its estimated future requirements.

The proposed increase of 100 Mcf in stated demand was reserved for Applicant by Commission Opinion No. 355 and order, issued April 18, 1962, in Docket Nos. G-17567, et al. Said opinion and order provided that such increased contract demand shall become effective upon approval of a 7(a) application filed by Applicant within six months of the effective date of said opinion and order.

Protests, petitions to intervene or requests for hearing may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 29, 1963.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 63-2581; Filed, Mar. 11, 1963;
8:49 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

MARCH 7, 1963.

Protests to the granting of an application must be prepared in accordance with Rule 1.40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 38198: *Salt from and to points in southwestern territory.* Filed by Southwestern Freight Bureau, Agent (No. B-8360), for interested rail carriers. Rates on salt, as described in the application, in carloads, from, to, and between points in southwestern territory.

Grounds for relief: Market competition.

Tariffs: Supplements 10 and 11 to Southwestern Freight Bureau tariffs I.C.C. 4504 and 4506, respectively.

FSA No. 38199: *Cement and related articles from Bauxite, Ark.* Filed by Southwestern Freight Bureau, Agent (No. B-8359), for interested rail carriers. Rates on cement and related articles, as described in the application, in carloads, from Bauxite, Ark., to points in southern territory, also Mississippi River crossings, Memphis, Tenn., and south thereof.

Grounds for relief: Market competition.

Tariff: Supplement 19 to Southwestern Freight Bureau tariff I.C.C. 4360.

FSA No. 38200: *Petroleum products from southwestern territory.* Filed by Southwestern Freight Bureau, Agent (No. B-8361), for interested rail carriers. Rates on petroleum products, as described in the application, in carloads, from points in southwestern territory, also Kansas, and Missouri and Baton Rouge, Reserve and New Orleans, La., to Durango, Colo., and Farmington, N. Mex. Grounds for relief: Market competition.

Tariff: Supplement 195 to Southwestern Freight Bureau tariff I.C.C. 4066.

FSA No. 38201: *Chemicals from Brownsville, Tex., to Chicago, Ill.* Filed by Southwestern Freight Bureau, Agent (No. B-8357), for interested rail carriers. Rates on methyl ethyl ketone and lacquer solvents, in tank-car loads, from Brownsville, Tex., to Chicago, Ill. (Applicable only for deliveries on railroad tracks serving the Lake River Terminals at Crawford, Ill., or Union Carbide Chemicals Co., at Whiting, Ind.) Grounds for relief: Market competition.

Tariff: Supplement 142 to Southwestern Freight Bureau tariff I.C.C. 4370.

FSA No. 38202: *Soda Ash from Solvay and Syracuse, N.Y., to Grasselli, N.J.* Filed by Traffic Executive Association-Eastern Railroads, Agent (E.R. No. 2658), for interested rail carriers. Rates on soda ash, in bulk, in carloads, from Solvay and Syracuse, N.Y., to Grasselli, N.J.

Grounds for relief: Barge competition. Tariff: Supplement 29 to Erie-Lackawanna Railroad Company tariff I.C.C. 24660 (DL&W series).

By the Commission.

[SEAL] HAROLD D. McCoy,
Secretary.

[F.R. Doc. 63-2570; Filed, Mar. 11, 1963; 8:47 a.m.]

[Drouth Order 60; Amdt. 22]

MINNESOTA, MISSISSIPPI, NEVADA AND UTAH

Authorization of Railroads To Transport Livestock Feed and Hay at Reduced Rates

In the matter of relief under section 22 of the Interstate Commerce Act. Present: Donald P. McPherson, vice chairman, to whom the above-entitled matter has been assigned for action thereon.

It appearing that due to the drouth conditions existing in the States of Pennsylvania, New Jersey, and New York, the Commission issued its Drouth Order No. 60 under section 22 of the Interstate Commerce Act authorizing the railroads subject to the Commission's jurisdiction to transport livestock feed and hay to the drouth area at reduced rates:

And it further appearing, That the United States Department of Agriculture has requested the Commission to enter an order authorizing the same authority to nine additional counties located in the States of Minnesota, Mississippi, Nevada and Utah.

It is ordered, That Drouth Order No. 60, as amended, be, and it is hereby, further amended to provide that the authority therein granted to establish reduced rates on the commodities named therein shall also apply, subject to the same terms and conditions, to establish and maintain reduced rates on live-stock feed and hay to destinations in the counties named below viz.:

MINNESOTA

1 county viz.: Norman

MISSISSIPPI

3 counties viz.: Amite, Pike, Lauderdale.

NEVADA

1 county viz.: White Pine

UTAH

4 counties viz.: Beaver, Piute, Garfield, Wayne.

It is further ordered, That in all other respects Drouth Order No. 60, as amended, shall remain in full force and effect.

And it is further ordered, That notice to the affected railroads and the general public shall be given by depositing a copy of this order in the Office of the Secretary of the Commission and by filing a copy with the Director, Office of the Federal Register; and that copies be mailed to the Chairman of the Traffic Executive Association-Eastern Railroads, New York, New York, the Chairman of the Southern Freight Association, Atlanta, Georgia, the Chairman of the Executive Committee, Western Traffic Association, Chicago, Illinois, the Traffic Vice-President of the Association of American Railroads, Washington, D.C., and to the President of the American Short Line Railroad Association, Washington, D.C.

Dated at Washington, D.C., this 5th day of March A.D. 1963.

By the Commission, Vice Chairman McPherson.

[SEAL] HAROLD D. McCoy,
Secretary.

[F.R. Doc. 63-2571; Filed, Mar. 11, 1963; 8:47 a.m.]

[Notice No. 767]

MOTOR CARRIER TRANSPORT PROCEEDINGS

MARCH 7, 1963.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its dis-

position. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 65140. By order of February 28, 1963, the Transfer Board approved the transfer to Jem Transport, Inc., Aberdeen, Wash., of a portion of the operating rights in Certificates Nos. MC 59534 and MC 59534 Sub-1 issued March 21, 1941, and October 5, 1949, respectively, to A. A. Star Transfer Co., a corporation, Aberdeen, Wash., authorizing the transportation of: Building materials, and heavy machinery, between Aberdeen, Wash., and points in Grays Harbor County, Wash., within 20 miles of Aberdeen, on the one hand, and, on the other, points in Oregon; and Commodities, the transportation of which, because of their size or weight, requires the use of special equipment, and related contractors' materials and supplies when their transportation is incidental to the transportation by said carrier of commodities which by reason of size or weight require special equipment, between Aberdeen, Wash., on the one hand, and, on the other, points in Grays Harbor and Pacific Counties, Wash. George R. LaBissioniere, 333 Central Building, Seattle 4, Washington, attorney for applicants.

No. MC-FC 65593. By order of March 1, 1963, the Transfer Board approved the transfer to Otto Kuehn Moving & Storage Company, a corporation, 1920 Home Avenue, Dayton, Ohio, of Certificate No. MC 15395, issued November 17, 1942, to Otto Kuehn, 1920 Home Avenue, Dayton, Ohio, authorizing the transportation of: Household goods, between Dayton, Ohio, and points within 25 miles thereof on the one hand, and, on the other points in Connecticut, Georgia, Iowa, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Tennessee, Virginia, West Virginia, Wisconsin, and the District of Columbia.

No. MC-FC 65599. By order of March 1, 1963, the Transfer Board approved the transfer to Gertrude Todd, doing business as Todd's Express, 22d and New Jersey Avenue, North Wildwood, N.J., of Certificate No. MC 1647, issued May 19, 1949, to Manford R. Todd, doing business as Todd's Express, 22d and New Jersey Avenue, North Wildwood, N.J., authorizing the transportation of: Household goods, between points in Cape May County, N.J., on the one hand, and, on the other points in Massachusetts, Rhode Island, Connecticut, Georgia, North Carolina, South Carolina, Ohio, West Virginia, Delaware, Florida, Maryland, Pennsylvania, New York, Virginia, those in New Jersey in the New York, N.Y., commercial zone and those in the District of Columbia.

No. MC-FC 65661. By order of March 1, 1963, the Transfer Board approved the transfer to Frank A. MacKenzie, doing business as MacKenzie Transportation Co., Boylston, Mass., of the operating rights in Certificate No. MC 35387, issued October 13, 1950, to Arthur F. Anderson, Albert W. Anderson, and Carl W. Anderson, a partnership, doing business as Anderson's Express, Natick, Mass., au-

thorizing the transportation, over a regular route, of general commodities, excluding household goods, commodities in bulk, and other specified commodities, between Boston, Mass., and Framingham, Mass. Joseph A. Kline, 185 Devonshire Street, Boston 10, Mass., attorney for applicants.

No. MC-FC 65664. By order of March 1, 1963, the Transfer Board approved the transfer to K. L. Paullus, doing business as Paullus Truck Line, 1009 Fourth Street NE., Hampton, Iowa, of Certificate No. MC 107356, issued May 15, 1947, to G. H. Paullus and K. L. Paullus, a partnership, doing business as Paullus

Truck Line, 1003 Fourth Street NE., Hampton, Iowa, authorizing the transportation of: Livestock, from Hampton, Iowa, and points within 20 miles of Hampton, to Albert Lea and Austin, Minn.; animal feeds, from Mankato, Minn., to Hampton, Iowa and points within 20 miles of Hampton; and packinghouse tankage, bone meal, and meat scraps, from Albert Lea and Austin, Minn., to Hampton, Iowa, and points within 20 miles of Hampton.

No. MC-FC 65687. By order of March 1, 1963, the Transfer Board approved the transfer to M-E Trucking Co., a corporation, Union City, N.J., of Permit No.

MC 123243 issued June 28, 1961, to Lee L. Staton, 253 Hamburg Turnpike, Riverdale, N.J., authorizing the transportation of bakery cakes, over irregular routes, from Hoboken, N.J., to Wilkes Barre and Philadelphia, Pa., under contract with Continental Baking Company, Rye, N.Y. Sidney Reitman, 24 Commerce Street, Newark 2, N.J., attorney for applicants.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 63-2572; Filed, Mar. 11, 1963; 8:47 a.m.]

CUMULATIVE CODIFICATION GUIDE—MARCH

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 March.

3 CFR	Page	7 CFR—Continued	Page	14 CFR—Continued	Page
PROCLAMATIONS:					
3523	2263	1104	1983	PROPOSED RULES—Continued	
3524	2325	1108	1984, 2162	61 [New]	2285
EXECUTIVE ORDERS:					
3797A	2280	1127	1983	71 [New]	2051,
4387	2280	1130	1985	2052, 2147, 2238, 2239, 2286,	2311
8102	2310	1132	1984	73 [New]	2052
8343	2310	1421	2228, 2305-2307	75 [New]	2052, 2240, 2287
10501	2225	PROPOSED RULES:			
10901	2225	29	2188	222	2311
10985	2225	42	2034	294	2311
11096	2021	717	2284	514	2148
11097	2225	728	2143	16 CFR	
5 CFR					
6	1993, 2023, 2088, 2227, 2303	984	2283	13	1995,
30	2023, 2265	1004	2009	2029, 2093, 2231, 2232, 2308,	2355
6 CFR					
309	2085	1010	2009	18 CFR	
322	2085	1048	2358	1	2233
372	2085	1108	2047	4	2270
374	2085	8 CFR			
7 CFR					
7	1979	103	2268	131	2270
401	2089, 2161	9 CFR			
404	2353	74	2228, 2268	141	2029
719	2227	PROPOSED RULES:			
728	2265	74	2238	19 CFR	
730	2303	10 CFR			
811	1981	1	2229	6	2030
817	1982	PROPOSED RULES:			
842	2266, 2267	40	2111	422	2030
849	2090	70	2111	604	2270
851	2090	71	2134	20 CFR	
907	2023, 2162, 2304	72	2142	601	2163
908	2024, 2304, 2353	12 CFR			
910	2024, 2091, 2305, 2354	219	2026	670	2031
912	2025, 2305	14 CFR			
1005	2025	41	2000	720	2032
1030	1984, 2026	45	2000	21 CFR	
1032	1984	60	2354	120	2163
1046	1983	61 [New]	2003	121	1993, 1994
1049	1984	71 [New]	2004,	146a	2163
1062	1984	2027, 2091, 2165, 2166, 2229-2231,	2004,	22 CFR	
1063	1983	2269, 2308, 2354.	2004,	41	2309
1066	1984	73 [New]	2091, 2231, 2354, 2355	42	2309
1066	1984	75 [New]	2027, 2028	29 CFR	
1070	1983	507	2028, 2166	601	2030
1073	2354	609	2167, 2178	670	2031
1075	1984	610	2184	720	2032
1076	1984	PROPOSED RULES:			
1079	1984	18	2049	32 CFR	
1090	1984	40	2049	1	2093
1099	1984	41	2049	2	2093
1101	1984	42	2049	3	2097
		46	2049	4	2097
		60	2009	5	2097
				7	2108
				8	2108
				12	2233
				120	2108
				765	2270
				1001	2272
				1002	2272
				1003	2273
				1004	2276
				1007	2276
				1012	2276

32 CFR—Continued	Page
1013	2276
1016	2277
1053	2277
1054	2277
1055	2278
1606	2278
32A CFR	
OEP (Ch. I):	
DMO I-20	2032
I-22	2032
I-24	2032
EPO 11-14	2032
33 CFR	
PROPOSED RULES:	
401	2053
36 CFR	
PROPOSED RULES:	
7	2143
38 CFR	
3	2234
5	2234
39 CFR	
13	1995
16	1996
33	1999
41	1999

39 CFR—Continued	Page
46	1999
141	2355
142	2355
168	2108, 2278
41 CFR	
5-12	2303
Ch. VIII	2327
9-7	2350
9-12	2351
42 CFR	
51	2109
73	2109
PROPOSED RULES:	
71	2360
73	2284
43 CFR	
PROPOSED RULES:	
161	2142
192	2283
PUBLIC LAND ORDERS:	
548	2279
2676	2310
2759	2164
2952	2164
2953	2164
2954	2164
2955	2164
2956	2279

43 CFR—Continued	Page
PUBLIC LAND ORDERS—Continued	
2957	2279
2958	2280
2959	2280
2960	2280
2961	2281
2962	2310
45 CFR	
202	2187
310	2356
46 CFR	
310	2005
402	2033
PROPOSED RULES:	
Ch. IV	2287
47 CFR	
3	2281
PROPOSED RULES:	
9	2240
11	2311
49 CFR	
170	2236
195	2236
50 CFR	
32	2357
33	2237, 2309, 2357

